

Efficiency of Public Administration Management in Cultural Heritage Protection

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Summary

The publication analyzes the possibilities of building a model for effective public administration management in the field of cultural heritage protection using McKinsey 7S model. Bulgaria is a country with rich cultural and archaeological heritage since Roman and Byzantine times. Significant number of cultural monuments are located on the territory of the country and are officially recognized as “world cultural heritage” by UNESCO. In this regard, the failures of Bulgarian cultural heritage protection will be a threat to the world cultural heritage protection. The main objective of the study is to propose measures for the development of management and control effectiveness of cultural heritage protection carried out by the public administration (the staff of the Bulgarian Ministry of Culture).

Key words: protection of cultural heritage, a model for effective management, human capital, public administration

JEL Classification: H11, H83, M54, Z11

1. Introduction

The effectiveness of human resources management in the field of cultural heritage protection has a multi-faceted impact. On the one hand, the potential of cultural

tourism could not be utilized without the protection of movable and immovable objects of cultural-historical and archaeological heritage. On the other hand, the protection of cultural-historical and archaeological objects is relevant to issues related to national identity as well as to the sustainable development in terms of what is left for the future generations. This issue is of great importance to Bulgaria as a member of UNESCO and influences its international prestige.

Given that, the economic effects of protection, study and exposure of objects of cultural-historical and archaeological heritage could not be neglected. That is why the effectiveness of human resources management in the field of cultural heritage protection has many economic and managerial aspects, which could be considered to be the object and subject of scientific research.

The main objective of the study is to identify the hindrances that cause inadequate protection of Bulgarian cultural-historical heritage, due to the low effectiveness of public administration management.[1]

The object of the paper is public administration that is responsible for the protection of Bulgarian cultural-historical heritage and the subject of the study corresponds with the functional and structural relationships and dependencies based on the model presented for public administration management.

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The thesis is based on the understanding that the amendment to the present model for human resources management in the field of cultural heritage protection could enhance the efficiency of its protection, studying and exposure without any necessary financial resources which will lead to effectiveness of the public budgetary costs in this sector.

Limitation of the study is the lack of sufficient information about personnel employed at museums. Given that, the research focuses on the central public administration that is involved in the protection of Bulgarian cultural-historical heritage at the Ministry of Culture.

The main tasks of the study are the following:

- to analyze the impact of public administration, as a factor for Bulgarian cultural-historical heritage protection;
- to identify the weaknesses of the model for management and functioning of the public administration that is responsible for the protection of cultural-historical heritage and to propose measures for its development.

Methodologically, the system analysis is applied in the study. Based on the systematic approach, public administration is defined as a system consisting of relevant elements and both exogenous and endogenous factors that impact its functioning. The main disadvantages of the system are identified and measures for their optimization are proposed. In this regard the McKinsey 7S Framework will be used. This will contribute to widely spreading the model and applying it in the public sector.

2. Review of the scientific literature related to the research topic

The review of the scientific literature revealed that no publications with similar hypothesis, methodology, research assignments and conclusions exist. The publication closest to the current paper is that made by A. Mădălina(2015z.).[2]

The author makes an attempt to present a model for analyzing the strengths and

weaknesses, opportunities and threats of the organizations in the field of culture with an object of study - Cultural House "IL Caragiale" Ploiești. In this regard the main subject and objective of the research are related to the subject and objective of the current study. As a methodology of the study, the author applies SWOT and PEST analysis (political, legal, economic, social and technological framework). This allows both the exogenous and endogenous factors that influence management and behavior of organizations to be analyzed. In spite of this, the analysis is incomplete. Even though the SWOT analysis reflects the main endogenous problems, it is still too simple and subjective in comparison to McKinsey 7S model which is much more detailed and specific. That is why while analyzing human resources A. Mădălina's study underlines the effects rather than the motives. The absence of enough qualified personnel and its poor performance are explained mainly by the lower wages and legislative restrictions of the labor law. In a detailed research, for example, if a relation with the main problems, concerning human resources, organization management systems and leadership style is made, much more efficient measures for organizations' development could be proposed.

Having in mind the disadvantages of the study, it can be pointed out that its conclusions are only indicative. However, what must be taken into account is the author's evaluation of the applied model, who defined it as a starting point for management projecting and development. This fact could also be perceived as a proposition to other authors for future research in this field.

