

## POSSIBILITIES OF USING THE PROCESS MANAGEMENT IN PUBLIC ORGANISATIONS FOR IMPROVING GOOD GOVERNANCE

### MOŻLIWOŚCI WYKORZYSTANIA ZARZĄDZANIA PROCESAMI W ORGANIZACJACH PUBLICZNYCH DLA POPRAWY DOBREGO ZARZĄDZANIA

#### ABSTRACT

Nowadays the requirements for good governance under the pressure of global development crisis become not only legitimate but even necessary. *Good Governance* concept is relatively known in theoretical area, first of all in area of good governance principles. Principles such as efficiency, transparency, efficiency and responsibilities etc. are the basis of the concept of *Good Governance*. The second important aspect of the concept is the procedural feature because the processes running (including decision making) create a basic area for the application of the principles. The primary research question is how *Good Governance* concept could be implemented in to the practice for support modern democratic public administration. The procedural aspect of the concept requires a direct connection with the new trends in public management, which are influenced by *New Public management*. *New Public management* is trying to revitalize the processes of public organizations with inspirations of well-established managerial methods from private sector (including process management and others). *Good governance* concept and *New Public Management* have been inspiration for administrative reforms in many countries. The paper deals with the possibility of using the process management in intraorganizational area in public organizations for better governance in wider perspective. It's focusing on analysis of benefits of process management in the context of keeping the selected good governance principles. Part of the paper is to analyse some of critical factors determining the implementation of process management in the public sector in Slovakia.

**KEYWORDS:** *process management, public administration, New Public Management, Good Governance*

## INTRODUCTION

The development of the theoretical concept of “*Good Governance*” can be seen as a natural response to the many shortcomings related to public administration performance. It can be observe that this concept is becoming popular for solve global problems of the modern world at different levels and in different context.

The term of *Good Governance* was officially mentioned in 1989, namely by the World Bank in Sub-Saharan Africa: From Crisis to Sustainable Growth which dealt with the development and possible solutions to existing problems in sub-Saharan Africa (World Bank, 1989). It is a concept that can be considered successful and internationally recognized despite the fact that it was subjected to extensive revision. It also became the impetus for the emergence of the Good Governance concept. This approach has been gradually incorporated into the relevant development documents of almost all international or supranational groupings (World Bank, European Union, the Organization for Economic Cooperation and Development, the International Monetary Fund, United Nations etc. and it was discussed in several publications (Bota-Avram, 2014 Doornbos, 2007 Kjer, 2004 Klimovský 2010, Šteiner, et.al, 2009 Van Doeveren, 2011, Klijn, 2014). Gradually the term „governance“ is being implemented in connection with many other concepts and subconcepts like a . *global governance, economic governance, local governance, urban governance, corporate governance, participative governance, sector governance, network governance, multi-level governance* a pod. (Klimovský, 2010. Governance is used in business management, in global developing studies as well as in political and governmental processes at the all level of government. Good Governance is based on a participatory, transparent and accountable approach. It is also effective and fair, it promotes the rule of law, ensures that political, social and economic priorities are based on broad consensus in society.

In the the World Bank’s document the good governance was defined as *the manner in which power is exercised in the management of country’s economic and social resources for development*. Good governance is when the public service

is efficient, a judicial system is reliable, and an administration is accountable to its public. Content of good governance principles is also reflected in the Code of good governance, which is part of the Recommendation CM / Rec (2007) 7 of the Committee of Ministers on good governance.

The impact or results of governance can be looked for in three areas: process, content and legitimacy. With regard to the first two issues, we saw that governance networks can indeed contribute to the quality of the process and the content of public decision making. (Klijjn, E.H, Buuren, A.V, and Edelenbos, J. 2014). It is necessary to highlight that the procedural aspects are the most important. The procedural essence in addition to the political aspects of government is closely associated with the theory of public management. That is why the concept is not concerning on the explicit and concrete final outputs – it focuses more for designing the proper processes that result in and ensure the sufficient (preferable “good”) outcomes. (Vymětal, 2008). New economic and political challenges of Europe in the globalizing world need new legal and institutional solutions. (Sitek, 2015) Several multinationals, international groupings and organizations concur in choosing principles of Good Governance (Van Doeveren, 2011, Weiss, 2000). The principles that are crystallizing similarly in the official documents of the EU, OECD, UN and World Bank might include *accountability, efficiency and effectiveness, openness and transparency, participation*. Additional principles may include the existence of rule of law, human rights, anti-corruption instruments, standards for quality control and so on. Achieving these principles depends on many external and internal factors affecting the system and the quality of public administration and one of the most important determinants is a management approach.

