

Victoria University of Wellington



MASTER OF PUBLIC ADMINISTRATION (Exec)

PADM 501

Delivering Public Value

2005 Course Outline

(First Trimester course – 24 points)

This course is co-ordinated and delivered by the Australian New Zealand School of Government (ANZSOG) of which Victoria University is a participating partner.



Subject outline

Overview of the subject

This subject, the first in the Executive MPA, focuses on the essential management task of delivering value to the public. It is squarely based on the recognition that although it is possible to draw on concepts and methods from the private sector, public sector management is *different* in important respects. This involves neither rejection nor uncritical imitation of business techniques, but rather *adapting* them to take account of the differences.

The subject is loosely based on a strategic framework which conceptualises public sector management in terms of three different sets of factors, providing categories within which contending views of value, strategy and service delivery can be explored, drawing on a variety of theoretical perspectives. Each category is a public sector analogue of factors in play in the private sector:

1. the *value* created by the organisation (conceived more broadly than the products delivered by private companies, to include public as well as private value);
2. the *authorising environment* surrounding the organisation, that is, the political environment of formal and informal stakeholders who can give or withhold 'permission' and resources for what the organisation is doing, which is different from the market environment facing private firms;
3. the *operational capabilities* utilised in creating or delivering value, many of which are external to the organisation, with the manager having only shared or indirect authority over them. These capabilities can be analysed through the notion of the 'public value chain', encompassing all of the capabilities (both internal and external) available to managers for achieving outcomes in the public sector.

The first day and a half of the program (Sunday and Monday) canvas different ways of thinking about these issues in an overall strategic sense, then the following three days (Tuesday to Thursday) zero in on the operational capabilities, considering both internal and external ones. Here the aim is to provide an expansive view of the means for delivering public value. The subject goes beyond the assumptions of the traditional bureaucratic, managerialist and contractualist models of the last two decades, by positing a broader variety of ways of creating public value than simply internal production or external contractors, and a broader set of motivations for people to do so than simply money or

punishment. The final day (Friday) brings these concepts together in a wider concept of public value-creation.

Figure 1 (below) sets out a diagrammatic overview of the subject topics.

Subject objectives

The objectives of this subject are that students will:

1. appreciate the different kinds of value created by public sector organizations for citizens and clients;
2. understand how the political environment affects organizational objectives;
3. be aware of the various kinds of operational capabilities available to public sector managers, and how they can be mobilized;
4. know how to recognize problems from symptoms, identify opportunities for action and manage risks in delivering value to the community;
5. enhance their skills in people and knowledge management, contracting, partnering and inter-organisational collaboration in the public sector;
6. be able to think strategically about delivering public value.

