

Public Sector Reengineering: Practice, Problems and Prospects

DANILO R. REYES*

Reengineering principles and techniques has attracted and influenced policymakers, professionals and scholars in public administration. It comes at the heels of a growing inventory of prescriptions and interventions towards reforming government bureaucracies through such alternative labels as "refounding" and "reinventing." The application of reengineering in both public and private sectors has been replete with potentials and flaws; but this approach has already carved a niche for itself in terms of reforming the public sector such that it cannot be simply discarded without any further explanation.

Introduction

Reengineering has become a fairly accepted approach today in the reform efforts of public sector organizations. Originally conceived as a technique designed to introduce radical changes in improving business operations and competitiveness (Hammer and Champy 1993), reengineering principles and techniques have now increasingly attracted and influenced policymakers, professionals and scholars in public administration. It has emerged, in recent years, as a fashionable and forceful expression of continuing initiatives to redefine administrative values and philosophies, as well as methods and systems of government bureaucracies, which have been deemed as obsolete and incompatible with the demands of a difficult and complex socioeconomic and political environment.

Underlying the challenges of this new order are the burdens of rising expectations, growing populations, conditions of turbulence and declining resources, on one hand, and the themes of globalization, competitiveness, market and enterprise dynamics, decentralization, governance, the information age, and the rise of new technologies, on the other (Reyes 1997; Little 1996; Morgan 1982). World economies are experiencing dynamic transformations that require substantial adjustments in the manner public and private organizations

*Associate Professor, College of Public Administration, University of the Philippines.

This article was presented at the 45th Executive Council Meeting and Seminar on Administration in Transition of the Eastern Regional Organization for Public Administration (EROPA) held on 25-29 October 1998 in Macau.

operate. Thus, new, elaborate techniques in managing organizations have emerged to help mediate this transition, and reengineering has been offered as one of the more prominent systems of mapping and adapting to the realities of this new and complex order.

As it is, reengineering concepts have readily proliferated across a steadily growing and attentive audience in both the public and private sectors. Reengineering tools and practice have now been either considered or adopted in the agenda of renewal of public sector organizations among developed and developing countries, both at the local and national levels (Levy 1998; Van Johnson 1996; Sta. Ana 1996; PCSB 1995; Boer 1995; Bovaird and Hughes 1995; Callender and Johnston 1995).

But what is reengineering? Why is it attracting adherents and defenders in the public sector, considering that it is a strategy designed for business? What are its propositions and techniques? Currently, scores of materials have been produced seeking to operationalize and popularize its methods (Hammer and Champy 1993; Davenport 1993; Manganelli and Klein 1994; Hammer and Stanton 1995; Champy 1995a and 1995b; Dubrin 1996). Undoubtedly, in spite of this fascinating and growing collection, much is still to be analyzed in terms of ascertaining its applicability to the public sector.

This article seeks to present a review of reengineering fundamentals and an analysis of the practice of the technique, as employed in various private and public organizations. There has been a lot of misconceptions about what reengineering is and how the approach is supposed to work. As later pointed out in this article, some reform efforts among both organizations in government and the private sectors have loosely adopted the term in changing policies, structures or even processes in their operations. It would therefore be timely for us today to take another look at the concept anchored on discussion of its origins, its techniques as specified by its adherents, as well as its strengths and weaknesses. As such, this article discusses these concepts to hopefully provide a better appreciation and clearer understanding of the concept with particular reference to its use among public sector organizations. To provide a framework for the use of reengineering among public sector organizations, a brief discussion will also be presented on the philosophies and strategies that have evolved in recent years with the end-in-view of prescribing ways of how reform in governments are to be undertaken. The prospects and potential problems of reengineering will also be discussed to help contribute and enliven the present discourse on reengineering. There is no attempt here however to pass judgment on the viability of reengineering since this will have to be made on the basis of case experiences of governments that have tried the technique.

Refounding, Reengineering, Reinventing: Reviewing the Aspirant Paradigms

To begin with, reengineering comes on the heels of a growing inventory of prescriptions and interventions towards reforming government bureaucracies today. As a philosophy and a strategy geared towards enhancing corporate systems and methods in a globalized environment, reengineering can be viewed as part of a shopping list of aspirant paradigms that prescribe ways and approaches to reverse the tide of incompetence, inefficiency, redundancy, rigidity and the problematic of oversized staffs that characterize government bureaucracies today.

This inventory offers an intriguing collection of heady and enormously value-laden, sometimes controversial, approaches designed to engender and maximize the productivity and efficiency of public sector organizations. They come in diverse and colorful labels that reflect broad philosophies as well as managerial and organizational techniques derived from both public administration and the private sector. They also represent innovative propositions, as well as permutations of past concepts made to adapt to the realities of globalization, deregulation and entrepreneurship, as well as of governance and the rise of civil societies.

