

INTEGRATED GOVERNANCE – A REAL STRATEGIC OPTION FOR AN EFFECTIVE ROMANIAN LOCAL PUBLIC ADMINISTRATION

Abstract

Based on the fact that governance is referring to the processes of governing which includes all public management organizations, the paper contains some opinions of the specialists concerning governance and integrated governance concept. In this context an integrated governance model is presented like an real alternative for the local public administration system. Several activities for the integrated governance implementation process are explained in the content of the paper. Various level of the integration processes are presented and the relations between the components are part of the paper. The final section contains few issues for integrated governance in the Romanian local public administration.

Keywords: integrated governance; iGov; government; public administration.

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GUVERNAREA INTEGRATĂ – O OPTIUNE STRATEGICĂ VERITABILĂ PENTRU EFICIENTIZAREA ADMINISTRAȚIEI PUBLICE LOCALE DIN ROMÂNIA

Armenia ANDRONICEANU

Armenia ANDRONICEANU

Prof. univ. dr., Facultatea de Management,
Academia de Studii Economice din București
E-mail: armenia.androniceanu@man.ase.ro

Rezumat

Pornind de la faptul că guvernanta se referă la procesul de guvernare, care include toate organizațiile publice de la toate nivelurile, lucrarea conține câteva opinii ale specialiștilor cu privire la guvernanta și conceptul de guvernare integrată. În acest context este prezentat un model de guvernare integrată ca o alternativă viabilă pentru sistemul administrației publice locale. Mai multe activități implicate în procesul de guvernare sunt explicate în cadrul acestei lucrări. Lucrarea conține o prezentare a nivelurilor și relațiilor diferite dintre acestea în cadrul procesului de guvernare integrată. Secțiunea finală a lucrării reunește câteva posibilități de implementare a guvernării integrate în administrația publică locală din România.

Cuvinte cheie: guvernare integrată; iGov; guvern; administrația publică

1. INTRODUCTION

The public management literature uses the term governance to refer to the processes of governing which includes all public management and can involve different levels of government organisations and non-government organisations. The literature is clear that effective governance in a democracy, which includes the delivery of public services, needs to allow for voice and participation of the people to be governed. The more difficult the problem to be addressed the more likely it is that no one individual or organisation has sufficient knowledge or resources to bring about an effective solution. In such circumstances, linear and prescriptive policy processes are unlikely to produce workable or enduring results. A theme in the literature of the last decade is one of public management through horizontal relationships, between different types and levels of public bodies, and private bodies, which collectively are able to bring perspectives, knowledge and experience to inform effective governance. The literature informs us about when, how and what sort of relationships might be formed and how they might be effective (Androniceanu, 2010).

The idea of joined-up (or collaborative or integrated) government has been experimented and practiced with in a number of international jurisdictions including the UK, Netherlands, USA, Australia and Canada. These experiences and the knowledge gained from them have been captured in a number of practical and helpful publications. There are not a lot of New Zealand examples in the literature, the exception being the 'Strengthening Communities Through Local Partnerships Project' funded by the Foundation for Research Science and Technology and undertaken by Auckland University in collaboration with Waitakere City Council. The literature uses the term *governance* to refer to the processes of public management and governing, and therefore is a much broader concept than what is usually referred to as governance within New Zealand. Kickert et al. make the distinction that '*public management is governance but not all governance is public management*'. "*Government (not its agencies) is not able to steer society as a deus ex machina from a position above and detached from society; government itself is part of the social system and is only one of the many social actors influential in public policy processes*".

It has been identified some factors for new collaborative approaches as:

- 1) changes in information availability giving rise to more permeable structures allowing people to more easily work across organisational boundaries;
- 2) the "wicked" nature of problems, e.g. environment, poverty, health care, disasters, which cannot be addressed effectively through traditional bureaucracies;

- 3) citizen expectations of more choice – areas where the public simultaneously prefers more government action and less government involvement. We live in a shared power world in which many groups and organisations are involved in, affected by, or have some partial responsibility to act on public challenges.

Another specialists add devolution, rapid technological change, scarce resources and increasing organizational interdependencies.