Educational format

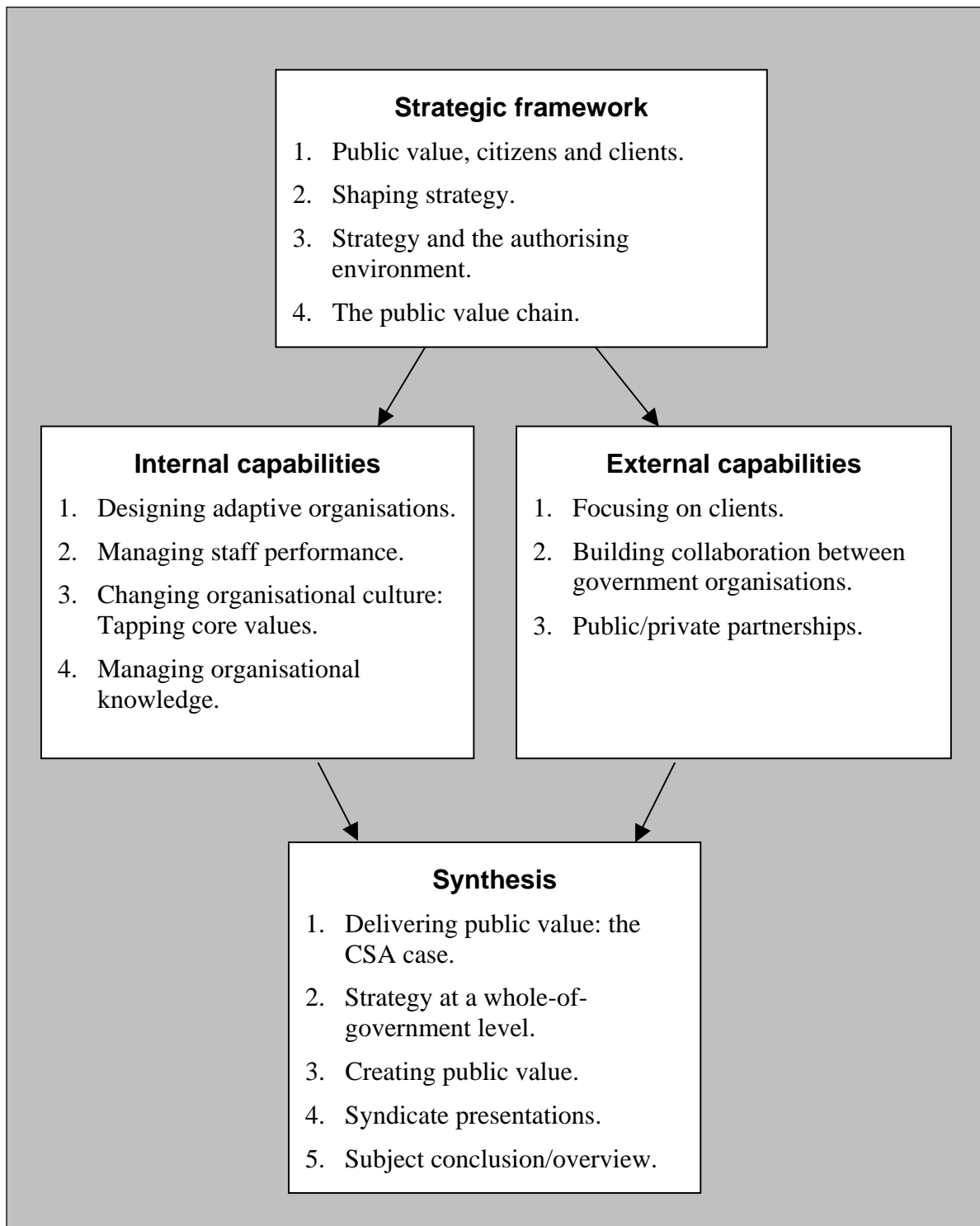
The subject will be taught intensively from Sunday, 30 January to Friday 4 February. It will utilise a variety of educational formats, including case study teaching, small group discussions, exercises and role plays, speaker panels and syndicate presentations. The program involves a lot of participation by students, which in turn means that it is important for students to read and prepare set cases and exercises.

Assessment requirements

(see details later in this Reading Pack)

| Task | Length | Marks | Due date |
|---------------------------------|-----------------------|-------|------------|
| First individual assignment | 1000 words | 20% | 30 January |
| Second individual assignment | 2000 words | 40% | 19 March |
| Syndicate assignment (2 parts): | | | |
| • Presentation | (15 mins + questions) | 10% | 4 February |
| • Written report | 4000 words | 30% | 5 March |

Figure 1: Diagrammatic overview of subject





the Australia and New Zealand

School of Government

DELIVERING PUBLIC VALUE

About the faculty

Subject leader

Professor John Alford

John Alford is Professor of Public Sector Management jointly at ANZSOG and at the Melbourne Business School (MBS). He joined the MBS in 1988 after a position in the Victorian Government where he was responsible for industrial relations policy and change management. As well as leading the subject 'Delivering Public Value' in ANZSOG's Executive MPA, Prof. Alford directs the Executive Fellows Program. At the MBS he teaches strategic public management, outsourcing and partnering and managing regulation. Among his publications are articles in *Public Administration Review*, *Administration and Society*, *Public Money and Management*, and the *Australian Journal of Public Administration*. He is co-author of *The Governance of Australia's Courts: A Managerial Perspective* (2004) and co-editor of *The Contract State: Public Management and the Kennett Government* (1994). His article 'Towards a New Public Management Model: Beyond "Managerialism" and Its Critics', *Australian Journal of Public Administration*, 52(2), June 1993, was the winner of the Institute of Public Administration Australia prize for 'the most important or most influential article' published in the journal. John Alford gained his MBA and PhD from the University of Melbourne.