The next publication that is directly related to the current research is that made by B. Martini (2011).[3] The main objective of the study is to relate tourism management with the cultural heritage in an Italian region. The applied model for

analysis involves explaining the organization structures, information flows (bottom-up); resources allocation; interaction with other organizational structures; stakeholders' involvement in the decision-making process; financial flows analysis etc. The conclusions of the study demonstrate mainly the author's view to present a universal analysis of two independent areas of management such as tourism and cultural heritage protection, which is based on the system approach. The analysis is not made as a detailed study of the status quo of separate factors that could be optimized. It actually addresses the external interactions (functional correlations). This makes the approach partially comparable to other approaches of detailed research of the internal status quo of the organization or system that we would like to develop.

Another publication related to the current research is that by Willem J.H. Willems (2010).[4] The author examines the necessity of active cultural heritage management and the application of different approaches used in various European countries, incl. the east-European. The research methodology is defined as „The Three Ls“ - Laws, Language, and Learning which is an appropriate title for such kind of comparative study. The author's conclusions about the main problems concerning cultural heritage management in east-European countries (the private and public interest in the field of construction and privatization) are accurate and intriguing. The presented trends in the cultural heritage management and especially the focus on the interdisciplinary aspect and decentralization are the other useful conclusions drawn in the analysis. However, the application of such kind of methodology for detailed internal analysis could not lead to the necessary results, if an external comparative analysis is made.

None of the aforementioned models apply the McKinsey 7S Model to analyze the

organization as part of the public administration for cultural heritage management. For this reason the opportunities such model offers will be examined.

In this regard the publication of Theophilus Francis Gyepi-Garbrah and Frederick Binfor will be studied (2013).[5] It presents the application of McKinsey 7S Framework in the public sector. Although the authors have not analyzed a ministry or a system for cultural heritage management, the application of the model in the public sector could be used as a starting point. The main conclusion of the authors that public organizations are much more ineffective and they need better models of management is totally accurate. The old-fashioned budgetary models do not provide such opportunity. The methodology is strictly observed, but the main disadvantage of the publication is that the 7S analyses are isolated in each separate component. Although it is critical, it is too short and the correlations among separate elements of the analysis are absent. That is why the study is partial and incomplete. However, the research shows that McKinsey 7S Framework could be applied when analysing the public sector management.

In terms of applying the McKinsey 7S Framework special attention must be paid to the publication by R.S. Kaplan (2005) [6]. The opportunities for specifying the McKinsey 7S Framework through the application of Norton Balanced scorecard (BSC) are examined. It is disputable, however, how this model could be used in the analysis of public administration. Its methodology is focused mainly on the private sector and it is not flexible enough to be applied in other sectors. Of course the author does not pretend for such application of the model, but the universality of each model corresponds to its advantages.

Having in mind the aforementioned, the current study, whose main objective

is to analyze the management of public administration in the field of cultural heritage protection, will apply the McKinsey 7S Framework. In the scientific literature review a publication with the same objective, thesis, object and subject of research and using this methodology has not been identified.

3. Application of the McKinsey 7S Framework in the analysis of the management of state administration, responsible for the cultural heritage protection

The protection of Bulgarian cultural-historical heritage is related to the counteraction of criminal and administrative offenses that affect objects, containing scientific, cultural and other information, which is necessary for their study and exposure.

The counteraction itself is carried out by the public administration in the Ministry of Culture, Ministry of Interior and partly of the municipalities, which are external bodies to the judicial system. The study and exposure are carried out mainly in scientific institutes, such as the National Institute for Archaeology with Museum (NAIM) at Bulgarian Academy of Science (BAS) and museums such as the National History Museum (NHM), the regional history and archaeology museums, municipal, private and other specialized museums.

This forms the present model for human resources management in the field of cultural heritage protection. In this regard, the analysis will be based on McKinsey's 7S model.[8] It enables the assessment and dynamic analysis of the changes in the functioning of every business or public system. Its main elements are: structure, strategy, system, skills, style, staff and shared values, but not the classical elements like labor, capital, land, entrepreneurship that are used for organizations' analysis.

The „7S” – model is based on the understanding that every organization functions optimally when the relations among these seven elements are synergistic and effective individually.