Starting from this perspective it become more and more useful for the local public administration to think about a new and more effective option for their local public administration. In this context the *integrated governance model* is one of the most relevant approaches which streinghten the need for working together in a formal and informal environment for an effective local public administration.

2. THE INTEGRATED GOVERNANCE CONCEPT

One of the greatest challenges facing Governments in this decade is how to achieve improved coordination and partnerships across government agencies and across sectors. Integrated governance was developed as an approach to simplifying the complex governance arrangements of NHS organizations, and consists of a series of ten improvement activities which are designed to rationalize and sharpen the way NHS organizations are run. Starting from this the concept has been developed and applied in other areas of the local public administration.

Thus the concept of *integrated governance* has gained currency in public administration and in the political arm of governments. In 2000 the Institute of Public Administration Australia commissioned a study of Australian and international initiatives identified as 'integrated approaches'. This study, titled 'Working Together: Integrated Governance' aimed to build a better understanding of the significant shift occurring through initiatives, such as Turnaround, which aimed to build partnerships and whole of government approaches and partnerships across sectors to deal with a complex issue. The report identified early in the study that there was a lack of common agreements or understandings on the usage of 'governance' in many initiatives identifying as 'integrated governance'. Hence the study developed a working definition as follows: Integrated governance describes the structures of formal and informal relations to manage affairs through collaborative (joined up) approaches which may be between government agencies, or across levels of government and/or the non-government sector.

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There are other opinions concerning the integrated governance. Some of the most relevant are presented below.

Integrated governance is a mind-set and a culture. It is not a system or a structure. The concept of integrated governance recognizes that no one has all the knowledge and resources, or controls all the levers to bring about sustainable solutions to complex issues. The key to joined-up government is *to learn about shared purpose, teamwork, partnerships and building relationships*. Integrated governance is built around the *knowledge and know-how of people*. This differs from the organizational model of the past which was built around tasks, units and titles.”

Integrated governance unifies various agencies and functions of the government such that they appear as ONE to the citizens. E-government is one such tool to achieve the integration in government.

3. MAIN CHARACTERISTICS OF THE INTEGRATED GOVERNANCE

The literature is clear that there is no single model as to how integrated governance should be done, although it does require a significant degree of commitment and change from those involved in the process. The word “partnership” is often used to describe the type of relationship necessary for integrated governance: partnership in the planning, implementation and evaluation of policies.

Integrated governance arrangements are therefore characterised by:

- Formal agreements to do something differently in the service system as a result of working together;
- Agreed and documented protocols, memoranda of understanding or some other form of written agreement signed by those with the power to make decisions which are then used as an accountability tool;
- Co-ordinated service delivery models which provide an integrated response;
- Formal structures such as committees, task forces or steering committees with clear and delegated decision-making powers;
- Shared funding arrangements with formal accountability requirements for the allocation and/or expenditure of financial resources;
- Planning mechanisms with delegated powers or authority to act on recommended changes; and
- New service delivery mechanisms which bring together a range of different services

Leadership is vital in creating a climate in which change is possible. Another key factor in determining the success of integrated governance initiatives is the development of a shared vision and clearly identified objectives, roles and responsibilities to which all partners, not just bureaucratic and political stakeholders, can commit. Successful partnerships combine “organizational commitment, honesty and trust with a common agenda of shared objectives and understanding of partners priorities”. (Androniceanu, 2010)

4. MAIN ISSUES IN INTEGRATED GOVERNANCE

There are multiple issues behind the context of integrated government.

The most important issues in integrated governance are presented in the figure no. 1



FIGURE 1 - ISSUES FOR INTEGRATED GOVERNMENT

A few of them are explained below:

1. **Multiple Goals:** Each minister in a government has different political goal and more so in era of coalition governments where each minister is from different political party having different ideology. The ideals of collective responsibility and common standards of government are difficult to achieve when multiple goals co-exists. Take for example one of the minister who may desire to have tea served in earthen pots in trains whereas other ministers may desire metro type rail links across nation.
2. **Control Structures:** Governments have different levels of controls and in an integrated environment the controls may have to give way to employee empowerment and the same may lead to resistance to change. Say the police currently reports to the bureaucratic heads.

