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STATE EXPERIENCES IN THE APPLICATION OF PERFORMANCE MANAGEMENT IN THE CONTEXT OF DIFFERENCES BETWEEN ADMINISTRATIVE CULTURES

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Abstract

As a result of welfare state policies in the 20th century, public institutions grew, diversified, and the field of public administration expanded considerably in terms of public services. This has brought about cumbersome, resource waste, paperwork and similar problems in public administration. But especially after the economic crisis of the 1970s, the debate about public administration's fundamental change and transformation has been intensified. These debates, which also constitute the foundations of the New Public Management, led to a re-questioning of the public administration and a radical transformation. Changing systems have foreseen a state that provides faster and more efficient services and the state has to adopt a structural transformation that limits its activities to provide efficient services instead of operating in every field. In this transformation process, it is being argued that the private sector and the public sector are not different from each other and that the techniques successfully applied in the private sector can also be implemented by the public administration. In this context, the most important tool that comes out to provide effective and efficient service in public administration is performance concept and performance management process. But management tradition and culture have a great influence in the implementation and success of this technique. Anglo-Saxon state tradition, which attaches importance to organizational understanding and practice, is more inclined to adapt modern management techniques to public administration; Continental Europe state tradition seems to be more distant from these techniques by giving more importance to theory and public institutions.

Keywords: New Public Management, Performance Management, State Traditions

1. Introduction

Besides the debates of public administration searching for its identity, there is a shift from the concept of administration to the concept of management, which is used in the private sector. Especially with the resonance of the understanding of New Public Management (NPM) and even the states which have powerful bureaucracies and state tradition, and tied up to the public law in the public administration being affected, the idea of private sector-based management techniques starting to be applied to the public and public sector acting as private sector has begun to spread. The success of application, willingness and the tenure of spread of process nowadays, in which the state is seen as bulky and inefficient, are changing and the inevitability of change seems to be accepted. Although devotion to past still reflects itself intellectually and

traditionally, and some innovations are interpreted as the state being emptied, the process has begun, which will lead the private sector-based modern management techniques to be applied.

With the start of the change, it was aimed to perceive the applicability of the private sector-based strategic management, total quality management and performance management technique, which will especially be mentioned, to the public sector. When the countries are studied, the differences stood up. It was seen that the reason of this diversification is the divergences of the culture of administration and state tradition. In the Continental Europe countries where there is a powerful state tradition and strong public law understanding in the administration, there is a distance towards modern management techniques and a slow and careful process of the application; whereas in the countries with Anglo-Saxon state tradition, which is an alternative to the Continental Europe state tradition, the exact opposite is witnessed.

From the perspective of performance management, alongside with the differences among the administrative cultures, the thought that the public sector and the private sector are not different and the successful applications of the private sectors could be effectively, efficiently and actively modified to the public sector led this technique to gain importance. Performance management, which needs specialization, sufficiency, competences and adaptation to change, is based around 3E (effectiveness, efficiency, economy) concepts while the process of successful application takes a lot of time, is emerging as a new management fad.

2. The Basic Features of the Anglo-Saxon State Tradition and Continental Europe State Tradition

When we look at the development and practice of public administration discipline, the distinction between the Continental Europe and the Anglo-Saxon is striking. Throughout this distinction, when French Administrative Science is evaluated as a representation of the Continental Europe, it is seen that there is a focus on state world and its institutions and legal, historical, sociological studies are carried over administrative institutions. Whereas when American Public Administration is evaluated as a representation of Anglo-Saxon tradition, alongside with the examination of institutions, different than the French Administrative Science, it comes out as a fact that intangible management types are studied and the theories and models of private sector were carried to the public fragment. Therefore the headlines of studies have been shaped by the researches carried out in the market institutions and firms rather than the world of public and this information has been taken to and adapted to public (Guler, 2011). Another difference is that in the Continental Europe, which has a powerful state tradition, the beginning of administration is theory whereas in the Anglo-Saxon state tradition, the beginning of management is the practice (Demir, 2008).