## **LINKING A PROCEDURAL SUBSTANCE OF GOOD GOVERNANCE AND NEW PUBLIC MANAGEMENT**

“Concept of Good Governance was preceded by various attempts to streamline public administration in particular through its higher economization (public management and new public management, comprehensive quality management, a new concept of public service, etc.)”, states Barzelay (2001). In the last decade, the concept Good governance has been also closely associated with the reform of the public sector (Barzelay,

2001, Agere, 2000). It can be said something similar about the New Public Management. New Public Management has been significant innovative impulse for the formation of a modern public administration. It became the starting point of systemic administrative reforms. NPM core consists of promoting changes in mentality of public managers towards thinking in the context of a market economy and also in implementing appropriate tools from the private sector to achieve greater efficiency in public organizations. (Dunleavy, P- Hood, CH. 1994, Larbi, 1999, Pollit – Bouckaert, 2004, Rosta, 2011) Klijn, E.H. (2014) in comparing both concepts states some differences. The governance concept favors changes and adaptation in the relations between governments and other actors (interorganizational focus) and New Public Management prefer intraorganizational focus, when organizational and institutional changes are realized within the public sector. Other differences can be identify in the aera of objective and tools. NPM is oriented on effectiveness and efficiency of public services delivery, while governance is focus on improving interorganizational coordination with using network management, activating actors, process rules for delivering new solutions for complex problems by improving coordination between the varios actors.

In the last decade the both paradigms – Good governance and New Public Management incorporate ideas from the other perspectives, and both in practice and in the academic literature ideas from both models are combined. (Klijn, 2014) A further common feature is orientation on processes. Good governance has a procedural aspect and process management as a management approach is part of implementation tools of New Public Management. Well organized and managed processes lead to good public services, contributes to increased efficiency, which (the goals of both concepts).

## **FROM BUSSINESS PROCESS MANAGEMENT (BPM) TO GOVERNMENT PROCESS MANAGEMENT (GPM)**

The beginnings of process management issues are associated with corporate level. In conformity with the philosophy of NPM it is gradually implemented in to public organisations. Process management is a concept based on the customer-oriented organization. Its objective is to identify – based on the analysis of the existing environment – key value-forming

processes in organizations and subsequently to eliminate “unnecessary” processes, i.e. those that do not create value. The organization closely monitors all the attributes of its processes, as each previously hidden detail can represent a competitive advantage. The process management can be defined as *an approach that includes the systematic identification, visualization, measurement, assessment and continuous improvement of processes using methods and principles based on the process approach so as to achieve a higher level of performance in key organizational processes and to identify opportunities for increasing the efficiency and customer satisfaction.* (Evans, Lindsay, 2005, Hunziker, 1999, Závadský, 2004, Brecht, 2002, Grasseová et al.2008, Železník, 2012, Bujak, 2015)

One form of effective management of business processes is the *Business process management (BPM)*. Business process management helps organizations to continuously improve their processes and monitor technological progress, which is a prerequisite for the development of effective processes. The beginnings of process management issues are associated with corporate level. One form of effective management of business processes is the *Business process management (BPM)*. Business process management helps organizations to continuously improve their processes and monitor technological progress, which is a prerequisite for the development of effective processes.

A significant milestone in the development of approaches to streamline business processes was 1990 when a new concept of BPM follows the “workflow era” (sequence of steps). More broadly it is a method of management, which uses various technologies and techniques to assess existing processes and the possibility of change. It is a synergistic effect produced by the combination of technology and the human factor that allows redefinition of the existing processes. The elements of this concept may be encountered for example in workflow management (WFM), enterprise resource planning (ERP) or customer relationship management (CRM). Antunes a Mourão (2011) define BPM as a set of technologies able to translate business process models into computer-aided activities and eliminate routine management and control tasks from organizational agents. Integrating technological advances in business processes is implemented through business process re-engineering (BPR) and business process innovation (BPI).

*Business Process Re-engineering (BPR)* is an approach based on radical change. The positive change, i.e. the improvement, occurs through the introduction of “clean sheet” process. It means giving up an existing process and thus its fresh start. Such an approach is also referred to as a radical improvement of processes. The first work to be devoted to the issue of re-engineering was written by Michael Hammer. Michael Hammer is considered the father of re-engineering, who published an article entitled “Re-engineering work: don’t automate, obliterate” in Harvard Business Review in 1990. First efforts to define BPR can be found in the work by Davenport and Short (1990). The authors focused on business processes, information technology, strategy and organizational structure, while using analysis and monitoring of design processes, they were searching for opportunities to improve them. The theoretical definition of the basis of business process re-engineering is provided in the work of Hammer, Champy (1993). Another author tackling the possibilities for improvement was Ryan (1994), who similarly to the previous authors, supported fundamental changes in the ongoing processes. The subject of his investigation, however, included business market, customers, products, services, suppliers and competitors. Re-engineering approach gradually builds significance in several areas of life. While Teng et al. (1994) regard it as a necessity in the change of the existing old business processes to reduce costs and increase competitiveness, Zairi (1997) sees its use in the production, marketing, and communications. Application of re-engineering in the company can be found in the work of Manganello and Klein (1994). The authors devote their attention to value-creating strategic business processes as well as systems, policies and organizational structure of the company. According to them, it is possible to optimize the internal flow (workflow) and ensure the increase in business productivity by rapid and radical change in the design process. Another author who sees the significance in the reorganization of business processes is Carr (1995). The author states that the process which shall bring radical change in organization in the spirit of improving the performance of business processes will be a critical competitive advantage for the organization.