Independently of the conceptual hierarchy of the McKinsey's theory and in regard with the main object, formulated in the introduction of the study, the core issue of the system will be the human capital, discussed as “staff” in accordance with the „7S”-model and directly related to the „7S”-elements - „skill” and „style”. The implicit impact of this dynamic core of the system on its static elements (structure, strategy and system) will be revealed as well as the element “shared values” will be presented as a binding one.

A. Staff

The analysis of staff concerns defining the necessary optimal number of employees in the organization, compared to their present state.[8]

In accordance with the approved Rules by the Council of Ministers of Bulgaria, the total number of staff in the central offices of the Ministry of Culture over the last 15 years varied from 164 employees in 1999 to 147 employees in 2014, as their number was the lowest – 118 – in 2005.[9] The number of persons employed at the Ministry of Culture is approximately 1% of the total number of staff in the entire central public administration of the country.[10]

The expert employees at the Ministry of Culture, who are directly involved in the cultural heritage protection varies from 10 employees in the period 1999 – 2009 to 19 employees in the period 2009 – 2014, as their number was the highest in the period between 2009 and 2012: 21 employees.

The staff with supporting functions in the field of cultural heritage protection and other main obligations at the headquarters

of the Ministry of Culture varies from 0 in 1999 to 12 employees in 2014.

In this regard the following conclusions can be drawn: the number of persons employed in the central offices of the Ministry of Culture, involved in cultural heritage protection as a percentage of the whole number of staff was 6% in 1999, 22% in 2009 and 21% in 2014.

As far as the above data is concerned, the Ministry's policy in this field has evolved, but it does not correspond with better results in the context of cultural heritage protection. Actually, in the period analyzed, lack of cultural heritage protection is observed, as the criminal punishments in this field are below 1% of the total number of encroachments in Bulgaria.

B. Skills

The study defines the element "skill" as those essential skills and qualifications of staff, acquired as a result of education, training and experience, which are key factors for the present and future development of every organization. [8] Further to these key skills and qualifications, the element consists also of motivation, training and payment.

There is not enough data about the way (competition, reappointment or direct appointment) public officers responsible for cultural heritage protection are appointed at the central public administration, in the annual reports for the development of state administration for both the period analyzed (1999 – 2014) and as a whole. Such data is not included in other public statements. In this regard, the data for the whole administration in the country, indicated in the annual reports for the development of public administration will be analogically adopted in the current research.

According to the annual report for the state administration for 2013, the most commonly applied method for appointing public officers is their relocation to another

position. Approximately 1/3 of the employees are appointed in this way. The data for the previous year is the same. Data are the same also for 2015, which confirms the fact that the relocation of employees to another position is made without a competition procedure in the public administration.

Given the aforementioned, it can be concluded that at least one third of the staff in public administration, involved with cultural heritage protection are appointed without announcing a competition. This poses a risk of insufficient nomination of competent employees, who cover only the minimal requirements for the position and who will not be shortlisted if a competition procedure is announced.

The average monthly salary of persons employed in the central administration who do not perform functions, related to European funds, is 433 Euro before September 1st 2012, which is 15% higher than the average monthly salary for the country.[11]

There is also not enough data about the evaluation of employees' performance, exercising functions in the field of cultural heritage protection and that is why for the analysis of the study, the general data for the whole administration will be used. According to the latest updated data of the Annual report for the state administration in 2013, the largest share of employees were awarded the maximum assessment ratings "Exceptional Performance" and "The performance exceeds expectations" – 45% for 2013. The assessment "The performance meets requirements" was given to 52%. And the assessment related to unacceptable and unsatisfactory performance to only 3%. The data for the previous year are almost the same with 3% deviation.

2015 data is identical - the performance of 53% of the employees in the public administration is evaluated as "Exceptional Performance" and "The performance exceeds expectations".

As a result, approximately half (45%) of the employees at the Ministry of Culture have overperformed, the other half have fulfilled their obligations in accordance with the requirements (52%) and at the same time the criminal punishments in the field of cultural heritage protection are below 1%.

This raises some questions related to the objectivity of staff performance evaluation. Actually the salaries of staff at the Ministry of Culture do not correspond to the results achieved.

Given the abovementioned low percentages of effectiveness of employees' performance, performing functions in the field of cultural heritage protection, it is necessary to define what the main requirements for their qualification and education are and to identify what problems their inefficient performance causes.