About state tradition, the first step is perceived as a dual classification; however in order to have a better analysis, there should be a quadruple classification instead:

- 1 – Anglo-Saxon (no state)
- 2 – German (organic)
- 3 – French (Napoleonist)
- 4 – Scandinavian (mixture of German – Anglo-Saxon)

While German, French and Scandinavian state traditions are considered under the headline of the Continental Europe, the differences between them briefly appear as below during a general consultation:

- In Anglo-Saxon state tradition there is not a legal basis for the state but in German, French and Scandinavian state traditions there is a legal basis for the state.
- In Anglo-Saxon state tradition state-society relations is pluralistic, in German-organicism, in French-antagonistic, in Scandinavian- organicist.
- Form of the political organization is limited federalist in Anglo-Saxon tradition, integral-organic federalist in German tradition, Jacobean, 'one and indivisible' in French tradition and decentralized unitary in Scandinavian tradition.
- Basis of policy style in Anglo-Saxon state tradition is incrementalist, in German tradition legal corporatist, in French tradition legal technocratic, in Scandinavian tradition consensual.

- Decentralization form in Anglo-Saxon tradition shows difference. As state power is important in US, in UK local government is important. In German tradition decentralization form is co-operative federalism, in French tradition decentralized form is regionalized unitary state and in Scandinavian tradition decentralized form is strong local autonomy.

- When you appraise the dominant approach to discipline of public administration, political science- sociology in Anglo-Saxon tradition; public law in German tradition; public law in French tradition takes attention. In Scandinavian tradition this subject shows difference. Whilst public law comes into prominence in Sweden, organization theory is stressed in Norway.

- Finally if we explain which country is included in which tradition; UK,US, Canada (but not Quebec), Ireland in Anglo-Saxon state tradition; Germany, Austria, Netherlands, Spain (after 1978), Belgium (after 1988) in German state tradition; France, Italy, Spain (until 1978), Portugal, Quebec, Greece, Belgium (until 1988) in French state tradition; Sweden, Norway, Denmark in Scandinavian state tradition (Laughlin and Peters, 1997, p. 46).

There are serious differences in the process of application between the Continental Europe, where public law is dominant and the Anglo-Saxon tradition, where the organizational approach is powerful. When the private sector-based management techniques are evaluated throughout the realm of this study, it is seen that the technique of performance management is applied easier and more effectively in places where organizational approach is dominant.

3. Performance Management as a Modern Management Technique

After the 1980s, with the understanding of New Public Management, the idea to apply private sector-based performance management technique to the public sector came into question. Throughout the service of public administration, which includes concepts such as efficiency, effectiveness, productivity, quality, innovations, it was thought necessary. However, alongside the efforts, there have been serious problems in terms of application and it was seen that in countries, the consequences of the applications are more successful where market conditions are taken into account rather than public law.

This management technique could be defined by giving the definition of performance first. Although there is not any single and clear definition, the concept of performance, which is obtained as a result of an aimed and planned activity (Akal, 1992) includes different values and meanings such as accountability, openness, service-orientation, efficiency, allocation of resources and creation of public value (Koyuncu, 2009). Performance management, which focuses on the measurement of performance in ruling and is evaluated as a reform of management and budgetary decisions and seen as a dynamic process; is a management process, which gathers information concerning the present and the future in order to achieve its goals, compares them, and involves new and necessary regulations to improve performance constantly (Calik, 2003).

When performance management is being applied, the expected work performance is being defined and the criteria of performance are being improved in the first phase, which includes the systems, processes and information the managers use while they are creating strategies, developing plans, perceiving them, predicting the performance, reporting the consequences and deciding (Axson, 2010). Then, while the performance of the individual throughout the working process is being perceived, the third phase provides the individual feedback about that performance whereas in the last phase, according to the evaluation, applications as evaluation, transfer, awarding, education or retro gradation are concerned (Latham *et al*, 2007).

Recently, where there have been efforts of applying the technique of performance management to the public administration both intellectually and practically, when the planning, benchmarking, measurement and evaluation steps are evaluated, it is seen that it is not easy to apply this technique fully even though there is cultural support of administration being supplied. The countries, where it is hard to apply this technique, have been using it in the administrative systems with different levels (Orucu and Koseoglu, 2003). Namely, there is diversity in performance management practice when looking at country implementations. While the institutions apply performance management in public administration, diversity in practice affects