Some of these aspirant paradigms for bureaucratic reform have focused on multi-dimensional economic and political issues and problems that span across a wide and encompassing terrain. Among these are those that view public sector reform from its macromanagement dynamic. These approaches argue that no significant improvement in the affairs of the bureaucracy can be achieved without taking into account the larger sociopolitical environment (Reyes 1997). The bureaucratic machinery operates within an environment of "multiple, diverse, and competing interest groups in the political process," and would have to act based on demands of multiple power centers (Wamsley 1992: 61-62; Reyes 1997). Any intervention to reform public sector organizations would have to appreciate the complexities of this environment, from Congress to pressure groups, such as civil society, the market sector and the international arena. The most prominent of these is the refounding movement based in Blacksburg, Virginia.¹

The other set of propositions advocates the use of managerial techniques to reform public sector organizations, and is often problem or goal specific in nature. These techniques have been categorized as micromanagement in orientation (Reyes 1997). To some extent, they are reminiscent of the tradition of earlier management-centered propositions such as Organization Development (O.D.) (Bennis 1969; Beckhard 1969; Robey and Altman 1982), Organization Renewal (Lippitt 1969), Management by Objectives (MBO) (Drucker 1955; Humble 1970), Zero-Based Budgeting (Pyhrr 1970; Kepner-Tregoe 1981) and, much earlier, Taylor's Scientific Management construct (Taylor 1911).

These approaches can be labelled as micro-management in the sense that they tend to be focused on the organization and are sometimes drawn from sound business practices used in the private sector (Reyes 1997). Along these lines would fall the concept of reengineering, and similar approaches such as Total Quality Management (TQM),² benchmarking, market testing, franchising, contracting and information technology.³ Together, or taken separately, these approaches now form part of an incipient managerial revolution in the public sector. They represent specialized techniques that are gradually redefining bureaucratic practices.

Reengineering perhaps can be classified along this line, along with another proposition, that of reinventing government. In some ways, reinventing runs parallel with reengineering because it espouses radical changes in bureaucratic processes, particularly, the adoption of entrepreneurial methods in government operations, hence the label of entrepreneurial government. The framework and premises by which these two models of reform are structured are similar in the sense that both argue for a rejection of existing work traditions.⁴

Reengineering Practice: The Whys and the Wherefores

Reengineering, also known as business process reengineering or BPR, is a powerful expression of concern over what have been deemed as outdated corporate practices of American companies. These practices have practically rendered even the most successful American corporations as ill-equipped and ill-adapted to the demands of a world of intense competition. Reengineering thus takes a hard look at prevailing norms and standards of managing organizations, which, similar to reinventing government's assault of the Weberian bureaucratic model in the public sector, have been deemed as obsolete.

As defined, reengineering is "the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance, such as cost, quality, service, and speed" (Hammer and Champy 1993: 32). As conceived, it "means tossing aside old systems and starting over," of "going back to the beginning and inventing a better way of doing work" (Hammer and Champy 1993: 31). Its proponents emphasize the words "fundamental," "radical," "dramatic," and "process." The message here is simple and straightforward: businesses must struggle to discard habits and traditions, those sacred and cherished walls of large, corporate entities that have transformed them into bureaucracies, creating layers and layers of management over time, and which, in turn, symbolized the production of layers and layers of corporate rules, procedures and manuals. What had resulted is less flexibility and adaptability, and therefore, less

capacity for competition against small, lean, and aggressive niche competitors engaged in predatory market offensives.

Like Osborne and Gaebler's tirade of the work ethic prevailing in government today, reengineering proponents Hammer and Champy argue that the present system of managerial practices trace their roots and styles from Adam Smith's concept of division of work and job specialization and later adopted and institutionalized in America by corporate figures as Henry Ford and Alfred Sloan. This system, forged by the necessity of assembling work, have structured work processes of modern companies into over-fragmentation based on ritualized functions centered on tasks, on jobs, on people performing these jobs, on structures, instead of process. As a result, workers never complete a job; they just perform piecemeal tasks (Hammer and Champy 1993: 12). Thus, they continue:

The reality that organizations have to confront, however, is that the old ways of doing business—the division of labor around which companies have been organized since Adam Smith first articulated the principle—simply don't work anymore.... Adam Smith's world and its way of doing business are yesterday's paradigm (Hammer and Champy 1993: 17).

These authors stress that three forces, separately or in combination, have changed the face of today's practices of doing business. These forces are what have been termed as the three Cs which stand for customers, competition and change. For the adherents of reengineering, these have changed seller-customer relationship, with sellers no longer having the upper hand, and customers telling suppliers "what they want, when they want it, how they want it, and what they will pay" (Hammer and Champy 1993: 18). Competition and technological changes have also changed the face of industry, where "good performers drive out the inferior, because the lowest price, the highest quality, the best service available from any one of them soon becomes the standard for competitors" (Hammer and Champy 1993: 21). Technology and innovations, on the other hand, have provided breakthroughs so as to modify tastes and product life cycles thus producing more competitors with the ability and the ambition to readily respond to customized consumer needs (Hammer and Champy 1993: 17-24).