The main problem for the lack of sufficient minimum qualification is the absence of requirements for specialized education in the current regulations, related to the characteristics of the position "expert in cultural heritage protection".

Such requirement has been adopted for a short period in 2009 in article 16, paragraph 4 of the first edition of the Law on cultural heritage, but few months later they were revoked.[13]

In common law, there is a requirement only for minimum degree of education – Bachelor for junior positions and Master – for higher positions.[12] However, the degree courses, such as archaeology, architecture, legal science etc. is not specified in the law. Such qualifications are necessary at the specialized administrative and criminal bodies as the Inspectorate for Cultural heritage protection at the Ministry of culture. That is why, people with various professions such as composers, teachers, athletes, who hold a teaching bachelor's degree or master's degree from the Musical academy could be employed at this public body.

As it was mentioned above, this corresponds with low performance efficiency of employees involved in cultural heritage protection.

In conclusion, there is no good qualified personnel selection system at the public administration responsible for cultural heritage protection that guarantees the minimum level of staff competence so that they could efficiently perform their duties. These higher salaries attract many unskilled professionals who take advantage of the loopholes in the law and are appointed without announcing a selection procedure, usually by reassignment from technical to expert position.

C. Shared values

The element "shared values" is defined in the study as the view of the staff and its contribution to the development of the organization and the achievement of its main goals.[8] Key significance is also attached to the strategy, ethical standards and company's values, which are related to the main goal of the organization.

The shared values of public administration staff responsible for the cultural heritage protection must be oriented toward preservation of the historical memory, national identity and scientific and cultural value of the objects that constitute the Bulgarian cultural heritage.[14]

In the 2013 annual report of the Ministry of culture, it is indicated that during the whole year the inspectors, responsible for cultural heritage protection have issued only 12 acts for reporting administrative violations in this area and at the same time these acts have not led to the issuance of penalty provisions and penalize the violators.

For comparison, the inspectors who are responsible for the copyright protection, whose are fewer than the inspectors, responsible for cultural heritage protection,

have drawn up 180 acts for reporting administrative violations and as a result 100 penal sanctions were issued.[14]

In this regard, concerning the efficiency of the results achieved compared to the number of persons employed, measured by real punitive and penal provisions issued for 2013, it is around zero.

Compared to the lower number and higher effectiveness of inspectors from the same public administration, responsible for copyright protection, it can be proved that employees, responsible for cultural heritage protection are not motivated and do not share the values, targeted in their work and those which are established in the Law on cultural heritage.

D. Style

The element "style" in the study is defined as the way the directors manage the organization.[8]

The management style could be illustrated by the frequent amendments made in the Rules of the Ministry of culture, which defines the number and presence or absence of one or another administrative unit. For the entire analyzed period of fifteen years, the structure of the Ministry of culture, according to the Rules, has been amended every two years and a half.

This means that every government makes at least one amendment to the Rules of the Ministry of culture during its term of office. This shows lack of sustainable management style and creates difficulties in the everyday work of the staff. Firstly, it requires from them to understand the significance of each change and secondly, when the management is frequently replaced, it takes time for the staff to adapt to these changes.

The style of management could also be defined by the level of use of feedback on the effectiveness of the organization and its managers.

On its website the Ministry of culture has published only 6 annual reports for the analyzed 15-year period that sound unclear and common.

The management style does not stipulate that the taxpayers should be informed how to spend their budget, ensuring the protection of the cultural heritage, related to the historical memory, national identity, international prestige of Bulgaria and cultural tourism.

The style of management could be presented also by the postponement of important measures which aimed at development of the functioning of the organization. Such measures could be applied in the field of museums management:

- development of the audit and activity at public museums' storehouses, which will develop their modernization at national level;
- implementation of unified standards for costs calculation and funding of the municipal museums, which will ensure enough financial resources for their functioning;
- stimulating the museum's collection mobility at national and international level;
- implementation of unified museum software which will contribute to the better activity of the state and municipal museums;

E. Strategy

The element "strategy" in the study is defined as the availability of a long-term plan, consisting of the main goals and necessary resources for their fulfillment.[8]

The National Strategy for the Development of Culture is the long-term strategic document in the field of cultural heritage protection.

It must be underlined that before the work on the present study, such strategy was not adopted. A project for this strategy

has existed since 2011, which is presented for public discussion and since then – for four years this document has been worked on and modified, but not adopted.

