A Proposed Value-Based Governance and Leadership Research Agenda

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Abstract

This paper calls for the creation of a cooperative research agenda organized around value-based public governance and leadership. It outlines the rationale for such an agenda and provides a conceptual framework for undertaking future research. The framework is the culmination of joint partnership agreements between the Hatfield School of Government at Portland State University and School of Management at Lanzhou University to improve government performance through research, education and the training of government officials. The paper draws the “lessons learned” from the domestic and international activities that have been spawned by this partnership agreement. These activities include various funded research projects related to performance leadership, a thorough review of the current literature on performance leadership and governance, field research in China and the United States and the creation of leadership development programs specifically designed to improve government performance. The paper lays the groundwork for the creation of an international consortium of public management institutions that are committed to the improvement of government performance and leadership through applied research, leadership development and the education of students for careers in public service.
Introduction

This paper outlines a value-centered framework for undertaking joint research to improve government performance and leadership. The framework is the product of a five year collaborative partnership between the School of Management at Lanzhou University and the Hatfield School of Government’s Center for Public Service, as well as work with other international partners in Japan, Vietnam and Korea. This partnership has spawned several applied research initiatives, joint teaching and training opportunities, student and faculty exchanges and numerous conference and working papers. This paper draws from all of these sources and, where appropriate, cites them as references for our observations and conclusions (see Appendix I for a summary list of the relevant reports, projects and publications).

The paper is divided into four parts. In Part 1, we document the need for an international joint research agenda organized around a value-centered approach to governance and leadership. In Part 2, we provide a conceptual framework for undertaking such research, which is grounded in the theory and practice of public administration scholarship. In Part 3, we sketch the outlines of the kinds of research questions that might be pursued as a result of the framework provided in Part 2. In Part 4, we draw summary conclusions and outline future next steps.

Part 1. Public Administration and Governance at the Beginning of the 21st Century

The economy, environment, society, and welfare of citizens around the globe are now more interconnected at the beginning of the 21st Century than they have ever been in the history of mankind. Daily headlines in the news testify to this global interdependence, whether it is the efforts by the European Union to stabilize the economy, or environmental degradation of mining and forestry practices in the Amazon, or the diversion of large water systems in China to meet the growing consumption needs of Beijing. In all of these instances officials at the local level are the ones responsible for efficiently and effectively managing the complexity, conflict and moral ambiguity that increasingly characterizes governance in the 21st century. Although international agreements abound, the subsidiary governing units of the nation states are still the primary locus of responsibility for adapting to a rapidly changing world—a responsibility shared by political
officials and public administrators. This is true even in highly centralized single party regimes. The importance of these government officials at the local level in making our systems of governance work has grown substantially across the globe as evidenced by initiatives in China, Japan, Korea and Indonesia over the last decade to increase the responsibility and authority of local governing jurisdictions and their officials. These initiatives are a reflection of the fact that problems have become too complex, public resources have become too scarce and the demand for responsiveness by local citizens has become too great for the public good to be managed entirely or even predominantly from the center. It is these local public officials who are the focus of our attention in this paper. But in making them the focus of our attention, by implication there is a message to central government decision makers who create policy initiatives and local governing expectations: Central government leaders need to align their expectations and resources with the realities of the situations that exist at local levels of governance.

The argument of the paper rests on four propositions: First, leadership, management, governance, values, and performance need to be viewed as interdependent activities working in concert for the common good. Second, high performance in government can only be achieved when its decisions and actions are informed by public values at every level of governance—both in process and substance—from the top to the bottom. Third, the burden of building trust and legitimacy with citizens has fallen increasingly on local governing officials where the implementation of government policy takes on personal meaning in its impacts on the lives of individual citizens. Fourth, increased global interdependence has created an opportunity, if not the necessity, for international collaborative research and leadership development initiatives by academic institutions and public agencies.

1.1 Leadership, Management, Governance, Values and Performance Leadership: The Interdependence Imperative

Over the past 50 years, the field of public administration has experienced identifiable patterns of change as to what should be at the center of administrative practice and education. As we document in our literature review (Larsen & Wang, 2011), the field has moved from an emphasis on management (called New Public Management, see Fitzgerald, Brignall, Silvestro, &
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Voss, 1991; Hood, 1991; Kaplan & Norton, 1992; Kettl, 2000; Sanderson, 2001), to an emphasis on Leadership (called New Public Leadership, see Brookes & Grint, 2010), to an emphasis on Governance (called New Governance (Salamon & Elliott, 2002) and New Public Governance (Larsen, 2008a; Osborne, 2009)), to an emphasis on values (called Public Values, see Hill & Lynn, 2009; Lynn, 2006; Moore, 1995) and, finally, to viewing each of these domains of concern as being synergistically connected with one another in producing the public good (Brookes & Grint, 2010). While these stages are not as analytically separate as the categories may suggest and while there is no consensus on their relationship to one another, there is general agreement in the field that these four domains of management, governance, values, and leadership are all essential for building and maintaining the trust of the citizens that government serves (Brookes & Grint, 2010; Larsen, 2008a; Osborne, 2009).

This paper sides with the emergent body of research emphasizing the importance of viewing management, leadership, governance, and public values as being synthetically connected and interdependent. Our argument is based on the embeddedness of governing institutions, processes and practices within a larger socio-economic and cultural setting (Berger & Luckmann, 1967; Elkin & Soltan, 1993; Giddens, 1990; Powell & DiMaggio, 1991; Selznick, 1992; Soltan & Elkin, 1992). This embeddedness creates dynamic patterns of interaction that operate in multiple directions with mutual influences on one another. Therefore, any effort to improve government performance requires understanding the social and cultural underpinnings that both make possible and limit the possibilities for improvement. It also means that what counts for performance is socially constructed and embedded in a society’s governing institutions. The importance of the principle of “embeddedness” is explored in greater detail in the next section on public values.

1.2 The Public Value Imperative

This paper agrees with the growing body of scholars who argue that public values need to be at the center of public administration research, education and practice (Brookes & Grint, 2010; E.Lynn, 2011; Hill & Lynn, 2009; Moore, 1995; Osborne, 2009). Public values are socially constructed and are formed, held, and expressed through a variety of social institutions which are ”complex social forms that reproduce themselves such as governments, the family, human
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languages, universities, hospitals, business corporations, and legal systems” (Miller, 2011, p. 1). Political systems in particular form and hold values that are decisive in framing the standards for the exercise of administrative discretion. In the day-to-day world of governance, expression of values by citizens is often chaotic and unpredictable both for the citizens and stakeholders who hold values and for public administrators who often must respond to them. In part, this is because the expression of values by people in response to governmental policies, programs, and services are influenced by more deeply held foundational societal values.

It is important for governing officials to understand how larger and implicit societal values interact with the more explicit political values of the regime and the ideology of the governing party responsible for policy development and implementation. Public officials in their leadership and management roles must embrace and be responsive to these regime-specific procedural and substantive public values as well as particular expressed public values if they are to be successful in creating and sustaining the trust of the citizens they serve. In fact, the very legitimacy of the government itself depends on how successfully public officials carry out these trust-building and trust-maintaining activities on a daily basis—a task requiring new leadership and conflict resolution skills that we explicate more fully in section 2.6.

The forces of globalization have increased the saliency of another important dimension to the regime-specific values of the nation state. With increasing interdependence, there is growing support for honoring substantive values that transcend individual regimes and thus can form the basis for a public administration paradigm that is worthy of responding to the global challenges of the 21st century (Cooper & Vargas, 2004; Segger, Weeramantry, & Koh, 2005; Weeramantry, 2004).