Another approach integrating technological advances in business processes is Business Process Improvement (Innovation) (*BPI*). This approach

is based on the continuous improvement of processes through the project team. It includes improvement of the existing process and is characterised by continuous identification and implementation of small improvements to existing processes, which are part of the daily management activities. It relies on the principles of quality management TQM (Total Quality Management), which is based on the Japanese Kaizen philosophy. It is about promoting continuous improvement, while pursuing customer satisfaction. It does not require change in organizational structure and the results of new improvement measures are mild and gradual changes. Damanpour (1991) distinguishes between two types of innovation: technological innovation, related to the implementation of new processes, products and services; and administrative related to the introduction of new procedures, policies, and organizational forms. Systematic approach in exploring business processes and monitoring their improvement, control and management is typical for Elziga et al. (1995). They observed improvement of the quality of products and services through process analysis. Additional approaches pursuing quality of processes include e.g. project-based problem solving approach, based on reducing the number of defects per million opportunities and maintaining them at a low value, known as Six Sigma. Improvement of processes in an organization through process standardization, elimination of waste and promotion of “flow” systems development are the features of Lean approach, which is often referred to as the Lean Production System (Toyota Production System). In addition, the process management is a necessary foundation for the digitization of processes.

It is obvious that Business Process Re-engineering and Business Process Improvement are complementary approaches of process improvement. While the first approach advocates a fundamental review and radical change of ongoing processes, the second is focused on continuous improvement of existing processes with respect to the constraints of a particular organization. However, in terms of level of performance, they are quite different. In case of successful implementation a higher performance is characterized by BPR, despite its complexity and higher levels of risk. BPM effectiveness increases in proportion with the automation of the use of relevant knowledge, skills and methods.

In terms of implementation methodology, process management is also a unifying element of the majority of modern management methods today. Although their inclusion is not always clear, a group of methods based on process approach mainly includes continuous process improvement approaches – e.g. PDCA Deming cycle etc., process benchmarking, the concept of quality management (ISO standards, Total Quality Management (TQM), European Foundation for Quality Management (EFQM), Common Assessment Framework (CAF), and we can also consider outsourcing, controlling, Balanced Scorecard (BSC), Customer Relationship Management (CRM) and others (Půček et al., 2004).

Growth of competing requirements and constantly growing demands from customers, as well as growth in the number of entities with the same range of products meant that the concept of process management is an extremely frequent issue. Currently, we encounter many initiatives regarding its implementation not only in private but also public sector. Šmída (2007) states that an organization can be transformed into an organization managed by processes, regardless of the industry, without compromising its competitiveness. He responds to objections by Michael Porter, who warns of unification, when e.g. introduction of ISO standards in all businesses would cease to be a competitive advantage, but rather a necessary condition for survival. In comparison, public organizations represent a completely different area, particularly because in their case a certain standard of guarantee in terms of quality, cost and quality is required in the production of public goods and the provision of public services.

In addition, if the standards are set at a certain level, it can lead to further innovation for activity improvement. One of the components of the strategic approach of process improvement is a process model. Looking at its application in public sector organizations, we can observe the use of Business Process Architecture (BPA) model in some local authorities. The model was developed in 2006 in England as part of a project sponsored by ODPM (Office of the Deputy Prime Minister). It describes a set of standard processes to be adopted in organizations of local authorities. It provides a common language for different bodies in their performance and in ensuring their processes. Among the first who applied the BPA model in ensuring services were police



services. In 1998, ACPO (Association of Chief Police Officers) defined a framework for the ongoing police processes and their classification in order to facilitate the identification of priority areas and improve their clarity. As the process management leads to automation of production processes and the provision of digital services in the corporate sector, in the field of public administration it is a logically essential part in the construction of e-Government.