Other faculty

Peter Allen

Peter Allen is the Under Secretary of Policy and Strategic Projects with the Department of Human Services in the Victorian public service. Previously, he was Secretary of the Department of Education and of the Department of Tourism, Sport and Recreation, having been Director of Schools in the Education Department. Before then he had held a series of senior management positions in Community Services Victoria (CSV). During this time and his time with Human Services his roles included the General Manager of Policy Development, Child Protection and Disability Services and Director of the Premier's Drug Advisory Council. In March 2001 Mr Allen was appointed Special Advisor on Public Administration in the Department of Premier and Cabinet. Prior to joining the Victorian public service Peter Allen's career included journalism, the private sector, the

Commonwealth public sector and the welfare sector. Peter Allen is the Vice-Chancellor's Fellow at the University of Melbourne and a Fellow of ANZSOG.

Prof Allan Fels AO

Allan Fels became Dean of the Australia and New Zealand School of Government on July 1, 2003. Previously, he was Chairman of the Australian Competition and Consumer Commission from 1995 until 2003. Professor Fels was also Chairman of the former Trade Practices Commission from 1991 until 1995 and Chairman of the Prices Surveillance Authority from 1989 until 1992. He was Prices Commissioner, Victoria from 1982-1991 and has served on numerous other government bodies. Professor Fels was appointed as Professor of Administration at Monash University in 1984 and was the Director of the Graduate School of Management, Monash University from 1985 until 1990. He is now an Honorary Professor in the Faculty of Business and Economics at Monash University and became a Professorial Fellow in the Department of Political Science at the University of Melbourne in 2003. Professor Fels has degrees in economics and law from the University of Western Australia, and a Ph.D in Economics from Duke University. After leaving Duke he was appointed as a Research Fellow in the Department of Applied Economics, University of Cambridge, where his Duke Ph.D thesis was published as *The British Prices and Incomes Board* by Cambridge University Press. Professor Fels was the Co-Chairman of the Joint Group on Trade and Competition at the OECD from 1996 until 2003. He was awarded the Order of Australia in June 2001.

Jane-Frances Kelly

Jane-Frances Kelly has been on secondment to the Department of Premier and Cabinet in Victoria for nine months. Prior to this, she was a senior civil servant in the UK Prime Minister's Strategy Unit in London, where she led the team which produced a 'Strategic Audit' for the UK, as well as working in-depth on a range of subjects, particularly deprived areas and early years policy. Before government, her experience straddled the private and non-profit sectors. She worked at the Boston Consulting Group's London Office, working mainly in the financial services and pharmaceuticals industries. Previous to this, she spent three years living in Prague in the Czech Republic, where she worked with the former President's late wife, Olga Havel, on education and public health issues, and with a foundation supporting small start-up NGOs across the country. Following university, Jane-Frances spent eight months volunteering at a street clinic in Calcutta, India. She holds a BA (Hons) from Oxford University in Medieval English Literature, an MBA from the Wharton School at the University of Pennsylvania and an MPA from the Woodrow Wilson School at Princeton University.

Chief Commissioner Christine Nixon, APM

Chief Commissioner Christine Nixon is the 19th Chief Commissioner of the Victoria Police and the first female commissioner of any police force in Australia. Ms Nixon has consulted with numerous police organisations around the world and in Australia and comes from a long line of appointments within the New South Wales police force. Throughout her career she has studied various management and related courses both within Australia and overseas. In 1997 she received the Australian Police Medal and was Runner-Up Telstra Business Woman of the Year. In 2000 she was awarded the Glass Ceiling Award from the National Centre for Women and Policing in the US. As well as these she has been awarded the Australasian Women and Policing Award for Leadership. Ms Nixon gained her Bachelor of Arts, Philosophy and Politics from Macquarie University and her Master of Public Administration from Harvard. Christine Nixon is a fellow of ANZSOG.