1.3 The Increased Importance of Responsiveness to a Growing Educated Public: The Local Government Imperative

Two important consequences of globalization were exemplified by the seemingly spontaneous independent uprisings by the educated middle class that swept through the Middle East in the spring of 2011. Popular uprisings in Egypt, Tunisia, Syrian, Iran, Syria, Iran, Libya,
Saudi Arabia, the United Arab Emirates, and Bahrain were strong testimony to the consequences of the global information age, which has made it more difficult for regimes to “manage the appearance of things” indifferent to the underlying reality. Even in areas where individuals may be illiterate, they have access to satellite television and telephone service and an understanding of how various countries are dealing with the challenges of balancing economic development, social equity, environmental stewardship, and concerns citizens may have about the efficacy of their political system and leaders. Technological innovations have made censorship a more complex and uncertain strategy than has been the case in the past. As a result, political leaders face an increased challenge of managing expectations of different sectors of society while at the same time managing the economy, the political system and an increasingly complex civil society.

The uprisings in the Middle East were also a strong testimonial to the consequences of the creation of a well-educated middle class whose expectations of governing systems and their leaders go beyond the traditional egalitarian revolutionary standards of “food, clothing and shelter” to the more intangible standards of “access, equity, fairness, justice and freedom”. Our own research and observations from work in China, Korea, Japan and Vietnam, as well as our work with local officials in the U.S., support and reinforce the need for governing officials to devote increasing time and resources to responding to local citizen concerns on the more intangible value-centered expectations that citizens around the world are using as the basis for judging the trust and sense of legitimacy they have in their governing institutions and leaders (see (Bao, He, & Wang, 2010, 2011; Bao, Wang, Zhou, Morgan, & Larsen, 2011; Ingle, Dihn & Huan, 2011; Magis & Duc, 2011)).

1.4 Impact of Globalization on Public Service Delivery, Education, Knowledge Production, and Dissemination: The Collaboration and Co-Production Imperatives

Globalization has created conditions across nation-state boundaries that provide a ripe opportunity for internationally coordinated research and leadership development initiatives focused on the problematic of building and maintaining the trust of the citizens in their governing institutions. With globalization, the rapid growth of information-age technology, and increased economic interdependence, it is no longer possible for political systems to build and maintain
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legitimacy by relying mainly on the traditional sources of “hard power” like the military, the rule of law, the civil service, political parties, and control of the flow of information to citizens. Individuals and groups now have increased capacity to link themselves together in loosely coupled networks to shape the meaning of the common good. The example of the terrorist attack on the United States on September 11, 2001 is a simple reminder of this fact. The 9/11 attack triggered a “hard power” response by the U.S. government and the expenditure of billions of dollars that significantly increased national security measures at home and abroad and provided partial justification for initiating two wars on foreign soil. But there is on-going debate as to whether these actions have made the American political system safer from terrorist attacks or, in the eyes of some, have been worth the price, both in terms of dollars expended and the compromise of important regime values (Napoleoni, 2010; Waldron, 2010; Weinberg & Eubank, 2011). What makes this debate different from traditional ones on the exercise of hard power by sovereign nation states is the interdependence of the global community and the waning ability of “sovereigns” to keep their sovereignty intact by relying on traditional hard power measures. This common condition faced by almost every nation in the world provides a rich opportunity for new approaches to collaborative research, education, leadership development and the delivery of public services.

1. 4. a. The Collaboration Imperative. In response to the increased need and opportunity for collaboration, several universities around the world have created a consortium to improve public service performance and evaluate strategies for building citizen trust in their governments. They include the Hatfield School of Government at Portland State University, the School of Management at Lanzhou University in China, Waseda’s Okuma School of Management in Japan, the Ho Chi Minh Academy in Vietnam, and the Seoul Korea, Municipal Government. All of these partner institutions share a common interest in improving public service performance by:

- Developing close partnerships between educational institutions and public service agencies and their practitioners with the goal of undertaking applied research, providing technical assistance and engaging in leadership development;
- Creating and sharing knowledge through conferences, joint research projects and co-authored publications; and
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- Facilitating practitioner, student and faculty exchanges designed to capture and share the lessons learned from one another on strategies for improving government performance.

This paper is the beneficiary of these jointly sponsored research, education and leadership development activities. It offers both a prescription for practitioners and an academic research agenda for moving beyond New Public Governance (NPG) and New Public Leadership (NPL) to high performance government leadership and management in which public values are used more effectively to inform the processes of governance and the substantive policies that are produced. This prescription should not be confused with a call for greater democracy. In fact, in some cases, simply deferring to the values that are publicly expressed can undermine government trust and legitimacy, especially when government has little or no capacity to meet popular expectations or when the expectations are ill-conceived and need to be tempered by the hard reality of data and more information.

1.4. b. The Co-production Imperative. As globalization has increased the need for international collaboration both among nation-states and educational institutions, it has also made the co-production of knowledge, research and delivery of public services more important than it has been in the past. The traditional model in each of these domains of activity has been based on a hierarchical and scientific model which separates “knowledge producers” from “knowledge appliers.” This model treats practitioners, clinicians, citizens and students as “doers” who are supplicants to those who are “master knowers” of theory, a body of knowledge, or a set of expertise. This model becomes less effective in environments characterized by what we call “wicked problems” where there is no perfect solution or environments that require reliance on shared power approaches to problem identification and solution (see section 2.4 for a more extensive elaboration). These environments are frequently characterized by conflicting values, ambiguity about the existing set of conditions, uncertainty about the consequences of collective action, and limited resources both in time and money. These kinds of conditions call for co-production approaches to research, governance and leadership development (Morgan, 2009; Morgan, Green, Shinn, & Robinson, 2008, chapter 11; Morgan, Shinn, & Ingle, 2010).
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While coproduction first appeared in public administration literature in the late 1970s and early 1980s (Levine & Fisher, 1984), there has been a recent reemergence of coproduction in the public administration literature (Bovaird, 2005; Joshi & Moore, 2004). Bovaird conceives it as an emerging paradigm within complex adaptive systems. He observes that the scope of coproduction has been extended to include the commissioning, planning, design and implementation of activities. We extend this definition even further to include the partners in all jointly sponsored activities:

*Institutionalized coproduction consist of the processes, structures and shared values that support the provision of public service, leadership development, research and education through long-term relationships among participating partners.*

This definition is intended to serve several purposes. First, it is intended to embrace the full range of activities that contribute to the creation and maintenance of the public good by those in the public, private market and nonprofit sectors. Second, it captures the wide array of motivations for undertaking coproduction, ranging from the instrumental goals of reducing costs and building public support to the more expressive goals of creating a community of shared values. Third, it is intended to serve as a vehicle for government organizations to understand, embrace, and be responsive to public values.

1.5 Summary Overview of Our Approach: Partnership, Co-production & Public Values

Traditional government performance managed under the strictures of NPM emphasizes efficiency and effectiveness of government. From an organizational standpoint, implementation of a performance management system requires performance monitoring, evaluating and learning from its results, and taking corrective or prophylactic actions to improve future performance. During the past twenty years, government performance management under NPM was undertaken to modernize government around the world through a variety of policies and programs.

Problems, however, emerged under NPM, including low citizen satisfaction with the often narrow and unsustainable results of measures taken to secure high government performance and an over-emphasis on government efficiency and effectiveness. These problems reflect the
difference between public and private sector performance management (Bao, He, et al., 2011; Bao, Wang, & Larsen, 2011; Brookes & Grint, 2010). We argue, in this paper, that the ultimate goal of public governance is to promote the common good. What constitutes the common good is always a matter of debate in almost every governing system. But essential to the debate is the inclusion of publicly held values as well as a clear understanding of the degree to which government programs and actions actually contribute to the public value. We suggest that, as a matter of practice, public officials need to go beyond analyzing policy, government actions, inputs, processes, and outputs by incorporating public values both procedurally and substantively in their performance management work. We argue that this approach involves (a) co-production with citizens and citizen groups, (b) embracing substantive public values, and (c) actively working to resolve conflicts in values. Taking such actions will integrate the instrumental rationality of efficiency and efficacy of governance with the political rationality of a regime’s foundational public values. In the past, government performance management was often exclusively internally focused on management systems. We now want to turn the attention of public officials externally to ask how government can be more responsive to public values at every step of leadership and management. In calling for this “turn of attention”, we recognize the problematic nature of identifying and using public values as the touchstone for government performance. That is why we also call for the creation of comparative research agendas that will produce results which are useful in helping decision makers at all levels of the governing process to sort and order the conflicting public values and priorities that increasingly characterize their work.

