



Phil Teece

*Manager, personnel
& industrial services*

As change continues to sweep across the Australian industrial landscape, more and more ALIA members are confronting new policies for provision of public services. Victoria's legislation for compulsory competitive tendering in local government is a case in point. And, while details may vary, similar trends are evident in most other parts of the country.

Understandably, few are finding this a comfortable process. Many, in fact, experience real stress when environments in which they have spent their entire working lives seem so fluid. But tempting as it is to concentrate on intellectual shortcomings, debating the morality of new styles for delivering services may well be a case of shutting the gate after the horse has bolted. The fact is a paradigm shift in thinking about the public sector can be identified right across the developed world. And, increasingly, legislation requires adoption of new ways of doing things.

So for most of us, sensible self interest dictates that we should supplement healthy scepticism with some solid awareness of just what the new approach is all about. Even if we choose to remain strongly opposed to them, it will still be necessary to gain greater understanding of the nature of new policies and the thinking behind them. And, armed with a clearer awareness of the context for change, some may even find change less threatening than they expected it to be. What perhaps is most certain is that few will have any choice about working with new styles of service delivery over coming years.

For those seeking to get to grips with the new orthodoxy, a first class reference is *Reinventing Government: how the entrepreneurial spirit is transforming the public sector*, by David Osborne and Ted Gaebler,

Addison-Wesley, 1992. Lauded in America by conservatives and liberals alike, the book draws its ideas together in '10 principles for transforming the public sector'. When political luminaries from President Clinton down, and from both sides of the political fence, have so warmly endorsed the book, it makes good sense to have a look at its blueprint, even if only to develop useful coping strategies for what lies ahead.

The book says governments should 'steer, rather than row'. They should reshape their role to set directions, make policy, provide resources and evaluate outcomes, rather than engage in direct service delivery. Governments' task should be 'leading rather than doing', the authors say, and have identified 36 alternatives to standard public sector service delivery.

They advocate empowering communities (rather than delivering services) through seed funding, professional advice and training for community representatives. They assert competition versus monopoly, rather than public versus private as the crucial operating debate. And they identify equity as a fundamental requirement, whatever efficiency improvement policies are used. They argue for 'missions rather than rules'. Most interestingly, the authors say the much-vaunted results orientation, about which we hear so much, should not primarily emphasise input costs but rather should measure outcomes, in keeping with total quality management theory.

The authors suggest a radical change from what they describe as the culture of governments as only spenders of money. The earning of money too is a valid government objective, they say. Osborne and Gaebler say the benefits of a focus on earning as well as spending can

For ALIA members confronting new approaches to delivery of public library services, the balance between cost-effectiveness and quality standards is far more complex than many in government admit, or perhaps realise.

lead to greater concern for the investment aspects of outlays, as well as only the straightout costs. In their view, this creates a desirable longer term focus, with potential for today's cost to become tomorrow's community investment.

In keeping with their concept of steering not rowing, the authors see modern governments as brokers rather than direct providers of services. They urge governments to use leverage and intervention in the marketplace to achieve their preferred outcomes. This approach is presented as a socially desirable 'third way', falling between the extremes of state-controlled and administered programs, on the one hand, and completely free-market, laissez-faire policies, on the other. And although they do strongly assert the importance of more market-focused government, Osborne and Gaebler also place great emphasis on a proper balance between markets and the community. If equity is to be retained, they say, markets can be only half the story. The other, equally important, half must be community empowerment.

For ALIA members confronting new approaches to delivery of public library services, the balance between cost-effectiveness and quality standards is far more complex than many in government admit, or perhaps realise. Studies such as this one, endorsed by some of the world's leading policy makers, make it clear that the coin of service delivery improvement has more than one side. Perhaps the best course for those most affected will be to understand both sides of the debate and the broader context for change, so as to best position themselves to deal with it. Familiarising themselves with the concepts espoused in books such as *Reinventing Government*, will be a useful start. ■