However the new environment may desire that police may be independent of any such controls which may be resisted by the bureaucrats.

3. **Resources:** The sources of funds in a government may be different. The funds may come from the central government, state government, financial institutions, multilateral agencies etc. With multiple sources of funds the goals of each funding agency may be different and therefore the integrated framework may be difficult to achieve. World Bank may be funding a part of a project in one state and central government the other part of same. Both will desire that their goals may be given priority.
4. **Political Ownership:** The idea of integrated government or e-government needs to have political acceptance otherwise it may not see the desired results. Many states have developed in areas like information technology and e-governance because there is a strong political ownership of those initiatives.
5. **Relationships:** Different entities in government have different relationship with each other. There exist hierarchies, levels of governance and distribution of function. The institution at the same level may not appreciate directions from subordinate or same level institutions. Say department of revenue may not appreciate department of information technology directing it on how they have to reform land records via e-governance. They may take technical advisories but will follow their own agenda.
6. **Accountability:** The accountability in integrated environment may get distributed over multiple agencies. This may lead to a situation where no agency is accountable. The national e-governance plan of government of India distributes the accountability of plan over line ministries and many more agencies. This may lead to accountability of none.
7. **Virtual State:** Sooner or later the integrated government may become a virtual state with no boundaries. The work, goals, decisions may be distributed over various stakeholders, departments and agencies thereby making the whole system boundary less.
8. **Public Private Partnership (PPP):** In order to integrate the public, private and non government sector a conflict of interest may emerge wherein the government sector may have citizen welfare as its goal where as the private sector will always have profits as its goals. Therefore the twain may be difficult to meet.

9. **Hierarchies in government:** The new environment will require the hierarchies in government to be replaced by horizontal structure where the communication takes place with any level depending on the need. However the current system may resist the same.

5.THE KEY ACTIVITIES FOR THE INTEGRATED GOVERNANCE

The main activities for the integrated governance implementation process are presented below:

1. Establish and revisit the organization's clarity of purpose and strategic objectives
2. Establish a strategic annual cycle of business
3. Ensure integrated assurance systems are in place
4. Move to decision-taking supported by intelligent information
5. Create a streamlined committee structure with clear terms of reference, delegation and reporting arrangements
6. Set up a strengthened audit committee to scrutinise all Trust activities
7. Establish effective Board supports
8. Establish processes to ensure Board fitness for purpose through selection, induction and review of Board members
9. Agree and apply Board etiquette
10. Develop individual executive and non-executive directors to ensure Board corporacy

If one country would like to build the infrastructure for the integrated governance process, it has to consider some elements. One of these elements is integrated government system. This is based on some databases.

The foundation of integrated government is based on three databases - database for humans (citizens), property (land) and moveable property (vehicles). The three databases can provide integration of all services across one country. Take for example a citizen wants to travel abroad and he approaches government for the passport. It will not be his concern to go to ministry of external affairs, he will just go to an integrated service centre and request for a passport (Note: A separate passport will be necessary as another id for the foreign countries only recognize passport as a valid travel document). The citizen id links the system to the municipal database wherein all the details like date/ place of birth of an individual; father's / mother's name etc are retrieved (Ziller, 2003).

6. THE INTEGRITY LEVELS

The various levels of integration are as defined:

- Integration of services of central, state and local government
- Integration of goals of governance
- Integration of various agencies of government
- Integration of public and private sector services
- Integration of services of different departments

An overall view upon various levels of integration are presented in figure no. 2.