Why measure and manage performance using public values? The answer relates to the importance of setting performance goals—performance goals that are tied to the building and maintenance of the trust of citizens in their government and its leaders. Tying performance to foundational public value accomplishes this goal more readily than traditional performance management, which is confined to a focus on the policy, behavior, and outcome of the government. For example, a local government might have the desire and financial ability to build a new road but at the expense of associated environmental values that are important to the public. Even if the road proves to be of benefit, the loss of trees, which will clean the air and beautify the community, could be of higher value to the local people. If building the road was set as the
primary performance target by government officials, absent public feedback on the value of the road, the job accomplished by government might not be supported by the citizens and, instead could contribute to undermining citizen trust and legitimacy. This is one of the major problems with NPM. While government and public officials have clear goals built around performance targets, performance measurement is narrowly focused on the result to make the government more efficient, effective, economic and accountable. But within the public value paradigm, multiple goals would be pursued and performance management measurement would capture the substantive and procedural values that are important for building and maintaining the trust of the different kinds of stakeholders in a networked environment.

**Part 2. Conceptual Framework and Relevant Literature**

The conceptual framework for this paper and our joint research work rests on the following four central concepts that we will elaborate more fully in the sections that follow: (a) core political and public values, (b) regime governing structures and processes, (c) leadership competencies, and (d) responsiveness to the contextual setting. In doing so, we will ground our concepts in scholarly research in the field and show how the concepts work together to frame and guide our collaborative research agenda.

### 2.1 The Evolutionary Development of Public Administration: Return to a Foundational View.

The study and practice of public administration has evolved through at least five stages of development which are summarized in Table 1 below (Larsen & Wang, 2011). We call the first stage Pre-classic because it precedes the conscious creation of public administration as a formal field of study and captures what leaders are expected to do when undertaking nation-state building. Studies of the role of public administration during these successful founding periods document the importance of administrators using their discretion to assist the political leaders in building the trust and legitimacy of the political order. This was the genius of both Genghis and Khubilai Kahn who together laid the foundations for the modern world (Weatherford, 2004), of Ataturk who founded the Turkish Republic (Bay, 2011; Mango, 2000), and the American Founders
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(White, 1948; Green, 2002; Morgan, Green, et al., 2008, chapter 4, p. 62). All of these founders viewed the work of administrators as foundational to government performance. They

Table 1

*Distinguishing Characteristics of Public Administration Philosophies from Larsen (2011, p.18)*

<table>
<thead>
<tr>
<th>Distinguishing Characteristics</th>
<th>Pre-Classic Nation Building</th>
<th>Classical Public Administration</th>
<th>New Public Management</th>
<th>New Public Governance</th>
<th>Public Values-Based Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theoretical Basis</td>
<td>Regime Theory</td>
<td>Political Science, Public Policy</td>
<td>Rational/Public Choice Theory, Management Science</td>
<td>Institutional, Network, Theory of Agency,</td>
<td>Political Economy, Regime Theory, Complex Interdependence,</td>
</tr>
<tr>
<td>Concept of State</td>
<td>Unitary</td>
<td>Unitary</td>
<td>Regulatory and Privatized Coordination</td>
<td>Plural and Pluralist Interest-based conflict resolution</td>
<td>Regime-Dependent Diplomacy</td>
</tr>
<tr>
<td>Leadership Actions</td>
<td>Nation-building and statecraft</td>
<td>Output management</td>
<td>Coordination</td>
<td>Forging collective horizontal leadership</td>
<td>Collective vertical and horizontal leadership</td>
</tr>
<tr>
<td>Leadership Scope</td>
<td>A people and their destiny</td>
<td>Management within an organization</td>
<td>Coordination among organizations</td>
<td>Forging collective horizontal leadership</td>
<td>Collective vertical and horizontal leadership</td>
</tr>
<tr>
<td>Leadership Results</td>
<td>Institutions and processes of state</td>
<td>Efficiency</td>
<td>Effectiveness</td>
<td>Agreement on actions</td>
<td>Agreement on the nature of the problem and solution</td>
</tr>
<tr>
<td>Value Orientation</td>
<td>Variable</td>
<td>Agnostic values</td>
<td>Explicit values</td>
<td>Limited explicit Value conflicts</td>
<td>Unlimited explicit Value conflicts</td>
</tr>
<tr>
<td>Value Arbitration</td>
<td>Institutions and processes of state</td>
<td>Hierarchy</td>
<td>The market and classical or neo-classical contracts</td>
<td>Networks and relational contracts</td>
<td>Regime values, public values, values by consensus</td>
</tr>
<tr>
<td>System Orientation</td>
<td>Mono-centric</td>
<td>Mono-centric</td>
<td>Polycentric</td>
<td>Mini-centric</td>
<td>Polycentric</td>
</tr>
<tr>
<td>Performance Unit of Analysis</td>
<td>Legitimacy</td>
<td>Outputs</td>
<td>Transactions</td>
<td>Outcomes</td>
<td>Conflict Resolution</td>
</tr>
<tr>
<td>Leadership</td>
<td>Visionary</td>
<td>Tactical and</td>
<td>Strategic</td>
<td>Strategic</td>
<td>Transformational</td>
</tr>
</tbody>
</table>

11|Page
consciously recruited their administrative cadre for their competence in building systems, for their sensitivity to the needs and values of local citizens, for their ability to increase the reputation and trust in the larger political system, and for their ability to create and maintain a shared sense of common values and purpose. In short, the work of administrators was not seen as being simply instrumental, but as being an integral part of shaping the meaning, value and legitimacy of the political order itself. This makes the work of public administrators, from its earliest conceptions, political, constitutive, and value-centered. After reviewing the various stages of development in Table 1, we will conclude with the argument that the current period called New Public Governance is a return to this Pre-classic concern for building trust and legitimacy. We believe a value-based approach to governance and leadership is the best way of accomplishing this fundamental goal of public administration.

Column 3 of Table 1, what we call Classic Public Administration, represents the emergence of public administration as a distinct field of study. It has its origins in the progressive era of the late 1800s and early to mid-1900s (Morgan, Green, et al., 2008, Chapter 4). Salamon (2002) observes that classical public administration theory “posited a new type of institution, the democratic public agency, that would overcome the three major problems long associated with government bureaucracy—that is, excessive administrative discretion, special-interest capture, and inefficiency” (p. 9). From the beginning, public administration has concerned itself with the business of (a) restricting government agencies to administration of policy rather than making it, (b) staffing of agencies based on competence rather than influence, and (c) management principles aimed at efficient dispatch of duties.

Column 4 of Table 1, called New Public Management (NPM), has been the dominant paradigm for the last two decades. There is widespread agreement that the NPM agenda was created to accomplish multiple goals, including increasing government efficiency, improving
service access and delivery to citizens, and downsizing government while expanding the private and nonprofit sectors (Brookes 2008, p. 3). Much has already been written about the virtues and vices of NPM, so we won’t revisit this well-known body of literature in detail here (see Larsen 2008, chapters 2 and 5; Bao, Larsen and Wang, 2011; Kettl, 2000; Sanderson, 2001; Fitzgerald, et. al, 1991; Kaplan and Norton, 1992). For purposes of this paper we accept and build on the argument of those who contend that NPM has strengths that are important to preserve for building citizen trust in government, including: (a) an emphasis on customer service (b) the need to foster professionalism, managerial skills, and accountability in public administration; (c) and the important role of leaders in creating and maintaining high performing organizations. We also take seriously the common criticism that NPM sacrifices important public values in the service of efficiency and effectiveness and reduces opportunities for citizen engagement (Box, et. al. 2001). These concerns have been important influence in shaping the development of the value-centered framework that we are proposing in this paper.