Dr Richard Norman

Richard Norman is Senior Lecturer in Human Resource Management and Industrial Relations at Victoria University of Wellington. Richard's research interests include how the control systems of New Zealand's public management model work in practice, a subject which was the focus of his PhD thesis. This subject builds on a series of case studies about innovations in public management that Richard initiated and published through Victoria Link Ltd. These include the use of business process redesign for the collection of fines at the Department for Courts; the application of strategic planning at the Ministry of Foreign Affairs and Trade to assist the art of diplomacy; development of disaster protection strategies by the Earthquake Commission; Development of commercial strategies for Public Trust; and Leadership strategies by two public sector Chief Executives, George Hickton and Margaret Bazley. He is the author of *Obedient Servants? Management Freedoms and Accountabilities in the New Zealand Public Sector* (2003), and has published numerous articles on performance management and related subjects. Dr Norman gained his Bachelor of Arts, Master of Public Policy and PhD from Victoria University of Wellington. Currently he is a member of the New Zealand Institute of Public Administration and of the New Zealand Human Resources Institute.

Dr Deirdre O'Neill

Deirdre O'Neill is Academic Director of the EMPA in ANZSOG and comes from Monash University where she has taught a range of subjects related to public sector management at both post-graduate and under-graduate levels since 1992. Prior to working at Monash she worked extensively as a manager, consultant and policy adviser in the public sector. In 2003-4, she was seconded to the Department of Premier and Cabinet in Melbourne as Director of Learning. Her research interests include public management, business and government, government-Third Sector relations and public sector human resource management. In 1996-97 she was the Victorian representative on Contracting for Care, a national research project funded, by the Law Foundation of New South Wales, which examined the evolving relationship between governments and organisations contracted to deliver community services. Among her publications are articles in *Public Management*, *Australian Journal of Public Administration*, *Third Sector Review*, *Canberra Bulletin of Public Administration* and the *Irish Journal of Applied Social Studies*. She co-edited *The Contract State: Public Management and the Kennett Government* (1994) and was a

contributor to *The Kennett Revolution: Victorian politics in the 1990s* (1999). She is currently writing *Business, Government and Globalisation* with Owen Hughes, to be published by Palgrave. Deirdre has been a member of the State Council of the Institute of Public Administration Australia (Victorian Division) the Victorian Public Service Training Council, and the editorial board of the Australian Journal of Public Administration.

Professor Michael Vitale

Michael Vitale is Professor at the Australian Graduate School of Management (AGSM), where he researches, teaches and consults in IT governance; innovation and commercialisation; and start-up and early stage companies, particularly in biotechnology. He has held many previous positions including Dean and Director of the AGSM, Professor at the Centre for Management of Information Technology at the Melbourne Business School, Foundation Professor of Information systems and Head of Information Systems Department at the University of Melbourne and Executive Vice President, Information Technology and Corporate Services at the Prudential Insurance Company of America. Academically he has been an Associate Professor at the Harvard Business School, Skidmore College and Associate Director of the Kiewit Computation Centre at Dartmouth College. He is a Fellow of the Ernst and Young Center for Business Innovation. He is co-author of *Place to space: Migrating to ebusiness models* (2001). Professor Vitale gained his BA from Oakland University, his PhD from Dartmouth College and his MBA from the Harvard Business School.

Guest speaker

Sheila Bird

Sheila Bird is currently acting General Manager of the Child Support Agency, in the Department of Human Services. She has worked in the CSA for 10 years which was preceded by 17 years with the Australian Taxation Office in a range of roles. In the CSA, Sheila has had responsibility for a wide range of issues, including: legal Services and interpretation; CSA input into policy development; legislative development and implementation; parliamentary business; media and stakeholder management; client based research; National Complaints Service; quality assurance; human resource strategy; and internal and external communications. Sheila recently spent 12 months working with the UK Child Support Agency.

Members of panels hearing project team presentations

Peter Allen

Under-Secretary, Policy and Strategic Projects
Department of Human Services.

Judy Backhouse

Executive Director, Regional Services
Department of Sustainability and Environment.

Simon Corden

A/Director, Victorian Competition and Efficiency Commission Secretariat, Department of
Treasury and Finance.

Byron Crawford

Assistant General Manager, Student Wellbeing
Department of Education and Training.

Fiona Crawford

Director, Community Strengthening
Department for Victorian Communities.

Prof Owen Hughes

Director, Graduate School of Business
Monash University

Prof Ian Marsh

ANZSOG and Graduate School of Government
University of Sydney.

Dr Claire Noone

Deputy Director, Consumer Affairs
Department of Justice

Dr Deirdre O'Neill

ANZSOG and Monash University.