the performance. Diversification can create competitive advantage, synergy and risk reduction. But on the other hand cost of the diversification may have a negative impact on performance like coordination problems (Patrisia and Dastgir, 2016). When countries are assessed, England has been carrying out an efficient performance evaluation system; Portugal, Spain, Greece have been trying to improve it and Germany, Switzerland, Belgium have not been applying them at all (Orucu and Koseoglu, 2003). In countries such as USA, Canada, Australia and Germany, there are performance negotiations between unit presidencies and individual workers; and in countries such as USA, England, Canada, Australia, Belgium and Denmark performance evaluations are carried out annually as the superiors evaluate the inferiors. In the 1980s, there was a payment system shaped according to the performance in Canada, Denmark, the Netherlands, New Zealand, Spain, Sweden, England and USA; after the 1990s, it was adopted by Australia, Finland, Ireland and Italy (Apan, 2008). In general terms, New Zealand, Australia, England, Canada, USA, Ireland, Switzerland, Finland, Denmark and the Netherlands have been reforming to move towards a performance management whereas Norway, Germany, Switzerland, Belgium and France have been reforming for a performance-oriented mixed management (Altintas, 2003).

4. The Applications of Performance Management in Countries with Anglo-Saxon State Tradition

When the performance management applications throughout the world are concerned, it is seen that the countries with the Anglo-Saxon ruling tradition have been more successful, have done more detailed studies and these studies were supported more in terms of government and state. After this point, three countries will be examined more detailed about their applications of performance management, which are England, United States of America, and New Zealand.

4.1 England

England, which is seen successful in terms of applying performance management, is divided into three different periods after 1979. Between 1972 and 1982, strict measurements were taken in England as frugality in economy was aimed. Starting from 1982 up until the end of 80s, there was a shift from the principle of frugality to the principle of productivity and affordability, effectiveness and efficiency principles were put in the foreground. From the late 1980's until today, radical reforms have been made to establish a market-type management mechanism, and there have been implications to improve the quality of services and adoption of a customer-oriented understanding (Bilgic, 2008). As long as the process was continuing, the theories of "Next Steps" were created, MINIS was established, Financial Management Initiative was created; citizen's charter, open administration and market trials were tried to be applied throughout the approach of NPM (Barberis, 1998). Fundamentally, three controlling strategies, which are basic and interconnecting, were applied in public administration. First, there is competition, which means cooperation in the application of decentralized units; second, there is the attempt to decentralize the applications whereas the strategic directives are being centralized; and third, there is the development of the performance management techniques (Hoggett, 1996).

When the applications of performance management are perceived, in the personnel evaluations in England where the employment can be shifted from the private sector to the public sector, with the new evaluation system forced in 1985, instead of the potential of promotion of the employee, the current status of performance was started to be taken into account and the potential of promotion was linked to other criteria. When this system was firstly used, it was not used to determine the salaries. However, in 1987, with a performance-based salary system, salaries depending on the performance were accepted, which includes senior executives, scientific researchers and professionals. In the country, where performances are evaluated annually and results are delivered to employees (Orucu and Koseoglu, 2003), there is flexible upward mobility instead of automatic upward mobility, which depends on seniority and

education. After these performance assessments, employees who are evaluated as successful, could get up to a nine per cent wage increase (Ates, 2008).

With the Financial Management Initiative in 1982 in England, it was aimed to determine the performance criteria by planning strategically according to the demands of the receivers of the service (Koseoglu, 2007). After that, with the understanding of Next Steps, it was tried to create a new strategy, financial management and performance evaluation system (Cevik, 2007). As a result of this understanding, the semi-autonomous institutions established, have a frame of documentations with performance goals and aims. The aim here in this application is to give the professional managers the initiative to manage, who is the head of the institution and responsible to the minister (Coskun, 2004).

After 1997, public administration reform is evaluated in a broader sense in England. Labour Party prepared a huge reform package and this package created an affect of big bang for better performance in the process of reformation. While no theory was chosen in order to improve the performance in the public sector throughout this process, there have been various and different types of reform strategies (Walker and Boyne, 2006). In order to make the performance management function better, in 1997, the program of "The Best Value" was put forward. With this program, a performance review is carried out, cost reduction and service standards are improved, local administrators are advised to account directly against the public, local governments publish annual performance plans that include past performances and future goals and all local services are audited this way (Koseoglu, 2007). In the program of "The Best Value", separate performance measurements were determined for each of every authority with the exception of local administrations which have less than 500,000 pound in their budgets of the last three years (Ekici, 2004). Throughout the program, every institution has been evaluating performances in 5-year terms, then comparing the performance of services to those which is qualified as the best value, and then consulting the users or receivers and testing the competitiveness of the services with the authority of supplies (Sanderson, 2001). Performance measurements can be changed according to experiences, priorities, and variances (Ekici, 2004).