Compared with the corporate sector there are still relatively few studies mapping implementation of process management exclusively in public organizations. In many cases they are rather designed through analysis of specific methods and procedures comprising procedural approach. In 1997 a comparative study "Vergleichende Darstellung der Implementationstrategien" was published by authors Kissler, Bogumil, Greifenstein, Wiechmann, who analysed the shortcomings and successes of the implementation of modernization processes in three municipalities in Germany. In order to improve their functioning, the city of Wuppertal implemented re-engineering, the city of Saarbrücken implemented TQM Model and the city of Hagen tried to modernize through the concept of continuous gradual improvement of processes. (Naschgold – Bogumil, 2000). Ahrend –Walser – Leopold (2012) note that, process management in public administration in Switzerland resulted in a higher level of standardization of services, in Germany it established a wider diapason of options in the way of their provision. These declared benefits are not the only reasons that lead to speculations that process management is an important building block for the efficient use of Good Governance. Mapping conditions for implementation of process management in Australia, Tregear – Jenkins (2007) introduced the concept of Government Process Management (GPM). The results of their analysis show that the GPM goes to the heart of accountable, transparent, efficient, and responsive government.

## **MATERIALS AND METHODS**

The main research question is: How can the using of process management in public organisations to help for keeping Good Governance principles? The findings are bases on the theroretically secondary research and they are are

confronted in the case study from Slovakia. The next section of this paper focuses on the most important expected benefits regarding the introduction of process management in relation to selected key principles of Good Governance.

## THE MAIN RESULTS AND DISCUSSION

The direct and indirect benefits of process management can be broadly classified as (Řepa, 2008, Grasseová et. al., 2008, Šmída, 2007): search and elimination of operations, or processes that do not add any value, reducing costs, increasing speed and quality, quantification of certain phenomena and increasing the accuracy of the estimates of certain future events, increasing asset utilization, ability to achieve (yet) mutually incompatible goals, promoting teamwork and commitment of team members, opportunity to prevent conflicts, rivalries and cynicism, which may occur during the hasty introduction of a quantity of improvement programs, characteristic feature is repeatability that allows bonding, and promotes consistency, clarity of negotiations and simplicity, greater employee satisfaction due to sufficient powers and broader job tasks, possibility of offering added value to the customers, opportunity to lead an organization without a solid organizational structure, possibility to use successfully and effectively the most modern management methods and tools.

Process management as a tool for achieving Good Governance principles

In public administration the **efficiency** issue is conceived very broadly, but in its basic principle it attempts to form the best relationship between resources employed and results achieved. (Adamaschek, 2000, Van Doeveren, 2011, European Commission 2001, United Nation, 2009, Graham-Amos-Plumptre, 2003, Šebová, 2011). In association with the addressed topic, it is first necessary to understand an aspect of process orientation as the efficiency does not occur only as a criterion of how much was done at a certain time, but also how it was done. This means that by means of efficiency we examine the factual activity of the public administration, which was performed and we measure the result of this activity in terms of fulfilment of the purpose and use of resources. The concept of efficiency in the context of good governance includes also broader aspects – sustainable use of natural resources and

environmental protection. The principle of effectiveness indicates whether the selected solutions were effective to correct the problem, to take the opportunity and to meet the needs. This principle must be understood in terms of whether the process or activity leads to the desired results. Achieving greater efficiency and effectiveness is supported at least by the following aspects of process management: identification, description, visualization and measurement of processes, digitization of processes, change in organizational structure.

Process as a fundamental dimension can be described as the sum of tasks and activities that take place in a certain sequence and stream and generally their performance may be supported by the use of information technology. It is a subsystem of running events in the organization and provides a summary of various elements (tasks, bearers of responsibility for the tasks, substantive resources, information, finance etc.) and relations between them. (Brecht, 2002) The process approach in the management of public sector organizations in this context represents efficient transformation of inputs into outputs in the form of provision of quality service for citizens (customers) and fulfilment of the purpose of service, or increase in added value of the service for the citizen. Transformation of inputs (e.g. citizens' demand, legislative prescription and others) occurs through interrelated activities, which have a purpose and a certain degree of importance within the change. Hence every organization attempts to ensure synergistic course of individual processes, without which it would be impossible to produce output (product, service) and achieve a result in the form of a certain qualitative impact (e.g. citizen satisfaction, more efficient use of resources, positive impacts on the environment, etc.). The transformation process could not take place without a precise definition of inputs, which are essential for achieving the desired result. From the perspective of public organizations, the inputs consist not only of human capital and its properties that the organization has, but also of information capital, which is an integral part of transformation activities. A necessary requirement of not only human but also information capital, however, is the financial capital. Since public funds are limited, analysis of sourcing processes in terms of their long-term sustainability is highly desirable for the efficiency of the financial system in the current crisis period.

Key processes of any organization are the main processes that create added value. Since they are value-forming processes for the company, they deserve special attention. Although characterized by complexity, outwardly they are visible and easy to identify. Their security and successful implementation is supported by processes, which together with the managing processes create conditions for their smooth functioning. Nevertheless, there are also other classifications and views, e.g. (Brecht, 2002 Závadský, 2006) state that there are only core processes and supporting processes cover management as well as service processes. However, creation of process maps (regardless of the chosen classification criterion) always reveals duplications and optimizes performance. Process maps and models are the basis for digitization of public organizations' activities, which not only saves time and costs, but allow technological progress and introduction of other innovations. Introduction of strict evaluation culture can be considered a less important effect of process management. Individual processes have defined monitored performance indicators (measurable objectives, standards and comparative benchmarks through which they can be compared with the best performance in practice and hence identify the opportunity to improve their own processes and procedures).