Reengineering and its increasing number of variants and permutations tend to center therefore on the work process and the context in which it is performed. Halachmi offers a capsulized description of its basic tenets, citing the following attributes, though not in that order, as important milestones in reengineering a process: (1) evaluation of whether a process is necessary, given the mission of the organization; (2) breaking away from traditional ways and procedures to start with a clean slate; (3) looking at business processes from a cross functional perspective; (4) search for radical improvements using the power of information technology; (5) reduction and elimination of paper work

and documentation; (6) focus on processes and their outcomes; and (7) focus on the customer, the consumer or the client based on their needs and preferences (Halachmi 1995: 331). The use of information technology occupies a major and sensitive role, because data would be needed to serve as basis for speedy decisionmaking. To these, other contributors add the need to eliminate unnecessary steps or the repetition of activities in the stages of the process, especially when there is a need to combine several jobs into one. Consistent decisionmaking throughout the process from top to bottom is also considered essential. Likewise, the use of a real time measurement system that would enable workers to understand their performance would be necessary. Workers are also encouraged to make important decisions (Halachmi 1995: 331; Champy 1995b; Linden 1993: 11; Hammer and Champy 1993: 51-53).⁶

In some ways, reengineering appears to be a reincarnation of Taylor's scientific management model, which aspired to employ scientific and empirical methods in understanding work at the shop room level (Taylor 1911). Taylor's use of time and motion studies advanced the principle of understanding the work process to eliminate stages that cause wastage and fatigue among workers in the shop room. Reengineering would do the same thing except that it advocates the more radical prescription of discarding old processes and starting anew. It would be significant to mention here that Taylor's methods became extremely popular in the study of Public Administration in the years of transition brought about by the depression in America in the 1930s, and influenced the then fledgling discipline of Public Administration. Reengineering could thus be a form of neo-Taylorism resurrected in the present era.

A number of successes have been recorded in the private sector in the use of the technique. At the IBM Credit Corporation, a wholly owned subsidiary of IBM, approval of applications for credit in the financing of the purchases of computers, software and services took six days on the average, with some lasting up to two weeks. As a result of the lag, potential buyers are given six days to find other sources of financing, be seduced by competitors of other brands, or simply withdraw from the deal. The reason for the delay had been traced to several hand-offs or stages of work that have to be passed on to different specialists engaged in the approval, from the request to appraisal of creditworthiness to determination of the interest rate. This tended to delay even legitimate applicants. Once reengineered, it was discovered that the actual work could be done on the average of ninety minutes because much time was consumed by handing the form off from one department to the next. In the end, the Corporation replaced its specialists with generalists who take care of each application from beginning to end (Hammer and Champy 1993: 36-39).

At Ford Motor Company, the accounts payable department involved a workforce of more than 500 employees. A benchmarking effort with Japan's Mazda, with whom Ford had formed a strategic alliance, revealed that the

Japanese company employed only five personnel in its accounts payable group. Ford officials went into scrutinizing their systems and employed reengineering efforts to scale down the number of personnel from 500 to 125, a process that took five years. (The size of staff is still large compared to its sister company.) At the Mutual Benefit Life, an insurance company, the time required to process insurance applications involving 30 steps done by 19 people in five departments was trimmed down by as much as one-fifth (Dubrin 1996: 7-9; Hammer and Champy 1993: 39-44). Accounts of fairly successful reengineering efforts were also reported in Kodak, Hallmark Cards, Inc., Bell Atlantic, as well as American Express and Amoco (Hammer and Champy 1993; Halachmi 1995).

Reengineering Applications in the Public Sector: First, the Good News

What then are the prospects and potential problems of reengineering applications in the public sector? Can it be applied to the public sector in addressing common problems now besieging bureaucracies of both developed and developing countries? It may be instructive to consider the issues and concerns of some reengineered companies before they adopted reengineering techniques. The CEO of Taco Bell, a subsidiary of PepsiCo, John H. Martin, for instance, points to the following problems facing his company when he took over in 1983:

...We were a top-down, 'command-and-control' organization with multiple layers of management, each concerned primarily with bird-dogging the layers below them. We were also process-driven, in the old sense of the word, with operational handbooks for everything—including, literally, handbooks to interpret other handbooks.... **If something was simple, we made it complex. If it was hard, we figured out a way to make it impossible.** We operated this way, because with all our layers of management, we needed to make things difficult so we could keep everybody busy. The more commands and controls we had in the system, the more the system justified its own existence... (Hammer and Champy 1993: 172, emphasis mine).

From Regis Filtz, appointed head of carrier access service (CAS) in 1990 of Bell Atlantic, a Philadelphia based communications company, comes a similar complaint prior to his company's reengineering project:

With help from outside consultants, we did what I call high-level analysis of our work process—receiving and processing an order for [CAS] service, connecting the service, testing it, and turning it over to the customer. We found, among other things, that from start to finish there were at least thirteen handoffs among different work groups and that some twenty-seven different information systems were involved. Not only was the process slow, it was terribly expensive... (Hammer and Champy 1993: 194-195).

The statements obviously are no different from the usual issues and problems confronting most bureaucracies today. Multiple layers of management, centralized and expensive systems as well as the accumulation of control procedures and regulations remain to be formidable obstacles in ensuring efficiency, economy and productivity of public sector organizations.