The critical responses to the deficiencies of Classic Public Administration and New Public Management have spawned two stages that we have identified in columns 5 and 6 of Table 1. Each of these stages seeks to correct a different central deficiency of NPM. The deficiency represented by column 5 and labeled New Public Governance is the preoccupation of NPM with vertical structures of authority to the neglect of the horizontal structures that are more common in the public sector, especially in mixed economies with federal models of governance and fragmented power among the legislative, executive and judicial governing functions. The deficiency addressed in column 5 is the neglect of public values. We will expand on each of these two stages in the paragraphs to follow.

Column 5, labeled New Public Governance, represents a shift in focus from what it takes to make things work in vertical structures of authority to what it take to make things work in horizontal structures. These horizontal structures are represented by cooperative agreements between and among public agencies, nonprofit organizations and participating entities from the market sector. These joint actions require different policy instruments and tools than those used in traditional hierarchical structures and different approaches for successful policy
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implementation. Salamon (2002) outlines five key areas of change that result in this transition from Classic Public Administration and New Public Management to New Governance: (a) a shift in focus on agencies and programs to the nature of various policy tools and instruments, (b) a shift in organizational form from hierarchy to network, (c) a shift in dynamics from public vs. private to public and private, (d) a shift in exercise of power from command and control to negotiation and persuasion, and (e) a shift in orientation from management skills to enablement skills. NPM has informed much of the orientation toward higher government performance at the end of the 20th century.

Our proposed research framework draws heavily from the insights of NPG. For purposes of our research agenda we are especially interested in the leadership and governance implications for programs and its leaders who have to simultaneously meet both vertical and horizontal standards for building trust and legitimacy. We are also interested in better understanding how NPM can sometimes foster a countervailing dynamic that produces partnerships over a wide range of stakeholders, interest groups, and corporations. These partnerships can then sometimes give rise to new organizational forms that evolve into new models of citizen engagement in governance. In doing so, these models retain the benefits of NPM but remedy its defects. Why does this happen in some cases and not in others and how is the public good affected by these different outcomes? These are questions that are part of our research agenda summarized in Part 3.

It is more difficult to clearly summarize the characteristics of the Public Values stage of development in column 5 of Table 1 than is the case for the other stages in the Table. This is because the public values stage is an emerging concept that does not yet have a unified body of practice and study to support it. While the definition of public value is ambiguous and the approaches for understanding what it means vary (see O’Flynn 2007; Stoker 2006; Jørgensen and Bozeman 2007), there is growing agreement that it offers a new paradigm and a different narrative of reform. Its strength lies in its redefinitions of how to meet the challenges of efficiency, accountability, and equity and in its ability to point to a motivational force that does not rely on rules or incentives to drive public service reform. It rests on a fuller and rounder vision of
humanity than does either traditional public administration or new public management (Stoker, 2006, p. 56)

For purposes of our paper we have drawn heavily from the public value paradigm developed at the Kennedy School of Government by Moore (1995) and Heymann (1987). The part we add to their work is represented by the foundational public values at the bottom of the diagram in Figure 1 below. We agree with Moore and Heymann that there are three dimensions to public sector work that build trust: value, legitimacy and support, and operational capacity.

Figure 1

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Value directs managerial attention to the value proposition that guides the organization; legitimacy and support directs managerial attention to the question of where the support for pursing the value will come from, and operational capacity focuses attention on the question of whether sufficient know-how and capability exist to achieve the desired result. The model provides a comprehensive strategic view of a value-centered approach for government managers and public officials. In this model leaders must pay upward attention to the authorizing environment, outward attention to the purpose to be achieved and the value to be created, and downward and inward attention to management of their organizations (Moore, 2000). To Moore’s conception we add, as shown in Figure 1, foundational societal values which infuse all leadership calculations to the extent leaders are cognizant and responsive to them—a topic we will take up next in the next section on public value-based performance management.

Public value-based performance management is important to government and its associated public sector performance because (a) it emphasizes the importance of considering value propositions—different from the principles of NPM, (b) it advocates a collaborative network view of governmental process, and (c) the framework emphasizes the political marketplace in which the public sector operates. A public governance perspective is displayed through the interconnection of value, legitimacy and support and operational capacity. To Moore’s original tripartite Venn diagram, we have added the leadership perspective that corresponds to each of the three parts of the Venn diagram and the underlying foundational societal values which infuse all of the elements.

With the additions we have made to Moore, public value-based performance management (VBPM) can be understood as a vector originating from foundational public values from which particular public values are elicited through value-based public processes to inform and guide public value-based concrete actions. VBPM structure is therefore comprised of three interrelated parts of (a) foundational public values, (b) value-based public processes, and (c) value-based concrete actions—each influencing the other. The function of each part, respectively, is to (a) reflect deeply held foundational societal and regime values1, (b) formulate and express public

1 Foundational societal and regime values are also reflected in regime structures and processes.
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values, and (c) create public good and public value through material programs, projects, or delivery of services. Moore (1995) suggests that public value creation can be viewed in terms of an open system in which inputs are converted, through activities and processes, into outputs and outcomes, with the active help of co-producers and partner organizations. Figure 2, below, depicts the public value-based performance management vector juxtaposed with Moore’s public value chain. Public values arising from the vector are shown to infuse processes throughout the value chain. From this perspective, the vector can be seen as the foundational process through which public value-based performance produces public good and thus public value.

![Figure 2: The Model of Value-based Government Performance Management](image)

To summarize, foundational public values are the basic value proposition held by government and its associated public sectors. They provide the rationale for the government’s existence and define the mission of government. In China today, for example, foundational public values include equality, citizen well-being and a government responsibility to build civic infrastructure. Foundational public values in the United States, for example include, among others,
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life, liberty, justice, and the pursuit of happiness. The basic value proposition of government is much different than the private sector which focuses primarily on financial performance. Foundational public values are shaped by different social institutions. Political institutions, which form and hold values of their own, direct resources of government by supporting, budgeting, appropriating resources, and compelling compliance. The institution of social networking works through negotiations with citizens, not-for-profit non-governmental organizations, businesses, partners, other stakeholders, and other levels and branches of government.

Value-based public processes are the activities through which public value is formulated and expressed. These processes have both an instrumental and expressive function. At an instrumental level, public processes serve as vessels through which values get expressed. But at an expressive level, these processes also represent and shape public values and what they mean. There are at least three kinds of public value-based processes: formulation of public policies, development of public programs and projects, development of public projects, and design of public service delivery.

We return in our conclusion in this section to our opening observation that public administration scholarship and practice is returning to the Pre-Classic period of its origins. While there is agreement that a major shift is occurring, there is not agreement on what the shift means or where we should like for guidance (Brookes & Grint, 2010; Brookes & Wiggan, 2009; Larsen, 2008a; Osborne, 2009). We believe this shift is a return to an older notion in which administration is viewed as political work that builds trust and legitimacy and facilitates the ability for government to take on and create meaning in the daily lives of the people it serves.

This is a view that most local public servants intuitively understand because they are in touch with the context, the citizens and the constellation of partner organizations and entities with whom they need to work on a daily basis in order for policy to be successfully implemented. It is also a view that we have tested in our leadership development programs in China, Japan, Korea, Vietnam and the United States and in research we have undertaken with local government officials in the U.S., China and Vietnam (Bao et al., 2010; Bao, He, et al., 2011; Bao, Wang, Zhou, et al., 2011; Ingle et al., 2011; Magis & Duc, 2011; Morgan, Bacon, Bunch, Cameron, & Deis,
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1994; Morgan & Kass, 1993). This work gives us confidence in using the current transitional stage in the development of public administration to propose a research framework for improving government performance and leadership.