„In public sector, the primary benefit of BPM – GPM is the “increased effectiveness and efficiency achieved from restructuring the organization along cross-functional processes”. (Corradini et al.2011). Due to the specific environment of public administration in terms of its lesser flexibility, the trend towards preserving the status quo, it can be stated that the organizational structures of the public administration are based on the classic bureaucratic model of M. Weber, which is essentially a formal mechanistic concept. At the same time in connection with the overall status and mission of public organizations in terms of the provision of defined competencies, the most frequently used approach in the development of organizational structures is the functional approach. Essentially it is based on the division of labour between different units on the basis of specialization and in practice it is represented by a functional organizational structure. Within the individual levels the actual public administration organizations are controlled by ministries and built vertically, which also applies to the processes that these organizations

provide. Basically, this means that in addition to the main processes (factually relevant professional activities), the organizations individually also provide most of the supporting processes (sectional and service processes such as records, IT, asset management, budget and accounting, etc.). At the same time most of the public institutions run and finance their own network of offices (front-office and back-office). The change that can boost the efficiency of public administration lies in functional merging of its sectional and service activities. Process-oriented organization insists on perceiving functional departments rather as part of the processes that take place in the organization. This change, however, calls for a change in approach to organizing and managing these activities and redefinition and adjustment of processes. Such purposeful merging may lead to a gradual reduction of expenditures on operating costs of public administration, the cost of consumption goods and services. Another important point is the horizontal mentoring of processes, which means classification of processes into process variations. In this way they are built on a new division of labour. Process maps – mentioned above – are created, where processes are visualized with precisely defined responsibility of those who are involved – process owners, which is closely related to the materialization of responsibility.

**Transparency** is built on the free flow of information. It draws attention to the decision-making based on publicly known criteria, publishing of timely and complete information. Transparency means comprehensible public administration, which prevents cronyism and corruption. (Kazimierzczuk, Augustyniak, M, 2012) Transparency or openness is built on the free flow of information, which is directly accessible in an intelligible form to those concerned. This principle emphasizes enough information that is comprehensible, clear, timely and verifiable. (Van Doeveren, 2011, OECD, European Commission 2001, United Nation, 2009, Graham-Amos-Plumptre, 2003). Non-corrupt and transparent environment has an effect on improving the business environment and promotes quality of life of the population. The above-mentioned effects (in part of effectiveness and efficiency) in the form of the introduction of process maps, precise measurable indicators, electronization of processes etc. are also a valuable contribution to increasing the transparency and openness of the public administration. There are a lot

of processes and procedures right now in government but the important issue is whether they are transparent, who has access to information regarding how they are carried out and whether besides transparency you have in conjunction accountability (the two go hand in hand)