The program of "The Best Value" was applied in forty different pilot regions (Ekici, 2004). In the end, it was seen that the program was not accepted in central or local administration (Gaster, 1999). In addition to that, targets being identified by central governments (Andrews and Boyne, 2012), affected local autonomy negatively, damaging the local democratic accountability were some of the main criticisms (Koseoglu, 2007). Moreover, there is this idea that the measurement of performance should provide legitimacy throughout the organizational framework rather than informing about the organizational changes and service improvement. This has been creating difficulties within the program of "The Best Value" concerning the aim to modernize the local governments and has been seeing as a major problem (Sanderson, 2001).

With the Local Government Act, which was accepted in 1999 in England, the performance measurement criteria were set in terms of health, education and police services. According to that, local governments have been measuring their own performances and publishing the results as brief reports in local newspapers (Koseoglu, 2007). The ministries, which are the owners of the services, have been inspecting the decisions and acts of local governments, which are intermediaries in the process of providing services. Financial audit has been in the hands of the people appointed by the Audit Commission. If any illegal condition is explored throughout the audit, the case is transferred to judgment and if proved so, the costs are covered by the responsible ones. The Audit Commission, which focuses on performance audit, has been inspecting the financial sources of municipalities, and realizing evaluations and researches which aim to increase the productivity and the efficiency (Ekici and Toker, 2005). If performance is considered weak as a result of that examination, the commission has the right to suggest the authorization of intervention to the Minister of State that could lead to a small range intervention as well as the dispossession of local governments of responsibilities in all these areas (Ekici, 2004).

England, which is exemplified as the most successful state in Europe about the application of performance management in their public administration system, made it necessary to establish the system of The Best Value and compare and follow performance to all

the local units with the acceptance of Comprehensive Performance Assessment (CPA). Four levels (very good, good, enough, not enough) which were defined by the central government and calculated by private cooperation are chosen as the performance indicators (Kuhlmann, 2010). External decisions of local governments' main service performance are affected from the CPA results (Walker and Boyne, 2006). Moreover, main service performance depends on approximately a hundred different indicators of The Best Value (Walker *et al.*, 2011). With the combination of these two, the main result is achieved. Main service performance results include six dimensions of performance, which are quantity of outputs, quality to outputs, effectiveness, legal sufficiency, reserve of money, and customer satisfaction. As a result of the application in which 1 to 4 points are given for each of every services by the Audit Commission, the least points that could be gathered comes out as 15 whereas the most comes out as 60 (Walker and Boyne, 2006). Supervision Office of Health and Social Services evaluates the performance of social services units of local governments and where there is the worst four performances are perceived, the social service is supplied by the private sector and by this, the performance of these units is trying to be improved (Hoogenboezem, 2004).

England performance measurement system is suitable for exterior and vertical institutional variation, and also it is obligatory for the whole country and it cannot be changed. Furthermore, performance measurements are absolute, unalterable, and public; and the information about performance is too transparent; however it is thought that these applications do not have positive influences under the process of learning and development (Kuhlmann, 2010). It can be remarked that the change of systems and processes is not enough for the success of the program of The Best Value and the adoption of appropriate culture in terms of evaluation and learning by the local governments is necessary (Sanderson, 2001).

4.2 United States of America (USA)

In United States of America (USA), which is seen as in an important condition in terms of the New Public Management understanding following England, performance management was recommended to the public administration in 1949 by the Hoover Commission Report (Caiden, 1987). Then, the Public Service Commission was separated into three different entities, which were Personnel Administration Office, Merit System Protection Board, and National Working Relations Institution in 1978. The Personnel Administration Office is responsible from personnel functions, which include evaluation, position identification and other personnel functions consisting the other new developments, whereas the Merit System Protection Board's responsibility issues are the problems of public workers such as promotions, assignments, payments, and the complaints about those problems. National Working Relations Institution, on the other hand, has carried out studies concerning the collective contract processes of the federal units. In this process, where public services are localized, the managers focused on improving the productivity standards along with the employees. Public enterprises and local governments started to adopt themselves to the NPM approach, where the better performance of employees comes along with a premium, and the management has more responsibilities (Ozer, 2006). In this process, The American State Administrators Project (ASAP) has offered different dimensions to be adapted to new applications to institutions. Those are the state effort reform, agency type, agency characteristics, environmental effect over the agency, and agency directors' background and attitudes, which are taken into account while regulations are being made (Brudney *et al.*, 1999).

