



READINGS IN

PUBLIC ADMINISTRATION

English Program – First Year – Second Part : English Section
Week 9

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Chapter One:

A glimpse of public sector management

Learning Objectives

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After reading the current chapter you would be able to:

- Introduce the concept of public sector management.
- Understand the nature of public sector management.
- Highlight the services provided by the public sector.
- Discuss the challenges of the public sector.
- Identify the typical role and activities of a public officer.
- Debate the concept of public service.

Public and private administration at the balance

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- Indeed, there is a debate between scholars with regard to whether public administration and private administration are the same or different, as such, this issue that we would try to discuss at this section:
- Firstly: We will discuss the **Similarity advocates**
- Secondly: We will discuss the **Differences advocates**

Public and private administration at the balance (Similarity Advocates)

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- Some thinkers believe that all administration is one and there is no difference between public or private administration. Urwick, Mary Parkor Follet and Henri Fayol are of this view.
- They belong to a school of thought which tried to find basic principles of administration which were equally applicable to public and private administration.
- According to this stand point, the public and private administrations show a number of similarities in practice.
- **Firstly**: although, we usually say that all those activities which are performed by the governmental agencies or public agencies are part of public administration while those performed by the private agencies are called private administration. There are, however, many activities which are performed both by private and public agencies.

Public and private administration at the balance (Similarity Advocates)

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- **Secondly:** this has given rise to a new form of organization, namely, a public corporation. This form of organization has become necessary to provide the public administration sufficient flexibility necessary for running business enterprises in developing countries like India, where the public sector has come to occupy a very important position in the economic organization of the country.
- **Thirdly:** it has also been increasingly realized that there are many skills, techniques and procedures which are common to both public and private administration. For example, accounting, statistics, office management, office procedures, purchases, disposals and stocking and many other activities are common to both public and private administration.

Public and private administration at the balance (Similarity Advocates)

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- **Lastly:** in many countries, there has also been across movement of functionaries between public and private administration. For example, in Japan, a large number of public servants take up employment in private industry after seeking premature retirement. Similarly, there is a great deal of exchange of personnel between the public and private sector in the United States of America.

Public and private administration at the balance (Differences Advocates)

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- Although the similarity between public and private administration, as mentioned above; According to *Simon*, the general impression appears to be that public and private administration differ in the following three important aspects:
 - i) Public administration is bureaucratic, while private is business-like.
 - ii) Public administration is political, whereas private is non-political.
 - iii) Public administration is characterized by red-tape from which private administration is comparatively free.
- Actually, these major differences can briefly discussed as follows:

Public and private administration at the balance (Differences Advocates)

1- The Principle of Uniformity:

- One of the most significant characteristics of public administration is that it is subject to the principle of uniformity.
- It requires that administrative acts and decisions must be consistent, i.e., in conformity with the rules and precedents.
- These rules and precedents must be applied uniformly to all the citizens and classes of citizens.
- The private administration, on the other hand, is not bound by any such rules of uniformity. In fact, a great deal of preferential treatment is shown to certain clients in almost every business activity. This kind of treatment is not viewed unfavorably and is taken as a normal business practice.

Public and private administration at the balance (Differences Advocates)

2- External financial control:

- In public administration, the executive does not control finance.
- The expenditure from public funds can only be incurred when authorized by the legislature. Even after authorization, the expenditure is subject to a great deal of control by the legislature through its agencies of audit, etc.
- Such a complete separation of finance and administration does not exist in private administration.
- The board of directors in the private business, which controls the business operations of the private undertakings, also controls financial management.

Public and private administration at the balance (Differences Advocates)

3- Public accountability

- Public administration is obviously subject to public accountability. Every action of a minister or a public servant is subject to critical observation by the representatives of the people sitting in Parliament.
- On account of this accountability, the public servants have to be very careful in all their actions. This explains much of the red-tape prevalent in the functioning of the Government.
- On the other hand, private administration is generally not so accountable to the people or their representatives. The private managers are free to take whatever actions they consider in the interests of owners or the organization in which they are serving.

Public and private administration at the balance (Differences Advocates)

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4- Profit motive

- The private administration is largely governed by the profit motive. This principle is not applicable to public administration.
- Actually, it does mean that a public administrator cannot be guided solely by consideration of profit in expenditure.
- Public administrator has to make sure that his actions are justified by the results in terms of public welfare.
- On the other hand, the private administrator is mostly governed by the profit motive.
- The sole criterion for decision is the answer to the question “will it pay”. Means to maximize their profits. Even honest private administrators.