2.2. Summary of Research Conceptual Framework

The ultimate test of government performance is whether it succeeds in creating and maintaining the confidence and legitimacy of the citizens it serves. But what counts for confidence and legitimacy varies from one political system to another and varies over time with the changing contextual setting, including the challenges being faced and how that setting is perceived by its participants. For example, in an earlier day political systems were not judged by their success in mitigating the degradation of the environment. Now that is changing for governments around the world. In fact, the current emphasis on the need to take a public value-centered approach to government performance is influenced by the growing consensus across distinctly different political systems that public officials and governing systems cannot maintain the confidence of the citizens they serve simply by being effective and efficient in the delivery of public services. There are other values that need to be systematically considered to create and maintain trust and legitimacy. Another related observation is that policy initiatives and programs created by public officials do not, automatically by themselves, produce public value until they can successfully be put into practice and translated into values that mean something to those that government programs and policy initiatives are intended to serve. In short, it is not only important to incorporate a broader array of values than those emphasized by Classic Public Administration and NPM, but the agents and beneficiaries of these values need to exercise public value-based leadership to be successful in making them a part of the public good.

Our review of the literature has resulted in the creation of a research framework that consists of the following four dimensions, which we believe provide the basis for building and maintaining high performance governance and leadership: (a) core political and public values, (b) regime governing structures and processes, (c) leadership competencies, and (d) responsiveness to the contextual setting. We argue that high performance with respect to each of these four factors will build and maintain legitimacy and trust in government (Morgan et al., 2010). These
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dimensions are summarized in Figure 3, below, and elaborated in greater detail in the sections that follow.

Figure 3

*Factors that Contribute to High Government and Leadership Performance after Morgan, Shinn and Ingle (2010, p. 167), from Larsen (2011)*

**Core Political Values**
- Derived from Constitution, legal framework, history, and culture
- Consistent over time
- Guides political discourse and deliberation
- Provides foundation for legitimacy between the political system, citizens, corporations, and all stakeholders.

**Leadership Competencies**
- Derived from standards for measuring
  - Individual leadership and management performance
  - Group and organizational performance
  - Community success
- Changes over time
- Guides concept of public administration
- Integrates theory and practice
- Mediates application and acceptance of core political values, leadership, and governance

**Regime Structure and Processes**
- Provides framework for decision-making, participation, policy making, and implementation
- Provides framework for public service related to achievement of social, economic, and environmental objectives

**Contextual Setting**

*Social, Environmental, and Economic Boundary Conditions and the Challenges and Problems that arise.*
2.3. Core Political and Public Values

Every political system stands for something, a set of values that it holds up as the aspirational standard for measuring its achievements. For example, the United States values liberty as the primary value, in contrast to China and Vietnam, which give primacy to the value of equality. In addition to the underlying core values of a political system, there are party and ideological values that interpret these core regime values and transform them into policy platforms, policy initiatives and public programs, which take on meaning through regime structures and processes. As these programmatic activities unfold and take on reality through the work of public officials at various levels of the political system, the value and meaning of these earlier initiatives undergo further transformation. The final stage in the value making and transforming process occurs when citizens and stakeholders participate in these programs.

Drawing from Larsen (2011), a public values-based approach to government performance has two parts, each of which draws from a different body of research and schools of thought: the institutional school that focuses on the social institutions which form and hold values and the instrumental school that focuses on creating results—the domain of organizational leadership and management. The institutional school is important for understanding how values are formed, held, and shape government actions, while the instrumental school is important for understanding how these values get successfully transformed into government performance. The discussion below simultaneously borrows from both schools. Although values and governance are treated separately, both the construction of public value and instrumental governance happen through the agency of socially constructed institutions—in the first case “social institutions that form and hold values” and in the second case “regime structures and processes”.

Taking up public values first, Figure 4 shows a progression from right to left that proceeds from the abstract notion of regime values and institutions that form and hold values in society to the situational expression of particular ideas. Society, as discussed above in 2.1, forms and holds values in a variety of social institutions. We view regime values as a more particular refinement and expression of societal values. They are formed by the political institutions from which the regime arises and are of special interest to public officials as the embedded and explicit values of
the government they serve. Foundational societal values can be viewed as particular values and value sets—those formed around the importance of families for example. People, of course hold and tap into these values and become agents for giving them expression. The institutional view of value creation we have outlined here enables us to see how foundational societal values take on concrete expression and how they shape and influence a narrower set of institutional values that form and shape the various structures, processes, and values of the political system.

Figure 4

*The Social Construction of Public Value: From Concrete to Abstract from Larsen (2011, p. 26)*

Figure 5 below enables us to see how general and abstract regime values get transformed through public administration into concrete programs, projects, and services that produce both particular public goods and create particular public problems. Each regime constructs structures and processes that reflect these values and uses them to set the standards for the exercise of political leadership and administrative discretion. More concretely and instrumentally, regimes,
their agencies, and public officials create government policies and programs which result in material projects, activities, and services. These produce public benefits as well as problems. As every public official and administrator can attest, people often eagerly respond to government projects, activities, and services by vigorous expression of values. Figure 5 also illustrates how various public administration models or paradigms we presented in Figure 1 rest on a particular set of foundational societal values that set it apart from other models.

Government agencies and agents, by dint of duty, are naturally responsive to regime values, structures, and processes. Figure 5, however, shows a gap between instrumental
government performance and foundational societal values. This gap is a reminder that although regime values are a partial reflection of foundational societal values, they are only a particular set of values favored by a particular regime. It is also a reminder that while all governments increasingly operate in a fishbowl, they cannot consult with citizens at every step in their deliberations and actions. To do so would paralyze government. Practically speaking, public officials know that sooner or later they will hear from people about their reactions to projects, activities and services.

The important point we want to make about Figures 4 and 5 is this: The institutional expression of foundational societal values culminates in the situational expression of values by people and the instrumental expression of government performance also culminates in the situational expression of values by people. These two different icebergs share the same tip. That is why we argue for the importance of tying the instrumental work that government does to the values that this work serves. It illustrates both how and why instrumentally connecting public values with government performance can lead to outcomes more in concert with public values and how this process itself facilitates the creation of additional values that builds legitimacy of government actions and trust in their leaders.

Although Figures 4 and 5 depict an orderly flow from abstract institutions that form and hold values to their concrete expression by governments and people, the real world is a more chaotic and uncertain place both for people who hold values and public administrators who often must respond to them. Expression of values by particular people around government projects, activities and services can be seen as merely the tip of these two invisible icebergs of which the people expressing values are only dimly aware, if they have any awareness at all, of the institutions that formed and holds the values they are expressing. Government officials, however, through purposeful leadership and management can infuse government actions with public values at particular points in the process, thereby increasing the greater public good.

The process of socially constructing values through time creates tensions, which leaders of the political system must take into account and balance. For example, China, Vietnam, the United States and Japan, in the face of radically different histories and cultures, must balance the values
of economic prosperity, individual liberty, equality and protecting the environment (Okun, 1975; Posner, 2003). How these values get balanced at any given time depends not only on which values are given primacy over others, but also on the structures and processes of political authority, the competencies of the leaders and the way in which these factors are shaped by local conditions, challenges, and contexts.