The oldest municipality performance measurement in local level before the New Public Management understanding was started in 1906 by New York Bureau of City Betterment (Hildebrand and McDavid, 2011). After that date, the idea to reorganize administration became more popular among the elected administrators (Brudney *et al.*, 1999). By the New Public Management approach, Al Gore, who was the Vice President, has started National Performance Evaluation process to re-organize the government in the 1993 (Kassel, 2008). The aim of this program was to make federal government less costly and more efficient, turn the direction of the national bureaucratic understanding from flexibility and competences to incentives and personnel empowerment. This program refers to a range of values; "putting

customer in first order, avoiding stationery business, strengthening employees for reaching results and decreasing the number of main constitute the basis" (Breul and Kamensky, 2008, p. 1011). It was mentioned that the federal government has to be filled with qualified personnel for the first time with this program. It was thought that the problems about budget, personnel, financial management, information system and informatics could be solved with the help of these qualified personnel (Ozer, 2006). US National Performance Evaluation Project, which is seen as the first large scale test about administrative reforms aims to develop the organizational performance in public (Walker and Boyne, 2006); shrinking, decreasing the administrative costs, reforming in the administrative system, decentralizing authority by autonomous institutions, strengthening the employees, providing the cultural changes, improving the service quality, increasing the productivity of institutions studies were the main goals throughout this process which has started in the USA and improved fast with the help of the public (Ozer, 2006).

USA's Accountability/Responsibility Standards Indicator, which can be evaluated under the applications of performance management, has identified five developmental necessities for the state and local government:

- 1) "Improving and developing measures of performance for decision-making,
- 2) Making those measures available to the public and other users,
- 3) Developing methods for state and local governments to communicate performance measures,
- 4) Teaching users how to work with performance measures to assess the service efforts, costs and accomplishment of a governmental entity, and
- 5) Ensuring the relevance, comprehensiveness, understandability, timeliness and reliability of performance measures" (Holzer and Yang, 2004, p. 27).

National Performance Evaluation understanding, which tries to decrease the uncertainty of aim, asks for the organization to determine aims and goals in the annual performance plans and reports (Chun and Rainey, 2006), foresees a cultural change in the government, bringing the senior administrators to a more result-oriented status by changing the rate of the standards, and supports customer satisfaction and employee audit (Breul and Kamensky, 2008) is seen problematic from a lot of perspectives because of the wide range of the program field and uncertainty of some targets. The project, whose application is left to the institutions and units for a wide-range, has failed in some important areas concerning some political necessities. The goal to re-organize the bureaucracy and to become in a better condition financially by decreasing the number of personnel were set with details, however it was not found necessary to decrease positions for new and more efficient business methods during the first phase (Thompson, 2000). Moreover, while the institutions were wished to be authorized in suspending the administrators and employees with low performances, the legislation was only foreseeing performance management/evaluation for superiors and the administrators and employees, who are responsible for individual and organizational performance, are not inspected (Al, 2008). According to a research, when the process of federal managers' use of knowledge about the performance analyses is evaluated, it is seen that most federal managers have reported performance measurements for programs; however the level of using the performance information during the process of management decision-making has not changed much (Poister, 2010).

Another example is Wisconsin Works (W-2) Program, which was started in 1997 and accepted as a precursor of public welfare reforms, with which there were important changes in the administrative structure, monopole structure was ended and private sector was invited to the structure (Choi and Heinrich, 2006). Management and Budget Office have been making financial evaluations with A-76 criteria (Traffic signal criteria). In the framework of this evaluation process, twenty six ministry institutions were being determined periodically and being classified according to their evaluation degrees as yellow, red and green (Joaquin and Greitens, 2011). Institutions like General Service Management and Social Security Managements are seen as model public administration organizations because they provide success and prove to be effective in the USA. NASA is seen as the organization with the best performance since it has a clear mission (Walker *et al.*, 2011). In the relation of wage-performance, the system promoting wage according to the performance for senior executives was adopted in August 2004.

Similarly, in Ministry of Security the performance-based salary system was adopted in 2008, and 300,000 employees received their salaries according to their performances (Breul and Kamensky, 2008).