In the United States for example, while Congress passes only a few hundred bills annually, it is estimated that about 5,000 implementing rules, procedures, and guidelines are correspondingly issued as supplementary legislation promulgated by the federal bureaucracy to fill in the necessary details often left out of the language of the statutes (Peters 1996: 6). It is reported that the accumulation of rules through the years has produced over 10,000 pages in the Code of Federal Regulations for agricultural policy alone (Peters 1996: 6, citing Kerwin 1994: 18-19). Likewise, rules and regulations governing the hiring, promotion and dismissal of personnel in the American federal government take up more than 100,000 pages (NPR 1993: 11). In the European Union, it is claimed that there are approximately ten times as many rules as pieces of primary legislation adopted (Peters 1996: 6, citing Kerwin 1994: 18-19; and Blumann and Soligne 1989).

The effects of the execution and enforcement of, or compliance with, these rules are bureaucratic inertia and rigidity that render even the most progressive-minded functionary almost helpless. Many of these are the product of efforts to install elaborate control measures to ensure accountability and reduce bureaucratic discretion that can lead to graft and corruption. But taken to their extremes, these stringent procedural safeguards ultimately "become ends in themselves regardless of the terminal value for which these safeguards have been formulated" (Reyes 1982: 274). They promote bureaucratic red tape without meaning to, creating anxiety for the bureaucrat and inconvenience, perhaps alienation, from the public. Aside from disrupting the smooth flow of services, this web of rules and regulations incur huge public outlays in terms of personnel, paperwork, and even costs of procurement of supplies and equipment, among others. Reengineering can help ascertain the necessity of these control measures and highlight rules and procedures that have accumulated over time, some of which have outlived their purposes, or which tend to consider minute details.

From this brief discussion, it is not difficult to understand why reengineering has captured the imagination of practitioners and scholars of Public Administration. Reengineering offers an opportunity to make policymakers take another fresh look at the logic and rationale of these rules and safeguards, opening possibilities of discarding and rewriting them. This is significant because through the years, much attention has been given to the agenda of reform of public sector organizations and the way they perform. It is therefore hardly surprising that reengineering efforts in recent years have been

launched in several countries. Many of these attempts are still in the process of experimenting, such as the one in the Philippines, where principles and parameters of government functioning have been redefined using the reengineering framework as the guiding philosophy (PCSB 1995).

Breakthroughs have been claimed though, particularly among local authorities in the United States. Thus, such projects as the circulation of procedures for purchase proposals in Oregon, the tracking of probationers by the Department of Probation in the New York City government, the use of public access kiosks for government services in California and Iowa, and the system for recipients of welfare benefits in Minnesota represent pioneering efforts in reengineering (Halachmi 1995: 335-336). Attempts to reengineer audit and management performance have likewise been introduced in the European Union (Levy 1998), while in the United Kingdom, accounts of using reengineering methods in Kirklees Metropolitan Council, a British local authority in Yorkshire have been documented (Bovaird and Hughes 1995). Similarly, in South Africa, reengineering has been introduced to streamline the consultative process among industry, labor and government trade authorities (Boer 1995). In Ireland, reengineering applications have also been introduced to improve facilities for personal social services (Lyons and Kearns 1997).

The notable observation that can be made in most of these experiences is that they tend to identify specific processes, programs, and activities of certain government units. In the case of the Kirklees Metropolitan Council, reengineering concepts involving process seemed to have been adopted and juxtaposed with that of reinventing. Many of the attributes of reengineering appear to have been observed, namely, the empowerment of the staff, the focus on performance measurement, the use of process teams and the adoption of hybrid forms of centralized and decentralized operations, among others (Bovaird and Hughes 1995: 367). The authors however stress that the use of reengineering methods in the Council did not strictly comprise all aspects of the Council's business. Rather it concentrated on specific areas. Hence it may not fully represent an exemplification of Hammer and Champy's approach. The Irish social services case on the other hand, followed a framework tempered to its organization's requirements. It consisted of the following strategic steps: establishment of client centered service objectives; development of process-based measure of service effectiveness; realignment of organization structure; extension of process design to the wider service supply chain; and implementation of process-based information systems (Lyons and Kearns 1997: 29)

Reengineering: And Now, the Bad News

What then are the potential and real problems of reengineering as applied to the public sector? Some measure of success may have been achieved by the

cases cited earlier because they focused on specific processes of certain services or facilities, as what had been done by the corporations cited by Hammer and Champy. Reengineering's weakness may be its own strength in the sense that it can be used on specific areas or problems, not allowing resources and energies to be spread out too thinly.

Reengineering can be used to analyze and change procedures in such areas as passport issuance and releasing, motor vehicle registration, driver's licensing, and similar services that can be isolated. This approach is in contrast to a wholesale, sweeping, government wide change as prescribed by adherents of, for example, reinventing or refounding. The only problem here is that government activities are often so interrelated, cutting across not only divisions and units within an agency, but also tending to spill over to other agencies. Bureaucratic behavior and action are often based on laws and a series of incremental changes in rules derived from legislation, or in some instances, *stare decisis*, i.e. doctrines or policies laid down by the courts, which may be difficult to overhaul overnight. The administration of justice for instance, would involve rules and procedures handed down from generation to generation, and would have to be observed unless overturned by a new ruling.