Jenny Peachey

Regional Director, Victoria
Australian Customs Service

Prof Claudia Scott

School of Government
Victoria University of Wellington

Donald Speagle

Assistant Director, Strategic Directions
Department of Premier and Cabinet

Streams, syndicates and project teams

To maximise cross-cohort engagement and networking, each student will be in two types of streams and two types of small groups, as follows:

Streams

In addition to plenary sessions involving the entire cohort, there will be two types of streams:

1. For most streamed sessions, students will be in two streams of 60+ each. These will be denoted numerically, as Stream 1 and Stream 2.
2. For other sessions, they will be in three streams of 40+ each. These will be denoted alphabetically, as Streams A, B and C.

Numerical and alphabetical streams will be mixed differently.

Syndicates and project teams

All small groups will comprise 5 or 6 students. Each student will be a member of two types of groups, mixed differently:

1. *Syndicates* will meet at times scheduled in the timetable, and work on preparation tasks for specific sessions, such as case questions or preparing for negotiation exercises. They will be mixed between jurisdictions, agency types, occupations and genders.
2. *Project teams* will meet as agreed among their members during the program, and will work on developing the presentations to be made on the morning of Friday, 4 February, as well as on the project assignment after the one-week intensive. Project teams will also have a mixture of diverse types. In particular, they will be designed so that, after the intensive week, they operate on a virtual basis, i.e. they are spread across multiple jurisdictions.

Notification

You will be notified of your streams, syndicates and project teams upon arrival at the program on Sunday, 30 January.

DELIVERING PUBLIC VALUE

Assessment tasks

First individual assignment

Reading: J. Alford, 'Defining the Client in the Public Sector: A Social Exchange Perspective,' *Public Administration Review*, 62(3), 2002, 337-346.*

O. Hughes, *Public Management and Administration: An Introduction*, MacMillan, 3rd edition, 2003, 71-80.*

(* Provided with reading pack.)

Task: Consider the organisational unit or program for which you are responsible, or in which you work. (The scope of your program or unit should be defined so that it is of a scale small enough to be manageable as a focus of investigation, but large enough to be interesting.) Utilising concepts from the reading, *analyse what types of value the unit/program is responsible for providing, and who 'consumes' that value.* In your analysis, take account of both public and private value.

Length: 1000 words, typed on A4, double-spaced, with ample margins.

Date due: Sunday, 1 February, by 6.15 pm.

Marks: 20%

Second individual assignment

Task: Revisit the organisational unit or program you considered for the first individual assignment. Utilising relevant concepts from the course, *analyse the organisational (i.e. internal) capabilities* of that unit/program, including but not necessarily limited to:

- structure: where the unit/program sits in the larger organisation, as well as how it is structured internally;
- technology (broadly defined);
- skills; and
- culture, in particular the core values and beliefs which seem to prevail among staff in the unit/program.

Consider the extent to which these organisational capabilities are the right ones for the value the unit/program is responsible for providing, and suggest ways any misalignments might be addressed.

Length: 2000 words, typed on A4, double-spaced, with ample margins.

Date due: Friday, 19 March, by 5 pm.

Marks: 40%

Syndicate assignment

The syndicate assignment has two parts, the first to be completed during the one-week intensive program, the other afterwards.

Part 1: Strategy presentation

Task: On arrival at the program, you will be provided with material setting out a scenario for a particular organisation. Utilising relevant concepts from the course, each syndicate is to prepare and deliver a concise presentation putting forward a proposed strategy, assessing its pros and cons against other options. The audience will comprise at least one senior public servant and one academic.

Length: Up to 15 minutes for presentation (5-7 projector slides,* with dot points in legibly large type); 25 minutes for questioning by audience. It is anticipated that 2 or 3 members of the syndicate will do the presentation, while the whole syndicate will deal with the questions.

(*NB Slides not compulsory).

Maximum total time: 40 minutes.

Date due: Friday, 6 February, in scheduled presentation sessions.
(N.B. Each syndicate will also do a trial presentation on Wednesday morning.)

Marks: 10%

Part 2: Strategy justification

Task: Utilising *relevant* concepts from the course, provide a critical theoretical analysis of and rationale for your recommended strategy. Be careful to focus only on those concepts which are relevant.

Length: 4000 words, typed on A4, double-spaced, with ample margins.

Date due: Monday, 8 March, by 5 pm.

Marks: 30%