

CAF-Structure
Suggestion for further development
Univ.-Prof. Dr. Hermann Hill,
German University of Administrative Sciences Speyer/Germany

In 1999 EIPA, EFQM and the German University of Administrative Sciences, Speyer/Germany developed for a self-assessment tool for the Public Sector. They agreed on a combination of the EFQM-Model and the criteria of the 4th Speyer Quality Award 1998. As a base the structure of the EFQM-Model with its nine boxes (5 for enablers and 4 for results) was used because of the comparability of quality in the public and the private sector, the cross sector benchmarking and mutual resp. collaborative learning. In some countries public services are delivered by private enterprises, for other countries the CAF-Model was intended as a tool for trying out privatisation. So CAF above all became a management model for improving the performance of the organisation.

In the meantime especially in the new accession states, administrations have realised that management is only the second step and requires basic preconditions like democratic legitimacy and the enforcement of the rule of law as well as corresponding values and ethical standards in the behaviour of the personnel.

In all Member States we have realised that the management and performance of the organisation itself is not sufficient for the achievement of public value. Other players in private enterprises and the society also contribute to the realisation and improvement of the common good. This is why we need network structures and collaboration and we have to design the delivery of public services in a new way. This model of guidance and organisation is known as "Governance". This requires an extension of the quality perspectives from the management model to the outward relations of public administrations and their cooperation with other players.

Furthermore quality in the public sector has to take some differences between public and private regarding activities into consideration. Acting in the name of the common good requires other conditions and frameworks than acting for private profit. Inefficient private enterprises disappear from the market and are substituted by new and better organisations. Public organisations are paid by the tax payers. If they work inefficiently and cause debts, financial burdens are loaded not only on the citizens of today but also on the future generations. So poor quality and low efficiency in the private sector have consequences mainly for the organisation itself. Its customers may move on to another organisation. But in the public sector there is no escape. This view would be invalid, if public services were delivered by independent agencies and if market conditions with a free choice existed between these agencies. But these conditions do not normally exist in the public sector of the EU member states.

Many Public Administrations have introduced the Balanced Scorecard, which has been developed in the private sector, into their strategic management in recent years. This is criticised by Marc H. Moore from the Kennedy School of Government of Harvard University because he sees important differences between the public and the private sector. From his point of view financial measures in the public sector are considered – contrary to the private sector – to be as a means and not an end. This

demands a specific public value management. The Public Sector has third party payers and upstream customers like the parliament. This calls for legitimacy and support. Thirdly in the public sector we need partnerships rather than competitive advantage. This requires not only an organisational but an operational capacity. Therefore he suggests a public value scorecard.

Summarising all these differences and developments in the public sector I come to the conclusion that the current CAF model has to be further developed to cope with these challenges. I propose to create a third dimension for the self-assessment with CAF besides the enablers and the results. This third dimension I would call the "basics", i.e. fundamental requirements for well performing public organisations. This additional dimension should be the first in a new model, the enablers the second and the results the third category.

The dimension "basics" should include four elements: Legitimacy (democratic resp. parliamentary), administration by law or compliance with law, ethics (values, principles, culture) and as a fourth issue the context of the organisation should be defined. Then the relative progress made should be measured against this context.

Furthermore I suggest to integrate some new aspects of the modernisation of the state and administration in the existing criteria:

- Criterion 2:

- Stronger connection with strategic management tools like the Balanced resp. the Public Scorecard.

- Criterion 4:

- Stronger emphasis on operational capacity and meta-governance instead of partnerships.
- Better use of information out of the New Financial Accounting System in the chapter "Management of Financial Resources".

- Criterion 5:

- Stronger emphasis on reducing administrative burdens and cutting red tape in the context of Process Management.
- Underlining the need for sustainable modernisation in the context of Change Management.

- Criterion 8:
 - Measuring the creation of public value instead of societal performance (because this criterion is related to the outcome I would place it at position 9)
- Criterion 9:
 - Because this criterion is related to organisational results (the output) I would place it at position 8.
- Criterion 10:
 - In addition I suggest to establish a new criterion in the category “results”, which I call “Innovation Readiness”. This could measure the results of the enabler criterion 4.3 (Manages Knowledge) and relate to the realisation of the Lisbon Agenda.

This new generation CAF model with the three dimensions - basics, enablers and results - is in my opinion more appropriate to meet the new development in the public sector and to cope with future challenges than the current model. Above all it stresses the characteristics and the specific features of public sector organisations.