4.3 New Zealand

Although New Zealand is a small country, it is one of the countries, which applied the reform process radically through the new management aspects. Hereby, New Zealand becomes an example for countries like USA and England, where accounting and reporting system is shaped according to the performance base, the responsibility to give account about the performance measurement based on numbers was tried to be improved and a strategic planning system was developed for the government (Al, 2008). The leading country in performance management and transferring to budgeting according to the performance (Nangir, 2006), in 1988, with the Public Sector Act, the mission areas and definitions of all senior officials were determined, aims and criteria of success were mentioned (Ozer, 2006). Throughout this process of public administration reform, which is predominantly carried out over the superior executives, high performance was expected from the superior executives in terms of transformation (Al, 2008). In New Zealand, where this kind of a regulation was foreseen for the performance superior personnel, The Public Services Commission, established with the wish of the Prime Minister, has granted the leading position of all public administration (Ozer, 2006).

Since New Zealand was a British colony, the political structure resembles to England in New Zealand (Altintas, 2003). In New Zealand, where the New Public Management is applied successfully, the efficiency and quality of the public services have increased; however the difference between the quality of the service and the expectation of the citizen is still continuous (Haktankacmaz, 2008).

5. Performance Management Applications in Countries with the State Tradition of the Continental Europe

5.1 France

New Public Management and the reforms that bring life to NPM, have not affected French administrative system as it did strongly to England and the USA. Reforms are generally seen as superficial and limited, and they focused on accountability, openness, internal and external audit principles rather than the efforts of division of competences and decentralization (Al, 2008).

In France, where the reforms were realized in terms of public administration in 1980s, a new system to evaluate and indicate the real performance of the public officials was determined. During this period there were regulations about human resources management, education of personnel, evaluation of programs, intra-organizational communication and development of the working relations of the employees, width of competences, transformation to the performance evaluation and improvement of service quality. Besides, an Inter Ministries Evaluation Committee and National Scientific Evaluation Council were established to strengthen the performance evaluation of the public personnel (Koseoglu, 2007). In France, where employees were evaluated to ensure institutions to reach their goals, performance is briefly being discussed; however they are not used if there will be a payment administration or promotion in order to prevent the employees to be compared (Orucuoğlu and Koseoglu, 2003).

When this issue is examined from the perspective of the applications of the local levels, it is seen that some municipalities developed some specific applications by their own efforts to improve performance and evaluate it in the beginning of 1990s. In the country, where the local incentives are limited to the big cities in performance measurement, different tools of performance measurement are determined as functions of administrative areas and services as well as the adaptation of a certain model. However, as seen from the applications of the municipalities, performance measurement has started from bottom to top voluntarily and the organization of performance measurement occurred internally and vertically (between the centralized government and decentralized public authorities or inside the municipal

administration, between the centralized authority unit and the inferior unit). In this system, where the performance criteria are related to resources, costs, number of services and quality of services, the results and the procedure indicators are barely used (Kuhlmann, 2010).

5.2 Germany

The new techniques of public management have arrived to Germany rather late considering that it has a high performance throughout the international standards and the state and administration tradition being foreign to the private sector-based methods. Under the name of New Steering Model rather than the NPM, the elements such as decentralization of managerial responsibilities, the unification of politics and organization, distant administration, contractual administration in functional lines, periodical explanations, elected privatization, performance-aiming personnel polity, and participation have begun to take place in the German administrative system (Erencia, 2002). Flexibility in the public institutions, economic competence, transfer of information between units, improvement of the personal politics and administrative capacity, extensive use of the communications technology were aimed and reforms about the structure of organization and administrative functions were realized (Aykan, 2003).

From the perspective of the personnel, the public official has a prestigious and trusted position in the country, which is a leading representative of the strong civil servant regime tradition. As the mechanisms of administrative functioning and continuity in the patterns and professionalization at high level are seen as the fundamentals of the public personnel system, with The Federal Civil Servant Act starting in 1988, an important step was taken in the Post-Fordist public personnel regime applications. With this act, there has been a transfer of the "A" level public services to a premium regime based on performance (Capar, 2010).

In Germany, where local governments have a high autonomy in terms of constituting their own missions (Goldsmith, 2002) and the state does not perform much in this area, Local Government Administration Union has created 66 performance indicators in areas such as the waiting time of the operations for ID or tax cards, rate of service costs (Kuhlmann, 2010).