There are accounts of failures in the reengineering efforts of business companies, and government can take stock of these. So far, many of these initiatives have been reported to have cost billions of dollars. Even Hammer and Champy admit that many companies that begin with reengineering do not succeed, estimating that as many as 50 to 70 percent of the organizations embarked on reengineering efforts have not achieved the dramatic results intended (Hammer and Champy 1993: 200). In fact, Hammer acknowledged in 1994 that American companies will spend a staggering \$32 billion dollars on reengineering projects, and that two-thirds of these may end up in failures (Halachmi 1995: 330, citing Caldwell 1994: 50). The common reason advanced is that some corporations that proceeded with the strategy failed because they introduced incremental changes from set procedures instead of totally discarding them and starting anew. This practice tend to impugn the credibility of reengineering as a technique. Much too often, efforts undertaken by organizations have been labelled as "reengineering," when in fact they are not in the real sense of the word, and would merely involve reorganization, incremental changes in procedures, rewriting of policies, etc. Other reasons are listed, from merely fixing a process instead of changing it, quitting too early, to the lack of expert advice and dissipating energies across a great number of reengineering projects. Some experts even claim that reengineering has peaked and its days are numbered (Caldwell 1994: 50; Bartholomew and Caldwell 1995, as cited in Halachmi 1995: 330).

In the face of all these therefore, reengineering has received its share of scepticism. Applied to the public sector, reengineering fundamentals of "breaking away from the past" may be a major obstacle that public sector

organizations must overcome. For one, the culture of bureaucracies has been so ingrained that any effort to modify it may receive resistance not only from dyed-in-the-wool bureaucrats, but politicians and interest groups as well. The incremental nature of government policymaking may militate against it. In government, any deviation from the status quo would always be considered a threat, and may, in some cases, be seen as part of a hidden agenda that can be political in nature. As Robert Kennedy once commented, "progress is a nice word. But change is its motivator, and change has many enemies" (as cited in Hammer and Champy 1993: 173).

Another difficulty that lies at the heart of the problem is that reengineering requires substantial investments in developing or even upgrading information technology. Reengineering methods of employing information technology may put government budgets under severe pressure considering the costs of hardware, consultants, constant upgrading and maintenance, as well as training and re-training of employees. This issue will certainly be prominent among developing countries where public spending needs to be carefully prioritized in light of habitual neglect of marginalized sectors trapped in poverty, lack of opportunities and livelihood, and denied of access to basic social services. A public agency that allocates a substantial amount of its budget to information technology, hardware, software and all, may be subject to much criticism and public censure.

It is also important to consider political and pluralist factors confronting the bureaucratic milieu. Essentially this refers to the environment of the political system, where, as Thomas points out, "success in government consists not just making the right decisions, but also of mobilizing political support for the decision." He adds that "there is more challenge for the public manager than for his private-sector counterpart to balance the conduct of external political relations with numerous outside actors and institutions while still paying attention to internal management functions" (Thomas 1996: 13).

It is also incumbent upon potential users and reformers of reengineering to acknowledge what Moe and Gilmour stressed in their veiled criticism of reinventing in the United States, the foundations of administrative practice is public law. Any modification in existing conventions in administrative behavior demand that these should be founded and built around public law (Moe and Gilmour 1995; Reyes 1997). Thus, any reengineering effort may be challenged as to its compliance or consistency with existing laws, or for that matter the Constitution. Obviously, this represents constraints and obstacles that diminish the effectiveness of the technique (Halachmi 1995: 337).

A major issue that has to be addressed is the downsizing of the public sector because of a reengineered process may not be a popular one and may invite the wrath of both politicians and of the public. Wide-scale removal or

dismissal of government personnel at any level for reasons of redundancy will always be an explosive and sensitive issue that may not generate sympathy from Congress or from the public. For one, the downsizing strategy may be used as a ploy to dismiss government personnel in the name of reengineering by misguided officials (Halachmi 1995).

Conclusion

Bureaucracies today are experiencing what may be described as a severe paradigm crisis in coping with change and in managing their affairs. The public sector is faced with hostile environments, alienated publics, scarce resources and low levels of credibility. Transitions today are periods of extreme anxieties. Fortunately, these anxieties can help stimulate imagination and innovation.

Reengineering and the current bandwagon of management philosophies, principles and prescriptions offer alternatives to cope with these challenges. Obviously, reengineering would have its strengths and weaknesses, and much can be learned from the experiences of the more successful cases. There is thus no reason to close the door from these prospects, for as the eminent Dwight Waldo once pointed out, administration is so large a subject, and still in many ways so dark, that it should open itself to other methods, that all models and idioms have their respective virtues and vices, and there is no reason to flaunt one specific approach (Reyes 1995).

There is nothing here to suggest that reengineering is a panacea or a nostrum that would serve as a quick fix remedy for whatever ails organizations at the moment. It is, at best, an approach that would need study and much experimenting. But side by side with this lies the important consideration that public managers and policymakers must adapt techniques to the idiosyncratic needs and peculiarities of their organizations. As Gareth Morgan laments,

too many managers are looking outside themselves for answers to their problems. They are looking for the latest theory and at what successful organizations are doing. They are trying to spot the latest trends. In reality they would be better off engaging in critical thinking for themselves, recognizing that they and their colleagues already have a vast treasure of insight and experience, which they could and should be using (Morgan 1993: 218, as cited in Thomas 1996: 23).