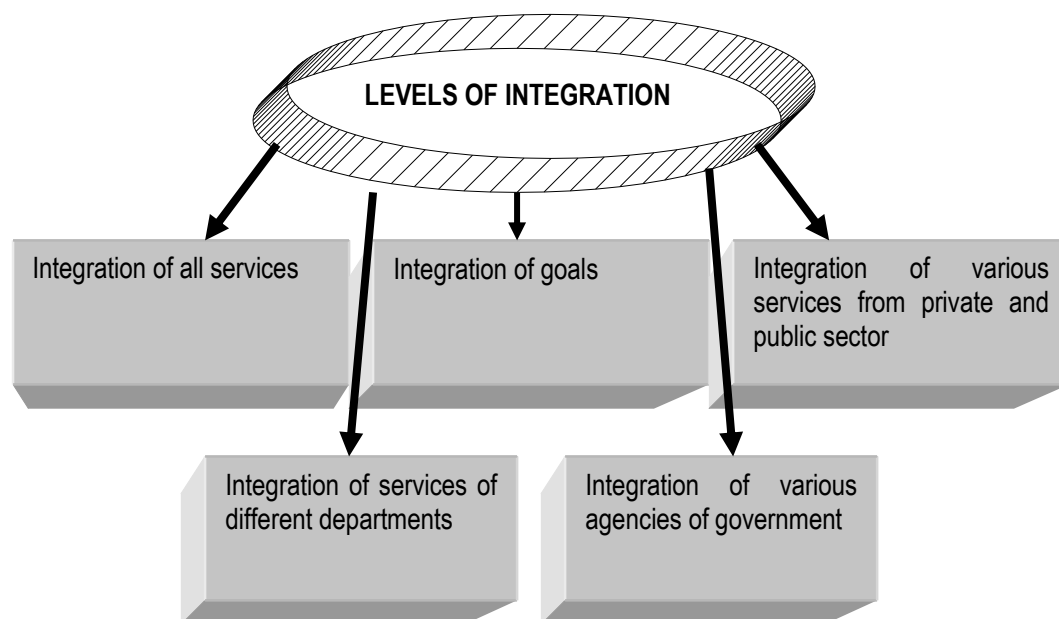


FIGURE 2 - LEVELS OF INTEGRATION

7. AN INTEGRATED GOVERNANCE MODEL

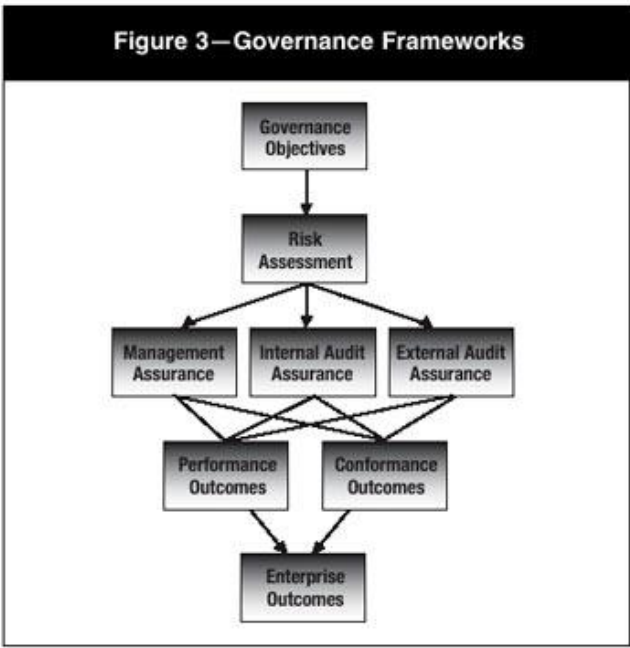
Boards have a responsibility to establish mechanisms and monitor operations to ensure that organizations achieve their objectives and comply with the law. This monitoring covers the operation of control systems and accuracy of reporting. Aspects of the monitoring function are frequently delegated to an audit committee.

The audit committee has three sources it can use to obtain the assurance it needs. It can enquire of line management, which have primary responsibility for delivery of the organisation's outcomes, or it can

enquire of the internal or external auditors. These three groups each provide incomplete information, but they provide it from different perspectives, so the audit committee may be able to construct a complete picture from independently sourced information from those groups.

Organisations set up many assurance functions (e.g., quality assurance groups, complaints systems, risk management groups and internal auditors) and have others imposed upon them (e.g., external auditors, regulatory inspectors). The audit committee is entitled to consider the reports of each of them in coming to a conclusion about the operation of an organisation(Lang, 2004).