5.3 Italy

The reform processes in the Southern Europe, where Italy is also located geographically, have not been considered successful given that there are interest, political favoritism, patronage, political pollution, ineffective administration and general distrust against the state (Kickert, 2011). Most fundamental problems in Italian administrative system are absence of professional senior executives, red-tape, wasting resources, organizational diversions, and administrative inability about administrative coordination (Natalini and Stolfi, 2012). As a result of these problems, the necessity to make reforms in the administration emerged in the beginning of 1990s. The reform in 1993 aimed to reflect the difference between managing the government and policy-making, executive management and administration (Kickert, 2011).

In the applications to increase performance in the public administration, the reform period in Italy could be divided into three. During the first period (1992-1994), the length of bureaucratic procedures and the cost was tried to be reduced whereas in the second period (1996-2001), it was aimed to create a right balance between the advantages and disadvantages of the regulations. Moreover during the third period (2001-2006), former regulations were given different shapes. Throughout this period of reform, some innovations, which affect the managerial dimensions such as organizational design, public service, budget, performance management, managerial procedure and the use of information technologies were wished to be achieved which concern all levels of management. While procedures more than 100 were being simplified, in order to realize the relationship, connection between the institutions Single Public Administration Network was established. In this process where technological developments were remarkable, human resources and budget employees were more benefited. However, there were also the critiques defending that these innovations were realized in order to help the private sector. Besides, the efforts to increase productivity encouraging performance

management in public were stopped because of the necessity to keep the level of government spending the same as a result of the financial crisis (Natalini and Stolfi, 2012).

Reform in the local governments were tried to be made from the perspective of finance. In this process beginning in 1995, the methods of budgeting, accountancy and financial reporting were used. Yet, local governments came across new accountability tools since they did not know the real area of usage and they misused these tools. Therefore in general, they have failed (Reginato, 2010).

In Italy where the officers have a secure job and guarantee of career, but do not have power and status, career progress of senior employees happens in a secure way. Rising is related to seniority rather than performance evaluation (Kickert, 2011). Italy, with a decree, which was established in 1983 and tried in some institutions between 1984 and 1986, has linked the wages to the productivity (Orucu and Koseoglu 2003).

6. Conclusion

In the fundamentals of the understanding of New Public Management which is mentioned with the concepts such as minimization of state; decentralization; formal and informal relations; strategic management; participation; flexible, contract-oriented and permanent employee system, it is accepted that there is performance management which is a result-oriented management technique. As this understanding is accepted by the countries with a background of Anglo-Saxon tradition of administration, it is also seen that there is a traditional bureaucratic structure which could be reflected as an anti-thesis to this understanding, which is currently active in the administrative area especially in the Continental Europe. The traditional bureaucratic structure, where centralization and rule of law are the basics, state is active and policy-making organism, relations are hierarchical and formal, and the officials have the guarantee of employment, is not desirable to abandon. However, if performance management is applied, there would be deviations from these basic suggestions. Therefore, it makes the performance management applications hard in the Continental Europe, where strong state tradition exists and the system does not work according to the managerial logic and market conditions.

When acted according to such a definition and acceptance, state tradition or administrative culture differences create diversifications concerning this understanding and the application of the management techniques, which are shaped around this understanding. As seen from the evaluation of countries, in the countries with Anglo-Saxon tradition of administration, which operate result-oriented in a flexible settlement, the properties of the understanding of New Public Management and the tools of performance management are carried out in a more effectively and detailed way. If England is exemplified, the system based on performance is being applied without any disruptions coming from any kind of power in a serious way since it is detailed. However, in the countries with the tradition of Continental Europe, where limited acceptance and applications exist in terms of integrating to the changing world, throughout the perspective of traditional public administration, new techniques being used in the public services or aiming this is welcomed critically. It is even seen as the result of the failures of the management.

As a result, management techniques based on private sector or market-oriented applications could be considered as an issue, which takes time to realize in structures, where theory is the basic and state instrument is powerful. Reasons such as the era of globalization, privatization process in the activation of state, the necessity to take fast and efficient decisions, the expectancy change of the citizens in the public services and in this realm, the necessity to strengthen local governments have made public administration to act as private sector. In such a condition, the management techniques, which stand aloof from, have to be applied to public slowly, which the states with the managerial tradition of Continental Europe are trying to get adapted to this process.

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