This article has attempted to provide an assessment of reengineering based on a discussion of its fundamentals. Unfortunately, there is not much space in the present discussion to delve into the specifics of the cases cited here, but the point is clear.

Reengineering has both potentials and problems. Its application in the public and private sectors has been both praised and criticized, so much so that

it is not remote that critics would tend to view reengineering as a fad or passing fancy largely based on hype, "a concoction that management consultants are willing to dispense, for a fee, to those managers who are still seeking a cure-all for the ills of [their] organizations" (Halachmi and Bouckaert 1995: 323).

This cynicism is understandable considering that movements and techniques for public sector reform, as well as so-called managerial revolutions, have ebbed and flowed during the past fifty years, accumulating a bewildering number of aspirant paradigms that have frustrated public sector reformers. But as Halachmi maintains, "the scepticism about this new management gospel is not surprising and might even be healthy... but not an excuse for discarding the message of reengineering without any further explanation" (Halachmi 1995: 329).

There is thus no reason to close the door on these prospects, for as the eminent Dwight Waldo once pointed out,

administration is so large a subject, and still in many ways so dark, that we should open upon it all the windows we can find, that all models and idioms have their virtues—and their vices; that as we proceed we exercise as much intelligence and goodwill as we can command in determining what any particular model can or cannot do for us (Waldo 1956: 49).

There thus is no reason for us to flaunt one specific approach, but to allow a flowering of options that can be used at the same time (Reyes 1995).

Endnotes

¹Representatives of this stream of propositions include the adherents of the so-called Blacksburg Manifesto, a polemic written in defense of bureaucracy by a group of scholars from the Virginia Polytechnic Institute and State University based at Blacksburg, Virginia. Stripped of the details, the manifesto which later reincarnated under the label of "refounding" public administration, suggests the development of a normative framework by which bureaucracy can be renewed and acquire a legitimate role in governance (Wamsley *et al.* 1987; 1990; 1992).

A related proposition along this genre can also be found in Fox and Miller's call for authentic discourse, which proposes to establish new norms and approaches to democratic governance through expanded public discussion of bureaucratic activities and action (Fox and Miller 1995). Labelled here unofficially as discourse theory in postmodern public administration, the proposition essays the conviction that bureaucracy and its processes have been inhibited from participating in the public discourse that nourishes democratic systems. This is because of the prevailing norms of political neutrality which assigns civil service personnel to an apolitical role in the political system, and hence, renders bureaucracies, to a large extent, isolated from their publics. Thus, the enactment of legislation may be marked by a series of consultative processes that allow affected sectors to participate in the crafting of laws that may affect them, the ensuing design of more specific and detailed implementing rules and regulations, or supplementary legislation—the ones that often have impact on the lives of citizenry—and made by the bureaucracy tasked to enforce or execute the statute may not be open anymore to public

discussions. Hence, bureaucracies tend to be alienated from their publics. As Fox and Miller (1995: 157) assert, "the idea of government by discussion, of reaching public action through a process of agonistic discourse, drives the model of public administration advanced here."

An earlier variant of these points of views, though not necessarily similar, is that of New Public Administration (New PA), which became popular in the late sixties and the early seventies. See the collection of papers in Marini (1971). There is not much room in this paper to discuss the concepts of new P.A., but its call for relevance, equity, and client-focused orientation may find some affinity with the refounding movement.

I am aware that this brief and truncated discussion may not do justice to the wealth of ideas propounded by the adherents of both refounding and discourse theory. The purpose however of this passing commentary is to capulize the core ideas so as to highlight the reasons for the classification. Again, I have taken liberties to provide this categorization, which may be unfair to the proponents. For a fuller appreciation of these concepts, the reader may refer to the series of papers of Wamsley *et al.* (1987; 1990; 1992) and Fox and Miller's excellent treatise (1995) on postmodern Public Administration.

²There is not enough space here to fully explain the concept. For discussions and commentaries however of TQM and its applications in the public sector, see Swiss (1992); Wilson and Durant (1994), Bowman (1994), and Rago (1994).

³A good material on benchmarking in the public sector is that of Keehley *et al.* (1997). Kaul (1997) provides a brief discussion of the concepts of market-testing, franchising and contracting.

⁴Most of the current crop of literature on reengineering tend to incorporate a discussion and a comparison of the approach with that of reinventing. In some ways, they are similar. Like reengineering, Osborne and Gaebler strongly argue the need for a revolution in the prevailing managerial culture of public sector organizations. It aspires to transform bureaucracies from their rule-driven and input-oriented focus to become mission-oriented, results centered, competitive, decentralized and sensitive to the demands of clients-customers. Like reengineering, reinventing government seeks to displace existing systems and practices of bureaucracy with those deemed attuned to the demands of an emerging order characterized by flexibility, adaptation, and declining resources. Hammer and Champy point out that "inflexibility, unresponsiveness, the absence of customer focus, an obsession with activity rather than result, bureaucratic paralysis, lack of innovation, high overhead—these are the legacies of our hundred years of American industrial leadership..." (Hammer and Champy 1993: 30)

In some instances, reengineering is used interchangeably, if not confused altogether with that of reinventing government because their approaches appear to follow similar themes. They both aspire to give attention to recognition of the power of customers, which incidentally Osborne and Gaebler preferred to use in reference to citizen consumers of public services instead of the usual label of clients. Both assume the significance of change and of information technology. Both profess faith in the competence of workers, with Osborne and Gaebler emphasizing that governments have good personnel who are simply trapped in bad systems (Osborne and Gaebler 1992: xviii). Hammer and Champy on the other hand stress that while critics claim that American workers are lazy and their management inept, "the record of industrial and technological accomplishment over the past century is proof enough that managements are not inept and workers do work" (Hammer and Champy 1993: 10).

Reinventing government, as advanced by Osborne and Gaebler in 1992, was used by the American government as its framework in reforming its federal bureaucracy under Vice-President Al Gore (Osborne and Gaebler 1992; NPR 1993, 1996; Gore 1996). While there are similarities and overlaps between the two, there are also differences which separate them. Reinventing for one aspires to cover the larger environment of government and the community, while reengineering would tend to focus more on the organization.

Bovaird and Hughes (1995) discuss some of these issues comparing reinventing and reengineering in their analysis of reengineering applications in Kirklees Metropolitan Council, a local British authority in Yorkshire. They provide an interesting comparison and contrast of the two approaches.

*Aside from Hammer and Champy (1993), Dubrin (1996) and Manganelli and Klein (1994) provide excellent discussions on the reengineering process, showing step by step activities. Both books provide details as to how the technique is to be implemented.

References

- Bartholomew, Doug and Bruce Caldwell
1995 New Priorities. *Informationweek*. 20 March: 14-15.
- Beckhard, Richard
1969 *Organization Development: Strategies and Models*. Reading, Mass.: Addison-Wesley.
- Bennis, Warren G.
1969 *Organization Development: Its Nature, Origins and Prospects*. Reading, Mass.: Addison-Wesley.
- Blumann, C. and A. van Soligne
1969 La commission, agent d'execution du droit communautaire: La Comitologie. In J.V. Louis and D. Waelbroeck, eds. *La commission au couer du systeme institutionnel des Communautés Europeenes*. Brussels: Universite de Bruxelles, Institut d'etudes Europeenes.
- Boer, J.H.
1995 Re-engineering the Consultative Process Between Industry, Labour and Government Trade Unions in South Africa. *International Review of Administrative Sciences*, 61 (3) (September): 343-354.
- Bowman, James S.
1994 At Last, an Alternative to Performance Appraisal: Total Quality Management. *Public Administration Review*, 54 (2) (March/April): 129-136.
- Bovaird, Tony and Robert Hughes
1995 Reengineering Public Sector Organizations: A Case Study of Radical Change in a British Local Authority. *International Review of Administrative Sciences*, 61 (3) (September): 355-372.
- Caldwell, Bruce
1994 Missteps, Miscues. *Informationweek*. 20 June: 50-60.
- Callender, Guy and Judy Johnston
1995 Re-engineering Australian Education Systems: The NSW Experience—Innovation or Enervation? *International Review of Administrative Sciences*, 61 (3) (September): 385-405.
- Champy, James
1995a *Reengineering Management*. New York: Harper Business.
1995b Management's New Mandate. *Informationweek*. (6 February): 57-58.

- Davenport, Thomas
1993 *Process Innovation: Reengineering Work Through Information Technology*. Boston: Harvard Business School Press.
- Drucker, Peter
1955 *Practice of Management*. London: Heinemann.
- Dubrin, Andrew J.
1996 *Reengineering Survival Guide*. Cincinnati, Ohio: Thompson Executive Press.
- Fox, Charles J. and Hugh T. Miller
1995 *Postmodern Public Administration: Toward Discourse*. Thousand Oaks, London and New Delhi: SAGE Publications.
- Gore, Al
1996 *The Best Kept Secrets in Government*. Washington: U.S. Government Printing Office.
- Halachmi, Arie
1995 Re-engineering and Public Management: Some Issues and Considerations. *International Review of Administrative Sciences*, 61 (3) (September): 329-341.
- Halachmi, Arie and Geert Bouckaert
1995 Re-engineering in the Public Sector. *International Review of Administrative Sciences*, 61 (3) (September): 323-327.
- Hammer, Michael and James Champy
1993 *Reengineering the Corporation: A Manifesto for a Business Revolution*. New York: Harper Collins Publishers.
- Hammer, Michael and Steven Stanton
1995 *The Reengineering Revolution*. New York: Harper Business.
- Humble, John W. (ed.)
1970 *Management by Objectives in Action*. London: McGraw-Hill.
- Johnson, Van
1996 The Entrepreneurial Management Transformation: From Privatization, Reinventing, and Reengineering, to Franchising Efficiency, and Entrepreneurial Ethics. *Policy Studies Journal*, 24 (3) (Autumn): 439-443.
- Kaul, Mohan
1997 The New Public Administration: Management Innovation in Government. *Public Administration and Development*, 17(1) (February): 13-26.
- Keehley, Patricia, et al.
1997 *Benchmarking for Best Practices in the Public Sector: Achieving Performance Breakthroughs in Federal, State, and Local Agencies*. San Francisco: Jossey-Bass Publishers.
- Kepner, Charles H. and Benjamin B. Tregoe
1970 *The New Rational Manager*. Princeton, N.J.: Kepner-Tregoe, Inc.
- Kerwin, C.M.
1994 *Rulemaking: How Government Agencies Write Law and Make Policy*. Washington D.C.: CQ Press.

- Levy, Roger
1998 Re-engineering Audit and Performance Management Systems for Multi-level Governance: The European Union Experience. *International Review of Administrative Sciences*, 64 (1) (March): 55-71.
- Linden, Russ
1993 Business Process Reengineering: Newest Fad, or Revolution in Government. *Public Management*. 75 (11): 8-12.
- Lippitt, Gordon L.
1969 *Organization Renewal*. Englewood Cliffs, N.J.: Prentice-Hall, Inc.
- Little, John
1996 Thinking Government: Bringing Democratic Awareness to Public Administration. In Gary L. Wamsley and James F. Wolf, eds. *Re-founding Democratic Public Administration*. Thousand Oaks, London and New Delhi: SAGE Publications. 327-350.
- Lyons, Gerard and Fergal Kearns
1997 Application of Business Process Reengineering and Information Technology to the Re-design of Personal Social Services. *Administration*, 45 (1) (Spring): 23-42.
- Manganelli, Raymond and Mark Klein
1994 *The Reengineering Handbook: A Step-by-Step Guide to Business Transformation*. New York: AMACOM.
- Marini, Frank (ed.)
1971 *Toward a New Public Administration: The Minnowbrook Perspective*. Scranton: Chandler.
- Moe, Ronald C. and Robert S. Gilmour
1995 Rediscovering Principles of Public Administration: The Neglected Foundation of Public Law. *Public Administration Review*. 55 (2) (March/April): 135-146.
- Morgan, Gareth
1993 *Imagination*. London: SAGE Publications.
1982 Cybernetics and Organization Theory: Epistemology or Technique. *Human Relations*. 33 (7): 521-537.
- National Performance Review (NPR, U.S.)
1996 *Reinvention's Next Steps: Governing in a Balanced Budget World*. Washington: U.S. Government Printing Office.
1993 *From Red Tape to Results: Creating a Government that Works Better and Costs Less*. Washington: U.S. Government Printing Office.
- Osborne, David and Ted Gaebler
1992 *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*. Reading, Mass.: Addison-Wesley.
- Peters, B. Guy
1996 *The Future of Governing: Four Emerging Models*. Kansas: University Press of Kansas.

- Presidential Committee on Streamlining the Bureaucracy (PCSB), Philippines
1995 *Reengineering the Bureaucracy for Better Governance: Principles and Parameters*. Manila: Department of Budget and Management.
- Pyhrr, Peter A.
1970 Zero-Based Budgeting. *Harvard Business Review*. (November-December): 111-118.
- Rago, William V.
1994 Adapting Total Quality Management (TQM) to Government: Another Point of View. *Public Administration Review*. 54 (1) (January/February): 61-64.
- Reyes, Danilo R.
1997 Controversies in Public Administration: Enduring Issues and Questions in Bureaucratic Reform. *Philippine Journal of Public Administration*. 42 (1-4) (January-October): 277-300.
1995 The Study of Public Administration in Perspective: A Passing Review of the Development of the Discipline. *Philippine Journal of Public Administration*. 39 (1) (January): 1-36
1982 Control Processes and Red Tape in Philippine Bureaucracy: Notes on Administrative Inefficiency. *Philippine Journal of Public Administration*. 26 (3 & 4) (July-October): 271-285.
- Robey, Daniel and Steven Altman
1982 *Organization Development: Progress and Perspectives*. New York: Macmillan Publishing Co, Inc.
- Sta. Ana, Filomeno S. III.
1996 Reengineering the Bureaucracy, Philippine Style. *Philippine Journal of Public Administration*, 40 (3 & 4) (July-October): 217-230.
- Swiss, James E.
1992 Adapting Total Quality Management (TQM) to Government. *Public Administration Review*. 52 (4) (July/August): 356-362.
- Taylor, Frederick W.
1911 *Principles of Scientific Management*. New York: Harper and Brothers.
- Thomas, Paul G.
1996 Beyond the Buzzwords: Coping with Change in the Public Sector. *International Review of Administrative Sciences*. 62 (1) (March): 5-29.
- Waldo, Dwight
1956 *Perspectives in Administration*. Alabama: University of Alabama Press.
- Wamsley, Gary L. et al.
1992 A Legitimate Role for Bureaucracy in Democratic Governance. In Larry Hill, ed. *The State of Public Bureaucracy*. New York: M.E. Sharpe, 59-86.
1990 Public Administration and the Governance Process: Shifting the Political Dialogue. In Wamsley et al., eds. *Refounding Public Administration*. London, New Delhi and Newbury Park: SAGE Publications, 31-51.

1987 Public Administration and the Governance Process: Refocusing the American Dialogue. In R. Chandler, ed. *A Centennial History of the American Administrative State*. New York: Free Press. 291-317.

Wilson, Laura A. and Robert F. Durant

1994 Evaluating TQM: The Case for a Theory Driven Approach. *Public Administration Review*. 54 (2) (March/April): 137-146.