The assessment and management of risk is the centre piece of the governance model. Risks arise because of public organizations she must be held to acceptable levels by control (treatment) regimes. Assurance processes are established so that the board can confidently monitor the management of risks and the achievement of organizational objectives (figure 3).



8. IT GOVERNANCE AND THE PRACTICAL IMPLICATIONS

Logically, IT governance is a subset of enterprise governance. IT governance covers performance and compliance considerations. Since IT is an enabler to business,perhaps it is fair to say that IT governance exists to help organisations make the most of IT. *IT governance is an integral part of enterprise governance and consists of the leadership and organisational structures and processes that ensure that the organisation’s IT sustains and extends the organisation’s strategies and objectives.*⁵

This definition implies that IT governance has three components:

- Leadership—Suggesting vision, responsibility and accountability
- Organisation—Suggesting staffing, resourcing and structures
- Processes—Suggesting established standards and procedures

Each of the *Control Objectives for Information and related Technology* domains can be analyzed in these terms, thus providing valuable practical insight into setting up and running an IT function. A full discussion of this is beyond the scope of this article.

The IT Governance Institute's *Board Briefing on IT Governance, 2nd Edition*, expands the above definition and describes IT governance as also:

- Setting strategy;
- Delivering value;
- Measuring performance;
- Managing risks.

Importantly, this expanded definition encompasses the management of risk—specifically, risks that arise in relation to strategy, risks in relation to delivering value, and risks in relation to measurement and reporting. The bottom-line questions for IT governance are:

- Do the systems support the business?
- Do the systems comply with law and regulation (security, privacy, health and safety)?
- Do the systems provide accurate results?

9. IT RISK ASSESSMENT

The potential that a given threat will exploit vulnerabilities of an asset or group of assets to cause loss or damage to the assets. The impact or relative severity of the risk is proportional to the business value of the loss/damage and to the estimated frequency of the threat.

While there are many IT risk assessment techniques, they all are mechanisms for identifying events that may affect objectives, the potential consequences of those events and the corresponding likelihood of those occurrences. The result of a risk assessment is a prioritized list of possible events that can form the basis for further action. Higher priority risks are toward the upper right corner of the chart. IT risk

assessment requires knowledge of the vulnerabilities of technology, the potential failures in computer systems implementations and the corresponding business implications. (Hardjono, 2003).

Three types of risk are of interest:

- Inherent risks—The risks present in the normal course of conducting business
- Control risk—The risk that controls will not prevent, correct or detect an adverse event
- Residual risks—The risks after controls are taken into account

The board's primary interests in these risks are that there is a systematic method of identifying and assessing them, the organisation's risk tolerance has been taken into account in determining appropriate treatment and the prescribed treatments are functioning as intended. Some risks might be of such magnitude that the board requires routine reporting against them. Day-to-day management processes will handle the majority of risks.

10. ISSUES FOR INTEGRATED GOVERNANCE IN THE ROMANIAN LOCAL PUBLIC ADMINISTRATION

There are multiple issues behind the context of integrated government (Stănciulescu, Androniceanu, 2006). A few of them are listed below:

1. **Multiple Goals:** Each minister in a government has different political goal and more so in era of coalition governments where each minister is from different political party having different ideology. The ideals of collective responsibility and common standards of government are difficult to achieve when multiple goals co-exists. Take for example one of the minister who may desire to have tea served in earthen pots in trains whereas other ministers may desire metro type rail links across nation.
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11. CONCLUSION

Integrated governance is one of the most interesting option for the Romanian local public administrations because of their advantages. The integrated approach to e-governance implementation

is in terms of service delivery to citizens and in no way affect the local structure of the country. However the integrated approach will facilitate in case of e-government / e-governance applications as it will reduce say the number of delivery / service points a citizen has to visit. Even the use of standardized software will ensure the interoperability and reduction of total cost of ownership. Not to say a reduction in number of physical IT infrastructure like servers, workstations, software licenses etc. As already mentioned it will reduce the number of ID's of the citizen and provide them single National Id, thereby minimizing the duplication of redundant data.

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