In this regard, the Law on cultural heritage adoption has been amended 14 times for the six years since its adoption, which creates unpredictability and instability of the policy for Bulgarian cultural heritage protection.[13] If there was a stable national strategic document, outlining the direction for development of the law regulations, it would be much more stable and sustainable.

F. System

The element “system” in the study is defined as the interrelated processes in the organization, modeled by its procedures.[8]

The established systematic processes for cultural heritage protection in the Ministry of culture are legally wrong:

Under article 15 of the Law on cultural heritage, the inspectors responsible for cultural heritage protection have only controlling functions.

On the other hand, however, the Rules of the Ministry of culture (2014) impermissibly develop the Law, as in art. 23, paragraph 1, p. 2 stipulate that the inspectors are obliged to simultaneously perform “preliminary, current and subsequent control”, which means amalgamation of functions, conflict of interests and lack of objectivity.

Secondly, the Rules of the Ministry of culture (2014) inadmissibly develop the Law, as in article 23, paragraph 1, p.3, p.14 and p.15 the inspectors are obliged to issue licenses, who in accordance with article 15 of the Law on cultural heritage must take control of themselves.[9]

All of the above mentioned leads to absolutely wrong structuring of the systematic processes in the field of cultural heritage protection, which is a reason in itself for the low effectiveness of the results in this area.

G. Structure

The element “structure” in the study is defined as the way the elements of the organization refer to each other horizontally, vertically, centrally or equitably.[8]

As it was clarified in the previous section on the systematic processes, the “Inspectorate for cultural heritage protection” at the Ministry of culture, controls its own activity while issuing licenses and at the same time carrying out preliminary, ongoing and subsequent control over them.

On the other hand, there is a “Cultural heritage” directorate at the Ministry of culture, established in accordance with article 24 of the Rules of the Ministry (2014), which neither issues licenses, nor controls their application and usage. As far as its authority is concerned, it is clear that it works as a “luxury office” that forwards information to other departments and gives opinions on different issues that are not legal acts.

Actually this is a completely wrong structure of the Ministry of culture, where one directorate (the Inspectorate) has too much workload and illegally amalgamates the functions of issuing licenses and controlling them, and at the same time another directorate (the Culture heritage) does not have any sufficient functions.

This explains the low efficiency of the inspectors' activity, who are buried in work to issue administrative licenses and have no time to take control of them.

In order to be legal the structure of the Ministry of culture, responsible for the cultural heritage protection, it is necessary that the Inspectorate for cultural heritage protection has only ongoing and subsequent controlling functions not issuing license documents, but the Cultural heritage directorate must undertake the functions of issuing administrative documents.

Articles

The ineffectiveness of this management structure is proved also by the inability for precise and massive inventory work of the museums' warehouses which facilitates the exchange and theft of cultural treasures.[1]

Conclusions:

The analysis of the study proved its thesis that the amendment to the current model for public administration management in the field of cultural heritage would enhance the effectiveness of its protection, studying and exposure. The research identified the following guidelines in which the amendments must be made in such way that no financial resources and additional budget be needed:

- the number of staff responsible for cultural heritage protection at the Ministry of culture, increased in the 15-years period under consideration, but this does not reflect in better control;
- when the number of staff responsible for cultural heritage protection is increased, the basic economic principle, concerning marginal units, must be met – each marginal unit must lead to better results and effectiveness and that is why the new employees must be nominated only if better results will be achieved;
- legal requirements for specialized qualification of staff involved in cultural heritage protection are missing, which fact explains the low effectiveness of work at Ministry of culture;
- the lack of relationship between staff performance evaluation in the field of cultural heritage protection and the results achieved, leads to lower motivation and ineffectiveness;
- the style of management is characterized with great dynamism, lack of sustainability and unpredictability;

- the absence of national strategy document for development of culture leads to instability and frequent amendment of the legal acts on cultural heritage;
- the system and structure of Ministry of culture are wrong established - the Inspectorate controls its own activity and issues license documents while the Cultural heritage directorate functions as a post-office.

The effectiveness of human resources management in the field of cultural heritage protection could be enhanced with the application of the measures proposed in the present study.

According to the Bulgarian statesman Tsankov there were many watershed moments in the history of mankind. If we do not keep the memory for them, the societies will not develop and economies will collapse.[7]

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