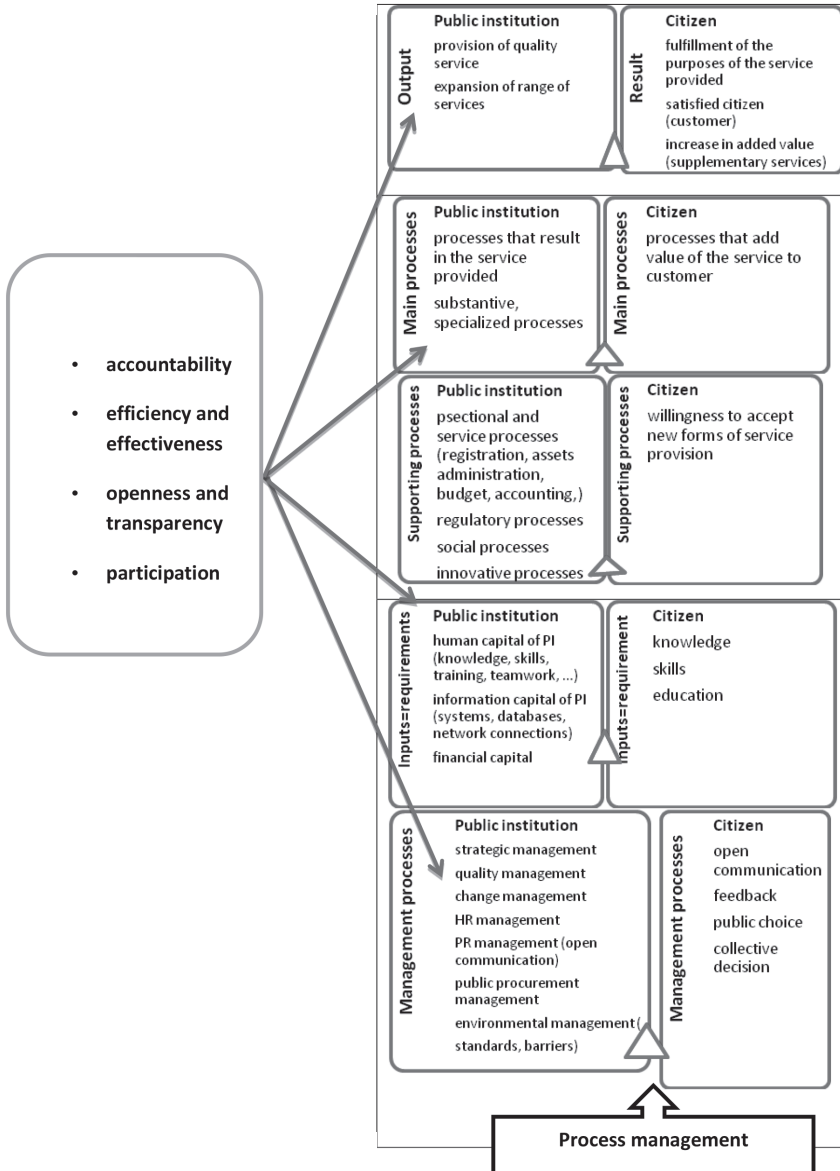
Principle of **accountability** is based on the fact that during the performance of their duties civil servants must respect the law, political norms, professional standards, but above all the interests of the general public. Accountability is closely linked to transparency, because it basically means auditability and accountability for the activities performed. Good governance requires clearly established level of responsibility assigned to various functions of public administration. In this context arises the issue of responsible behaviour (Corporate Social Responsibility). When applying process management, each process must have a defined owner, who is responsible for the optimal operation of the process and quality of outputs, as well as recipient (customer) for whom the output is created and an the generated output value. When sourcing human resources of public organizations it is necessary to focus on their characteristics and quality. Therefore an important point is still the professionalization and de-politicization of human resources and the promotion of such system changes and measures in their management that will reduce the effects of the political cycle on personnel decisions. A weak point in the area of human resource management is discontinuity and fluctuation of executive officers in changing governments. Modernization and professionalization of public administration is also influenced by the way of lifelong learning of the public servants in terms of structure, types of training, participants, methods and forms of education. A uniformly set system is a prerequisite for growth of professional and qualification level of employees, standardization and improvement of public administration quality. Further education in the public sector fulfils several essential functions. It is generally provided at central, regional and local level following taking into employment in form of adaptation training. During the period of employment it is mainly functional training for managers, improvement of qualification, re-qualification and upgrading skills etc., which aim to provide general and professional knowledge, skills, administrative, interpersonal and managerial skills.

Stable and socially accepted development of public administration reinforces cooperation with civil society. Cooperation between civil society and institutions of public administration supports development of participatory democracy. The supported activities include those that aim to build adequate institutional and analytical capacities of civil organizations and the availability of open data from public administration environment. **Participation** thus leads to increased legitimacy of decisions of the public sector and allows public civilian control. Clear and transparent decision-making at the administrative level is an important element in the implementation of the principle of participation. Active civil society in partnership with the public administration oversees the management of public resources while using open and accessible data from public administration. Participation could be either direct or indirect by means of legitimate intermediate institutions or representatives, which also implies the freedom of association and expression. (OECD, European Commission, 2001, United Nation, 2009).

Since the basic input variable of the citizen's satisfaction is their requirement, which transforms by means of inputs/resources of public institution and in conjunction of main, supporting and management processes into the expected result, it is necessary to draw attention to the existence of the principle of participation. Cooperation between civil society and institutions of public administration may influence the development of participatory democracy.

The supported activities should include those activities that aim to build adequate institutional and analytical capacities of civil organizations and the availability of open data from public administration environment. Hence the civil society organizations may generate integrated development strategies for local communities, create social innovations, and oversee the quality of public administration services and management of public funds. Figure 1 presents the relationship between the process approach of public organization functioning and promotion of Good Governance principles while demonstrating the overlap of the principles and expected effects in relation to one another.

Figure 1  
 Process management approach of public organization and the application of Good Governance principles





## **CRITICAL IMPLEMENTATION FACTORS OF PROCESS MANAGEMENT IN PUBLIC ADMINISTRATION REFORM IN SLOVAKIA – CASE STUDY**

Process management implementation in public organizations is usually part of the modernization of public administration based on the good governance principles. The following text offers the case study focusing on selected critical factors of process management implementation in Slovakia.