2. 4. Contextual Setting: The Emergence of “Wicked Problems”

One of the most important reasons for the emergence of a value-centered approach to public governance is the increasing importance that sensitivity to the contextual setting plays in determining the performance of governments and their leaders. There are three dimensions to this contextual setting: (a) public values, which we have discussed above; (b) wicked problems; and (c) fragmentation. In large and diverse political systems like China, the United States, and the European Union, one of the performance challenges faced by policy makers and local political leaders is the need to align policy goals and implementation strategies with the values that are unique to the geographic setting, history, culture and other relevant contextual factors of a geographic and culturally diverse setting. In such cases, how can political systems create policy goals at the center while taking into account the various local circumstances that will ensure support for the achievement of these goals over the long haul? All governments from the local to the international level continue to experiment with various models in order to find better answers to this question, whether it comes in the form of creating citizen/neighborhood associations, decentralizing government decision making, or creating semi-autonomous governing entities and regions. All of these strategies represent variations on a public value-centered approach to governance and leadership. But there are two other contextual issues that deserve additional attention. One is the emergence of what has come to be called “wicked problems” and the other is the challenge of governing and leading in a world that has become increasingly fragmented. We will focus on the contextual characteristics of problems in this section and focus on contextual characteristics of authority structures in the sections to follow.

Government will not perform very well if its policies and leaders do not have a good understanding of the nature of the problems they are confronting. For example, you can’t fight
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forest fires in the same way that you fight terrorist; you can’t regulate prostitution in the same way you approach pollution or problems like “swine flu”, E-Coli or “mad-cow disease”. High performance requires that governments adapt their policy and leadership strategies to the nature of the problems they are trying to solve. Public administrators are faced by a plethora of problems, which come in every size, shape, and complexity. Some are relatively straightforward while others are confoundedly wicked (Brookes, 2008; Roberts, 2000).

Drawing from our experience, ongoing research, and our review of the literature, we have created a typology of problems summarized in Table 3. Our typology draws upon the work of both Roberts and Brookes, but emphasizes the differences between difficult problems created by complexity and difficult problems caused by conflicting values. Drawing from Larsen (2011), we have organized problems around a two dimensional scale. On the horizontal axis, we have ordered problems by the degree of complexity: low or high. On the vertical axis, we have ordered problems by the degree to which they are characterized by value conflicts: low or high. This results in a four-fold quadrant. In Quadrant One problems are characterized by both a low level of complexity and value conflict. Problems in Quadrant Two are characterized by low levels of value conflicts but high levels of complexity. Problems in Quadrant Three have the opposite
set of characteristics: low levels of complexity but high levels of value conflict. Quadrants One and Two represent the Classical Public Administration and NPM models summarized above in Table 1. These models rely on the expertise of a specially trained cadre of professional career administrators to sort, order, plan, coordinate, develop and implement solutions to problems, both simple and complex, under the direction of elected officials. These models do not anticipate that administrators will have the lead responsibility for resolving value conflicts.

Problems in Quadrant Four represent the most difficult challenge for governments and their leaders because they involve conflicts among competing values for which there is no easy and quick solution (Larsen, 2008b; Larsen & Wang, 2011). For example, how do officials protect the environment without compromising economic growth? How do they respond to citizen concerns about new government initiatives without increasing the costs and compromising the efficiency of operations? But these are exactly the kinds of trade-off problems that are becoming increasingly more common and for which leaders have the least training, preparation, skills and processes in place to successfully deal with them (Bao, Wang, Zhou, et al., 2011; Batie, 1990, 2008; Brookes, 2008; Roberts, 2000). We have adopted the increasingly common practice of calling these value-centered trade-off problems “wicked”. Rittel and Webber (1973) formally describe wicked problems as those that have the following attributes:

1. There is no definitive formulation of a wicked problem—they are unbounded;
2. Wicked problems have no stopping rule—indeterminate solutions;
3. Solutions to wicked problems are not true-or-false, but good-or-bad;
4. There is no immediate and no ultimate test of a solution to a wicked problem;
5. Every solution to a wicked problem is a “one-shot operation”—no opportunity for trial and error;
6. Wicked problems do not have an enumerable set of potential solutions;
7. Every wicked problem is essentially unique;
8. Every wicked problem can be considered to be a symptom of another problem;
9. The existence of a discrepancy representing a wicked problem can be explained in numerous ways. The choice of explanation determines the nature of the problem’s resolution; and
10. The planner [decision-maker] has no right to be wrong.
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Any solutions to wicked problems, almost by definition, are in the eyes of the beholder. As Churchman (1967) points out, one of the chief characteristics of this class of problems is that they have an “evil quality” because proposed "solutions" often turn out to be worse than the symptoms” (1967, pp. B-141) in the eyes of some of participating “beholders”. For these reasons the problems in Quadrant Four can be fairly characterized as wicked. Problems in Quadrant One are often not exactly simple, but can always be dealt with in a straightforward manner—acknowledging that such problems may take a lot of work to resolve. Problems in Quadrant Two problems can be simply characterized as complex. Problems arising from Quadrant Three, even though there may be few moving parts, often prove to be difficult to resolve because there are value conflicts among participants that are deeply held. Because of this characteristic we have labeled Quadrant Three problems as difficult. We have summarized these different kinds of problems and their characteristics in Table 4 below.

Table 4

*Problem Types Based on the Dichotomy of Complexity and Value Conflicts from Larsen (2011, p.31)*

<table>
<thead>
<tr>
<th>Complexity</th>
<th>Value Conflicts</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>Quadrant Two</td>
</tr>
<tr>
<td>Complex</td>
<td>Quadrant One</td>
</tr>
<tr>
<td>Straightforward</td>
<td></td>
</tr>
</tbody>
</table>

We take one final step in our discussion of the importance of correctly aligning solutions to problems in maintaining high levels of government performance and leadership. In Table 5 we have used the following characteristics of a problem to assist us in undertaking a more finely nuanced discussion of the differences in the problems identified in the four quadrants of Table 4.
Table 5

*The Nature of Problems Faced by Public Administrators from Larsen (2011, p. 32)*

<table>
<thead>
<tr>
<th>Complexity</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
</table>
| Quadrant Two | - Limited explicit values  
- Medium value conflict  
- Complex mappability  
- Moderate stability  
- Moderate predictability  
- Multiple causes and effects  
- Multiple desired outcomes  
- Many known actors & motivations  
- Multiple known contexts/settings | Quadrant Four | - Unlimited explicit values  
- High value conflict  
- Low mappability  
- Low stability  
- Low predictability  
- Unclear cause and effect  
- Unclear desired outcomes  
- Many intractable known and unknown actors and motivations  
- Many and unknown contexts/settings |
| Quadrant One | - Embedded values  
- Low value conflict  
- High mappability  
- High stability  
- High predictability  
- Clear cause and effect  
- Clear desired outcomes  
- Few known actors and motivations  
- Few known contexts/settings | Quadrant Three | - Limited explicit values  
- High value conflict  
- High mappability  
- Low stability  
- Moderate predictability  
- Unclear cause and effect  
- Unclear desired outcomes  
- Intractable known actors and motivations  
- Few known contexts/settings |

1. Values—the number of values, conflicts in values, and visibility or invisibility of driving values;
2. Conflicts associated with the problem, challenge, or decision;
3. Mappability—the degree to which the moving parts can be described;
4. Stability—the degree to which the parts and the whole tend to be in some kind of stasis;
5. Predictability—the degree to which outcomes can be predicted;
6. Cause and effect—the degree to which cause and effect are understandable;
7. Clarity of desired outcomes among players;
8. The number and motivations of players—the extent to which they are knowable; and
9. The number of relevant contexts and the extent to which they are knowable.
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The word “problems” here is used broadly in our discussion and is interchangeable with the term “challenges” or “decisions”.