The current form of public organization in the Slovak Republic is the result of substantial restructuring processes which were meant to transform it into a modern apparatus based on the principles of good governance contributing to the dynamic development. The system of public administration in Slovakia corresponds to a classic dual model of public administration, in which a subsystem of state administration and local government work side by side. However, the space in which public organizations operate is much broader and includes not only the organizational state governance units, but also other various organizations working in the public sector and in its particular fields and departments that provide public goods and services (e.g. budget organizations, contributory organizations operating in particular sectors such as education, health, public funds, etc.). The dual nature of public administration in Slovakia, which causes a different approach in introduction of innovation and change. Organizational system of public administration in Slovakia typical of strong hierarchical dependence of the lower levels on the decisions of superiors levels offers a space for change „from top to bottom“ (within the sectorial policy of the ministry to local government authorities), while the relative independence of the self-government subsystem is a separate area with specific conditions. In general, the „owners“ of the processes of administration are divided into two groups of subjects: the authorities whose authority includes „handling“ of specific public issues (especially owners of administrative and decision-making processes) and authorities whose mission is methodical management and standardization (particularly owners of management and standardization processes). Within the government services, local government is the owner of administrative and decision-making processes; within the public services, it is the owner of administrative and decision-making processes, but also a „co-owner“ (together with the

public administration) of management and standardization processes. In the public service, the territorial government is the owner of all types of processes. (The concept of modernization of local government in the Slovak Republic, 2009).

Comprehensive reform of the public administration, which began in 2000, was based on two pillars: decentralization and modernization; and in all policy documents it was supported by many of the good governance principles, namely efficiency, transparency, legality or participation.

There is no doubt that decentralization of public authorities not only is an obligatory feature of every democratic law-abiding state but also supports the development of civil society. (Ossowska-Salamonowicz – Bułajewski, 2012) As indicated by Ručinská-Knežová (2009), while it is possible to assess the condition in external structural changes as relatively satisfactory, compared to that the area of modernization concerning the introduction of modern management methods is significantly underpowered. The key question is whether the current form of public administration in the SR contributes to effective administration in the concept of Good Governance; and whether internal organizational environment responds to the need to introduce process management on an adequate scale. Presumably, the effect of some factors arising from different backgrounds of public and private organizations will not deviate from standard universal theories; however, some determinants can be amplified by specific models of public administration in Slovakia.

Based on secondary analysis can be summarized:

Little flexibility in the management and operation of public organizations resulting from the classical centralized bureaucratic model that was used for a long period (until 1989) and some of its still remaining characteristics.

The low level of development of civil society causes that public interest and demand for transparency, efficiency and quality of public administration performance is not always sufficiently motivating for the changes in the functioning of the authorities. In this context it is very interesting that Slovak Republic ranks 62nd in the world out of 176 evaluated countries in terms of corruption perception in the public sector for 2012 (CPI-Corruption Perceptions Index), does not help the low quality of Good Governance. It is the fifth worst place in the EU.

Low level of implementation of innovation in public sector. In the Slovak conditions the relevant inputs about process management in public organisations occur rather sporadically and determining the current status of implementation of process management can be rather indirect. Řepa et al. (2008) in their survey of the status of process management in the public sector in the Slovak Republic note that in the understanding of process management there is a prevalence of IT perception of process management rather due to technological needs when the processes are perceived only in connection with the introduction of information systems; or process management is perceived as part of the quality control of the organization. Similar results were confirmed by the empirical survey conducted by Knežová (2010) at the level of municipal offices (64.4% of returned questionnaires out of the entire addressed population), where presented findings suggest that (39.3%) introduced process management as part of the electronization, (20.2%) as part of a quality management, and only 13.5% independently. Despite the possibility to introduce process management in conjunction with Quality Management concepts in the evaluation of the National Quality Programme of the Slovak Republic 2009 – 2012, including a similar survey among the municipal offices – hereinafter referred to as MO – (63% of returned questionnaires out of the entire addressed population) in Slovakia, only 17% have an implemented quality management system, while 35 out of 138 MO do not plan it in the future. Another secondary survey (2014) showed that on the contrary, each year the number of public organizations implementing CAF model increases. The CAF model is a quality management model developed specifically for public sector organizations, which very strongly emphasizes the process approach in the management of public organizations. So far, more than 50 different types of public organizations (including universities, social service homes, district offices, etc.) in Slovakia have implemented CAF model (hypothetically it can be assumed that they also partially introduced process management). It is important to note that the pioneers in this field are government institutions (6 ministries, 13 central government bodies, etc.) and from the chronological point of view, self-government organizations (5 municipal offices and 1 regional government office so far) have also responded to these challenges. It is related to the fact that the restoration of

self-government after 1989 firstly required decentralization processes in the area of power, competences and finances and completion of the overall system of territorial self-government at a local (1990) and regional level (2001), while the start of the process of modernization was only the next logical step in the system reform. The results of survey conducted by Žárska (2012) at the level of various size categories of municipalities not only highlight the fact that quite a few governments use innovative methods and procedures in general, but also the fact that they are mostly used by self-governments with a population over 20 000. Process management belonged to the group of methods, which occupied the second place after benchmarking and ISO standards under quality management.