2.5. Performance and Authority Structures and Processes

We have argued that correctly assessing the nature of a problem and doing so in ways that align with public values, is critical to high performing governance and leadership. But when these two tasks have successfully been completed, it is not sufficient to ensure success. A third set of factors that affects performance is the structures and processes of authority through which collective action can be initiated and sustained. Increasingly, governments do not have all of the authority structures and processes in place to solve the problems that plague citizens and public officials alike. For example, illegal immigration, pollution, economic prosperity, health-care, adequate housing, employment, etc. are the result of factors that no one governing entity can singularly control and, if it could, has the resources to act alone. This creates the need to work with other government jurisdictions, companies in the market economy, nonprofit organizations in civil society and other sovereign nation states to obtain the agreement and resources needed to succeed in meeting the performance expectations of citizens (Brookes, 2008; Crosby, 2010; Morgan, Green, et al., 2008; Roberts, 2000). In short, the authority and power to meet performance expectations has become more dispersed, thus requiring leaders to create and operate successfully in horizontal structures of authority in addition to traditional hierarchical structures. The latter relies on hard power approaches (i.e. the military, the rule of law, the civil service, political parties, and control of the flow of information to citizens) while the former depends more on the use of soft power (i.e., persuasion, cooperation, cooptation, influence, relationships, partnerships, collaboration).

There are numerous factors that contribute to the rise of dispersed centers of power in the modern world resulting in the need to develop competencies in leading in these kinds of settings. As we pointed out in previous sections, most governments are confronting a larger array of competing values, problems that are more “wicked”, and a greater level of interdependence among citizens and nation states for one another’s collective wellbeing (Morgan, Green, et al., 2008; Morgan et al., 2010).
2.6 Need for New Leadership Competencies

Legitimacy is shaped by the values and the political decision making structures and processes, but it is also shaped by the competencies of those who fill these positions and serve as the agents of the regime’s values. If leaders do not possess the knowledge and skills to design organizational structures and processes that meet the performance expectations of those who make and benefit from policy initiatives, then the legitimacy and trust in government is undermined. As we argued in the previous section, governing competencies have traditionally been judged in relationship to a given position within a hierarchical system of governing authority. But increasingly governing competencies are being judged in terms of the ability of government to create authority that operates successfully in horizontal dispersed power settings. Public officials must not only be good in doing traditional hierarchical management, but they must also be good at creating and operating in loosely constructed networks and confederations that are held together by agreement rather than rules and the exercise of hard power (Brookes, 2008; Crosby, 2010; Morgan, Shinn, & Green, 2008; Roberts, 2000; Salamon & Elliott, 2002).

One way of seeing the wide range of leadership competencies needed for high performance is to map what counts for successful problem-solving. We have used our list of problems in Tables 4 and 5 to identify some of the implications for successful leadership. Table 6 illustrates that leaders need to operate simultaneously in two worlds, one that is highly structured and rule-centered and another that is highly unstructured and relationship-centered. The Hatfield School of Government’s Center for Public Service has used this information to develop a new leadership development curriculum called, EMERGE. The curriculum is designed to better prepare leaders to operate simultaneously within vertical and horizontal structures of authority (Ingle et al., 2011; Ingle & Myint, 2011; Magis & Duc, 2011).
### Leadership Competencies for Successful Problem-Solving from Larsen (2011, p. 34)

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Straightforward</th>
<th>Complex</th>
<th>Difficult</th>
<th>Wicked</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>System Orientation</strong></td>
<td>Mono-centric</td>
<td>Polycentric</td>
<td>Mini-centric</td>
<td>Polycentric</td>
</tr>
<tr>
<td></td>
<td>Internal focus</td>
<td>Internal focus</td>
<td>External focus</td>
<td>External focus</td>
</tr>
<tr>
<td><strong>Value Orientation</strong></td>
<td>Agnostic values</td>
<td>Explicit values</td>
<td>Limited explicit</td>
<td>Unlimited explicit Value conflicts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Value conflicts</td>
<td></td>
</tr>
<tr>
<td><strong>Leadership Actions</strong></td>
<td>Output management</td>
<td>Coordination</td>
<td>Interest-based conflict resolution</td>
<td>Diplomacy</td>
</tr>
<tr>
<td><strong>Focus of Leadership Actions</strong></td>
<td>Management within an organization</td>
<td>Coordination among organizations</td>
<td>Forging collective horizontal leadership</td>
<td>Forging collective vertical and horizontal leadership</td>
</tr>
<tr>
<td><strong>Results of Leadership</strong></td>
<td>Efficiency</td>
<td>Effectiveness</td>
<td>Agreement on actions</td>
<td>Agreement on the nature of the problem and its solution</td>
</tr>
<tr>
<td><strong>Performance Unit of Analysis</strong></td>
<td>Outputs, Transactions</td>
<td>Outcomes</td>
<td>Conflict Resolution</td>
<td>Consensus building</td>
</tr>
<tr>
<td><strong>Leadership Archetype</strong></td>
<td>Tactical and Operational Management</td>
<td>Strategic Management</td>
<td>Strategic Leadership</td>
<td>Transformational Leadership</td>
</tr>
<tr>
<td><strong>Philosophy of Public Administration</strong></td>
<td>Classic Public Administration</td>
<td>New Public Management</td>
<td>New Public Governance</td>
<td>Beyond New Public Governance*</td>
</tr>
</tbody>
</table>

* NPM to tame complexity, NPG to tame value conflicts, Explicit framing and grounding in public values.
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Part 3. A Value Centered Research Framework for Performance Governance and Leadership

The conceptual framework we have outlined in this paper provides the basis for a shared research agenda designed to improve government leadership and performance. In the sections that follow we provide an illustrative list of the kinds of research questions that have been spawned by our research framework and which we intend to explore in the future as part of our partnership work.

3.1. Public Values

1. What is the source of public values?
2. How do the sources of public value vary from one political system to another?
3. What public values are held in common across political systems?
4. What are the processes by which government and its leaders capture and use public values that are relevant to their work?
5. What are the feedback mechanisms that enable government and its leaders to know that they are being successful in their “public value” centered approach to governance and leadership?
6. What evaluation approaches can be used to determine the effectiveness of public value-centered mechanisms that government uses?
7. How can public values best be incorporated into performance measures for public administrators?
8. Does an orientation toward public values result in improved public welfare?
9. What benefit do public administrators perceive in an orientation toward public values in leadership and management? How does this benefit compare to those perceived by elected officials.
10. What are some effective mechanisms and strategies for identifying and successfully dealing with the multiplicity of values that need to be taken into account when undertaking a given policy initiative and the ability to move forward in its implementation?

3.2. Contextual Responsiveness and Accountability

1. What are some effective leadership and management models that enable flexibility in policy implementation?
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2. How does the need for contextual responsiveness vary with the kind of problem that government is seeking to solve?

3. How and to what extent do the kinds of contextual factors affect the need for flexibility in policy implementation?

4. What are some effective mechanisms to assist policy makers in deciding how much flexibility to incorporate into policy initiatives and implementation?

5. What kinds of performance measures are useful for determining the success and effectiveness of “contextual responsiveness”?

3. 3. Aligning Public Values with the Character of Public Problems

1. Is an orientation to public values equally efficacious for all kinds of public problems?

2. What kinds of performance measures are most appropriate for the various kinds of public problems that government is trying to address?

3. How can performance measures for different kinds of problems be aggregated and used by public agencies whose missions and work require a wide mixture of problem-solving strategies?

4. What are effective strategies for developing performance measures for problems that undergo transitional change or when the perception of decision makers and affected parties is in disagreement?

3. 4. Authority Structures and Processes

1. How does a public value approach to governance and leadership operate differently at the central, provincial/state and local levels of government?

2. How should performance measures change with level of government?

3. How does a public values orientation to governance and leadership affect the boundaries between the roles of elected or appointed political officials and public administrators?

4. What is the nature of conflicts that may arise between political officials and public administrators around an orientation to public values?

5. What are the implications of “power-shared” problem-solving for the various levels of the bureaucratic and political hierarchy?