Inconsistency of administrative reforms. Noteworthy in this regard is the size of the organizational units in the area of local self-government strikes the barrier in terms of fragmented settlement structure. Almost 70% of municipalities in Slovakia belong to the category below 1,000 inhabitants and the question of municipal reform in terms of municipality merging is becoming very important for the future. After a period of substantial disintegration the reform of local government returns to the model of integrated government and “major offices”, where process management would undoubtedly find its justification. ERO reform integrates previously general and specialized local administration at the level of regional and district offices (about 300) into a uniform level of district offices (72). Principles declared in the Good Governance gave the name also to the currently ongoing government reform in the SR – Effective, Reliable and Open (ERO) Government. Ministry of Interior presents it as a structural (not competency or procedural) reform. The reform proposal, however, uses the vocabulary and terminology appropriate for process management (e.g. key processes, supporting processes etc.). Failure to conduct a rigorous process analysis with a subsequent reorganization of the ongoing processes in the internal environment of the organizations can be considered a missed chance of this reform.

The process of digitalization of public administration is late. Building e-government has become a priority in the field of public administration modernization of the Slovak Republic. The European Union in its strategy requires that by 2015 member countries will have interconnected electronic

services (identification, procurement, etc.), eliminate bureaucracy and administration, as well as actively provide information. However, the government document "Review of e-Government, (2010)" declares that under the current informatization of public administration, the whole practical efforts have almost entirely focused on the fastest possible and mass deployment of information technology in public administration. So far, the main focus has not been invested in change of the principles of public administration functioning, but in electronization of sections of public administrations without changing administrative processes. A new law on the performance of public authority in electronic form, the "e-Government Act" shall enter into force in Slovakia on 01.11.2013. As mentioned earlier effective digitalisation of public services in the first place requires an audit and a detailed description of the ongoing processes, their optimization and system management.

Low evaluation culture. Process management should lead to gradual improvements in efficiency and performance, which is supported by the introduction of measurable indicators and regular evaluation. This area contains a number of risks. One of the major risks is the choice of appropriate indicators that will objectively reflect the real situation. Another example is the threat of formal monitoring of measurable indicators (or their overvaluation), presenting false causal relationships between action and results and non-use of evaluation conclusions for further decisions etc. Public organizations in Slovakia struggle with low evaluation culture associated with problematic definition of objective measurable indicators. However, we may not deny that the situation is gradually improving. For example by introduction of program budgeting (2005 state administration, 2009 local self-government), which introduced regular monitoring of budgetary efficiency and linked it to the identification of responsibility of the actors for the particular expenditure programs, with the possibility of the introduction of quality management by means of CAF model, or with creation of special Good governance models based on the process approach (e.g. Šteiner et al.: Good Governance model in regional development, 2009) etc.

Another factor that must be taken into account is the existing politicization of human capital, reflected in occupation of leadership positions where

senior positions in the public administration are largely occupied by an appointing principle, while in self-government through elections. This affects the condition where other criteria are preferred, often at the expense of expertise and competencies that are very necessary for the managers of public organizations in terms of good governance principles. An important prerequisite for successful implementation of process management is the fact that it is not only an organizational and technical change, but above all it is a completely different concept of thinking and approach in the context of job performance, placing high demands on leadership, professional and social responsibilities of managers. Domanski (2015) states, that innovation are necessary for knowledge-based organisation.

It can be stated that there have been many restructuring changes in the process of public administration reform in Slovakia, but innovative management approaches, which can also include process management, are still searching for their way to contribute to an efficient, transparent, participatory and accountable public administration and thus to Good Governance. Experience, however, point out that if various principles of Good Governance are followed, they are rather evaluated in isolation and the role of process management fails in these considerations

## CONCLUSION

In terms of the development of public management theory it would seem that process management is only a result of management-oriented approaches, especially New Public Management, etc. The paper pointed to its potential that may be useful in the application of the principles of Good Governance. Via the analysis of using the specific principles, the concept of Good Governance is implemented in to “life”. If we use the measurable indicators, it can be evaluated how the governance is “good”. Effective management in the public sector supports better decision-making, effective use of resources and strengthens accountability. It is characterized by extensive control, which provides a platform for pressure increasing performance in the public sector and for fight against corruption. Process management automatically undermines rigid bureaucratic procedures and provides greater flexibility, openness and performance optimization. It appears to be a significant opportunity to improve the efficiency,

transparency, participation and accountability in public administration, which generally contributes to its improvement. However, in connection with Good Governance, there are large reserves in its application. When used in a proper systematic approach, the benefits brought by the process management in the area of competitiveness at the business level may eliminate problems faced today by indebted and inefficient public sector in most countries

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