6. What are successful strategies for ameliorating value conflicts between administrators and elected officials?

7. What strategies can be used to assist administrators and elected officials embrace a public value approach to governance and leadership?
3.5. Leadership Competencies for a Value Based Approach to Governance and Leadership

1. What competencies are needed by leaders who are required to simultaneously operate within vertical and horizontal structures of authority?

2. What are successful techniques and strategies for success in a power-shared world?

3. What are the leadership competencies needed for each of the different kinds of problems that government seeks to solve?

4. What are the competency implications of “power-shared” problem-solving for leaders at each of the different levels of the political and bureaucratic hierarchy?

5. What are the competency implications of “power-shared” problem-solving for the bureaucratic and political hierarchy?

6. What are the most effective strategies for assessing the kinds of competencies that public administrators and elected officials need to be successful in their work?

7. What are the most successful strategies for providing public officials with the competencies they need to be successful?

8. What kinds of performance measure can be developed to assess whether public officials possess and successfully use the competencies needed to be successful?

Part 4. Summary Conclusions and Path Forward

This paper has argued that the study and practice of administration has entered into a new era that requires a return to a more wholistic approach. Such an approach requires an integration of Classic Public Administration and New Public Management with New Public Governance and a Value-Based Approach to leadership and administration. Larsen (2011) conducted an analysis of the nexus between public administration and governance for each public administration paradigm. The nexus is described in terms of the role prescribed for public administrators in governance for each. The nexus shown in Table 7 below can be considered an epistemological map to which public administrators can lay claim and draw on for insights in their pursuit of high government performance. Table 7 illustrates the kind of wholistic and integrative approach we have in mind.

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2 Our summary conclusions and path forward is drawn from the work of Bao, Wang, and Larsen (2011, pp. 31-33). It is a call to action and is reproduced below in its entirety.
### Definition of Public Administration’s Role in Governance

<table>
<thead>
<tr>
<th></th>
<th>Definition</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Staffing agencies based on competence rather than influence</td>
<td>Classical Public Administration</td>
</tr>
<tr>
<td>2</td>
<td>General restriction of government agencies to administration rather than formulation of policy&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Classical Public Administration, New Public Management</td>
</tr>
<tr>
<td>3</td>
<td>Management principles aimed at efficiency of government</td>
<td>Classical Public Administration, New Public Management</td>
</tr>
<tr>
<td>4</td>
<td>Checks and balances to sharpen purpose and increase effectiveness</td>
<td>New Public Management, Classical Public Administration</td>
</tr>
<tr>
<td>5</td>
<td>Emphasis on customer (citizen) service</td>
<td>New Public Management</td>
</tr>
<tr>
<td>6</td>
<td>Elimination of red tape—unnecessary bureaucratic processes</td>
<td>New Public Management</td>
</tr>
<tr>
<td>7</td>
<td>Fostering the ability of agencies to learn and adapt</td>
<td>New Public Management</td>
</tr>
<tr>
<td>8</td>
<td>Emphasis on executive branch professionalism and managerial competency</td>
<td>New Public Management</td>
</tr>
<tr>
<td>9</td>
<td>Shift to a focus on nature of instruments rather than agencies and their programs</td>
<td>New Governance, New Public Management</td>
</tr>
<tr>
<td>10</td>
<td>Shift in organizational form from hierarchy to network</td>
<td>New Public Governance</td>
</tr>
<tr>
<td>11</td>
<td>Shift from public vs. private to public and private</td>
<td>New Public Governance</td>
</tr>
<tr>
<td>12</td>
<td>Shift from command and control to cooperation</td>
<td>New Public Governance</td>
</tr>
<tr>
<td>13</td>
<td>Shift from management skills to enablement skills</td>
<td>New Public Governance</td>
</tr>
<tr>
<td>14</td>
<td>Shift from sole agency provision to co-production of goods and services</td>
<td>Co-Production</td>
</tr>
<tr>
<td>15</td>
<td>Providing a constitutive role of citizen engagement in governance</td>
<td>New Public Governance</td>
</tr>
<tr>
<td>16</td>
<td>Emphasis on duty to serve and engage citizens</td>
<td>New Public Governance</td>
</tr>
<tr>
<td>17</td>
<td>Providing a constitutive role of community leadership</td>
<td>New Public Governance</td>
</tr>
<tr>
<td>18</td>
<td>Government performance anchored to public values</td>
<td>Public Values-Based Government Performance</td>
</tr>
</tbody>
</table>

Note: <sup>1</sup>With the exception of policy formulation and regulation process prescribed for agencies by law.
The wholistic approach reflected in Table 7 suggest that a public value-based government performance management is not a slogan but a real challenge for government, its associated public sector, and its political and administrative public officials. Focusing merely on the instrumental value of performance management is not sufficient to meet the challenges faced today by governments, governance, and citizens. Government performance management cannot be treated only as an instrumental tool anymore, but must necessarily rise to the challenges of governance by connecting government performance management to public values. Based on the literature and continuing joint research by the public administration faculty and students at Portland State and Lanzhou Universities, this article explicates the structure, function, and purposes of a public value-based approach to government performance management and leadership.

The international research agenda we are calling for in this paper has never been more urgent. In many important ways, the challenges facing society and their governments today are unprecedented. We are at the gateway to the new Millennium. When we look back over time, people were dominated by natural processes of the natural world. They were, in large measure, at its mercy and were mostly on their own with only a modicum of social and governmental support. However, when we look forward, all across the Earth humankind is creating projects on a truly monumental scale. It is not an exaggeration to say we are remaking the Earth. Humankind’s activities dominate natural processes—even the climate is changing. To confound the problems, we are connected as people in newly powerful and complex ways. The patterns of production and consumption spawned by global capitalism impacts every corner of the Earth for better and worse. Global communication brings joys and sorrows from every continent into our living rooms on a daily basis. International travel and tourism is approaching a billion people per year and generating close to a trillion U.S. dollars per year in revenue (Messe Berlin GmbH, 2010). The recent global financial crisis has adversely affected most people on the planet. It is a small planet, its population is large and growing, and its carrying capacity is being threatened. Never before, in the history of humankind, has what governments and people do mattered more (Friedman, 2007).
Values-Based New Public Governance Research Agenda

We see, in the evolution and transition of public administration from the first efforts of nation building, through classical public administration, through new public management, through new governance, through new public governance and leadership, and newly now to public value-based government performance management, a coming of full circle to the same spirit, kinds of challenges, and fundamental issues that faced the forefathers of every nation as they engaged themselves in the business of nation building. According to our conceptualization of public value-based performance management, public officials (both political and administrative), citizens, businesses, non-governmental organizations, and academia all have an important and privileged role in helping nations rise to their challenges and secure their destiny. Only through wide engagement and collaboration orchestrated by a government through its public officials can trust, legitimacy, and sustainable development be achieved.

Public value-based government performance is an abstract concept that can ultimately be understood as a philosophy of governance. But more to the point, it can be understood as a guiding star of the leadership and management of a government’s public officials. Government performance management is no longer a vertical instrumental monument to efficiency and effectiveness, but it also is a horizontal and networked set of institutions that can breathe life into government giving it the capability to reliably and systematically create public value. For this challenge, a suite of new managerial and leadership skills need to be developed within the public sphere to help governments and its officials deal positively with the wicked problems faced by people and their governments.
References


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Appendix I

Summary List of Reports, Projects, and Publications

From the Partnership Between

The School of Management at Lanzhou University

The Hatfield School of Government’s Center for Public Service

and

Ho Chi Minh National Academy for Politics and Public Administration (HCMA)


Appendix I


Morgan, Douglas F., Shinn, Craig and Ingle, Marcus. 2011. Public Service Leadership Handbook, Chapter 6, under contract for publication by M.E. Sharpe in 2013. draft available online at: