

QUALITY JOURNEYS IN THE EUROPEAN PUBLIC SECTOR: FROM THERE, TO HERE, TO WHERE?

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QUALITY JOURNEYS IN THE EUROPEAN PUBLIC SECTOR: FROM THERE, TO HERE, TO WHERE?

I. Introduction

Who can be against quality? The *Third Quality Conference for Public Administrations in the EU* (3QC) in Rotterdam demonstrated that it has become scarcely conceivable that anyone would wish to argue against quality in public services management. The 'best practice' cases presented at the Rotterdam conference gave evidence that in health care, education, personal social services, the police and many other areas of public service delivery commitments are being made to improve 'quality'. Public service quality now figures – in one form or another – in most public sector reform programmes, both in old and new EU Member Countries.

But do we all have the same thing in mind when we talk about public service quality? The discussions at the conference showed that participants often hold quite different views on 'what is quality?'. It also became obvious from the presentations that there are different ways of measuring and implementing public service quality. Whereas for some participants quality management was an 'old hat', it was a new issue for other participants.

It is therefore necessary to look under the surface of the current 'quality rhetoric' in the public sectors of EU Member countries in order to put the key findings of the Rotterdam conference in context and to investigate how and why the term quality achieved such popularity in the public sectors of EU Member countries. After all, as recently as the mid-1980s it was not very common in many of the settings in which it is now so fashionable.

In order to explore this issue, we need to look at the last two decades of debate and reform of public service quality and reflect why quality issues are still with us today. Furthermore, we need to analyse how lessons learnt in the past help us to deal with current pressures and challenges and to look at some new tools of quality management. Finally, we try to look ahead - to speculate on what may be rising to the top of the quality agenda for 4QC in Finland in 2006, and beyond.

Our observations are mainly based on the case studies described in slides, speeches and other documents prepared for the 3QC conference. Obviously, the three of us could not attend all sessions during the Rotterdam conference. Moreover, it has not even been possible in this paper to refer to all the most interesting case studies. Consequently, our selection here

is simply based on the examples which are particularly useful to underpin the general trends to which we are drawing attention in this paper.

In the following sections, we, the three scientific rapporteurs for the 2004 3QC in Rotterdam, would like to invite you to join us on this quality journey from its early beginnings, to our current position – and even to steal a glimpse into what the future may hold for quality in the public sector.

II. The past: Quality as an old friend

Some of the most important items on the current quality agenda have been there for a long time - they are old friends, or in some cases, foes. This means that there is a need to take stock and to learn. Quality requires the digestion of preceding experiences, even if there have sometimes been drastic changes along the way. Learning is impossible without memory.

Two decades of debate and reforms

“Our new government is very creative. It has dumped all previous reforms”.

Vice President Al Gore

European debates about quality in public services go back well before 1QC in Lisbon at the turn of the millennium. As some European governments started to embark on reforms to make their public sector more performance-focussed, 'customer-oriented' and 'citizen-responsive' in the early 1980s onwards, quality was a key component even though it was not always clearly specified. The 'good practice' cases showcased at 3QC prove that these reform agendas are still valid today:

- 1. Focussing on performance and results** (e.g. through performance indicator systems, performance-linked budgets, performance contracting, performance auditing, etc) meant that public sector managers had to search for new tools to achieve better results within current – typically reduced - budgets. In 3QC, we heard about a Norwegian prison which measured how its reforms led to lower sickness absences among staff and much lower use of the security cells for inmates.
- 2. Improving customer orientation/lightening bureaucracy** (e.g. through customer awareness training, citizens' charters, simplification of forms and procedures) meant that public services had to meet the rising expectations of users. However, as Gaster and Squires (2003, p. 13) caution, decision-makers in the public sector, unlike in the private sector, have to make sure that a balance is maintained between the general public interest and the specific needs of particular groups of service users, which is why in the public sector the 'customer' can never be the unambiguous 'king' (or 'queen'). We had many examples of this at 3QC – from the reception counters of the Polish police to the elimination of queues by the Irish immigration service.
- 3. Achieving service integration**, so that citizens do not have to go to many different agencies in order to get the solution to what is, for them, a single problem (e.g. one window/one stop shops; attempts to integrate social care and health care; joined-up government). Again, 3QC afforded some good examples, such as the creation of one

stop service centres in a German municipality and the Irish standardisation of the social welfare client referencing system.

In order to adapt to the requirements of these modernisation agendas, public service organisations have had to develop some new skills and processes, which in turn has entailed:

- 1. Improving the quality of public service staff** (e.g. through development and training). Training featured in many 3QC cases. It is hardly possible to improve customer orientation, introduce new information and communication (ICT) systems or implement systems such as CAF, ISO or EFQM, without significant investment in staff training.
- 2. Adapting quality tools originally developed for use in the private sector so as to make them suitable for public sector contexts** (there have been several lines of evolution here, including the one that ran from TQM to EFQM to CAF and the Balanced Scorecard). The original inventors of the Balanced Scorecard probably did not have in mind its application to prisons– but that was one of the successful adaptations discussed at 3QC.
- 3. Measuring the need for and impact of quality improvement** through various kinds of user survey systems. It was perhaps surprising how many of the cases at 3QC still did not feature this crucial step. Some, however, did. For example, the French Directorate General for Taxes (*DG*) employs an independent polling organisation to carry out annual surveys of taxpayer satisfaction.

Why these 'old' issues are still with us

“Seven years is not a long time for this kind of project”.

Vice President Al Gore

If we ask why these issues are still with us, there seem to be several answers. One is simply that the aspiration of improving the experiences of citizens who deal with the government in its many guises remains an inspiration which is an important motivator for many public officials. The Parisian street sweeper, Alain Vadot, who helps to repair a young person's bicycle in the 3QC DVD provides a good example of how this traditional commitment to 'public service' is still alive today. A desire for sustainable public sectors and high public service orientation seems to remain a reality for many public sector staff in Europe. Contrary to some popular images of uncaring bureaucrats, many staff who work in public services are genuinely eager to find ways of improving their effectiveness. Doctors, nurses, teachers,

social workers, police and many others are still committed to working within a professional ethic of helping and caring - and most of them want to know how to do this even better. This simple but fundamental point is forgotten in some quality texts.

BOX: QUALITY AND THE IMAGE OF GOVERNMENT

There has been some loose talk about the relationship between quality and the image of government. Some commentators, worried by the falling levels of public trust in political leaders (which has been a trend in virtually every Western country), see public service quality improvement as the answer. Make public services better and then the citizens will like their governments more.

Unfortunately there is evidence that this simple equation doesn't add up. To begin with, we know from many pieces of research that citizens do not have one single image of government. They have a whole variety of impressions – some of the quality of services they themselves use, some of other aspects which they only read about in the newspapers or see on TV, and some of individual political leaders or parties. These different aspects do not always march together – if the Post Office or the Tax Office improves their quality of service many citizens will notice and be pleased, but it will not lead them automatically to think better of the Prime Minister, or to vote for his/her party at the next election. Most citizens are perfectly capable of making a distinction between these things.

In any case, should 'improving the image of government' really be the main motive for improving public service quality? There is a danger here that the more fundamental reason - to give citizens better service and increase their satisfaction - will be pushed into second place. There is also a danger that the staff implementing the changes will become disillusioned, if they come to believe that the main purpose of their bosses is just to improve their own image. Staff at the sharp end generally want to see real improvements for real clients and users: If this subsequently results in a better 'image' for their organization then that is very welcome, but it is not the central aim of the exercise. If one reads through all the 'good practice' cases submitted to 3QC, wanting to provide a better service comes over in a large majority of them, while 'improving the image' does not. It is hard to imagine that John O'Brien, the head teacher of the vastly improving South Wales primary school shown in the 3QC DVD, put in his huge efforts with the prime idea of improving the government's image! But he has almost certainly achieved something more lasting and fundamental – increased citizen trust in 'the system'.

A second reason for the longevity of certain items on the agenda is perhaps less noble, but readily understandable: it is to save money. The fiscal pressures on governments wax and wane at different periods in the economic cycle, but everywhere during the last 20 years these pressures have been more keenly felt than they seemed to be during the long boom that fostered welfare state expansions from the 1950s to the early 1970s. Governments are acutely conscious of the need to 'do more with less' - and lightening bureaucracy, intensifying performance management and improving the skills of public sector employees are all ways of achieving this.

A third reason is that some of the technical issues to do with quality improvement are intrinsically complex, and the frontier of possibilities constantly shifts. In 2004 we know much more than we did in 1980 about how and when to measure user satisfaction with particular services.

BOX: SOME KEY FINDINGS FROM THE USE OF CITIZEN/CUSTOMER SURVEYS IN THE PUBLIC SECTOR

1. The value of surveys: Surveys are a powerful tool for identifying and closing gaps between clients' expectations of services and their experiences of those services. They have, however, been vastly underutilised in the past. If surveys ask the right questions, especially with respect to satisfaction, drivers of satisfaction, priorities for improvement, and internal services, the findings generated can inform managers about what they need to do in order to improve service to their clients and to citizens more generally.

2. The need to distinguish between specific and general services: Surveys which compare the service provision of public services in general compared to specific private sector services may not tell an entirely accurate story. In fact, research indicates that public ratings of government or public services *in general* are significantly lower than their ratings of *specific* public sector service experiences. This suggests that the performance gap which supposedly exists between public and private sector services may be smaller than previously reported, and for some services may be nonexistent.

3. The need for normative benchmarks: It is difficult to attribute meaning to satisfaction ratings in the absence of normative benchmarks. If public service providers were able to compare their ratings with those of similar public sector providers, they could then determine how well they are performing relative to others. This, in turn, would allow for the development of normative benchmarks at the public service, agency, and programme levels. Comparisons could be made using scale conversion methodologies, a customer satisfaction index, or a standardised survey instrument. If the survey is conducted on a regular basis, organisations can track their progress in relation to themselves and others over time. Typically, a standardised survey instrument provides the most advantages.

Source: Canadian Centre for Management Development (1999), Citizen/Client Surveys: Dispelling Myths and Redrawing Maps. CCCM, Ottawa, p.27.

But there are still difficult choices to be made and technical options to be assessed - including new information and communication technologies which are developing all the time. There are still debates about how to approach complex services in which some impacts can be closely and reliably measured, others can only be measured indirectly and with considerable expense and difficulty, and some may not be measurable at all - or at least not for a long time. Measurement is often tremendously useful. However, it can lead to harm as well as benefit. Approximate estimation of important dimensions is much more valuable than precise measurement of less important dimensions, and both are preferable to the kinds of badly-

chosen measures which cause perverse effects (about which there is now quite an extensive literature).

A fourth reason is that, as the pioneers of TQM taught us, quality standards seldom stand still. 'Quality' is a multi-dimensional concept and, as and when one dimension has been achieved ('satisfaction attained'), another rises up the agenda (Pollitt and Bouckaert, 1995). Users' expectations are constantly on the move: you give them friendlier service, they want faster service; you give them faster service, they want 24 hour service; you give them 24 hour service, they want integration of your service with two or three others in a 'one window' arrangement.

What can we learn from the past?

“A Charter is not a Charter”

“How can we install the New Zealand Model?”

“What a pity we don’t have a Vice President!”

Conference participants

Obviously, the journey towards public service improvement has witnessed both many success stories but also many failures over the last 20 years. Clearly, there was not much time for detailed analysis at 3QC as to why some past initiatives have not worked. Moreover, it was striking how few presenters were ready to openly admit mistakes that they had made in implementing quality initiatives or acknowledging disappointment about lack of progress and results. Similarly, all case study profiles which were submitted for the conference claimed that the specific project could be replicated elsewhere but, interestingly, there was not a single case which was presented as a successful replication of a quality initiative originating from elsewhere. **So one key problem seems to be that there is too little learning from past experience and there is still a lot of ‘reinventing of the wheel’.**

Without doubt, there has been a lot of international exporting and importing of quality tools and models. This raises the question as to what the impact and results of these models and instruments have been – after all, some of them have been around for more many decades. Surprisingly, the few existing research studies undertaken and commissioned in this area reveal very little about the effectiveness of quality management tools. For example, recent research by PricewaterhouseCoopers (2000) on the use of the EFQM Model in the British public sector concentrated more on the processes and problems associated with its introduction, rather than on the effects of the use of the model on public service quality. Another research study on the relationship between the EFQM Model and the introduction of the Best Value regime in British local government was examined by the Improvement and Development Agency (IDeA, 2001), but, again, the conclusion was that organizational impacts could not be readily assessed. Finally, an evaluation of the implementation of the ISO 9000 series in a number of Finnish pilot local authorities which was undertaken by the Association of Finnish Local and Regional Authorities in 1996 did not provide clear evidence as to whether the benefits outweighed the implementation costs (Sundquist, 2004).

In spite of the lack of systematic and detailed evaluations, we are able to point out a number of emerging lessons from the analysis of case studies on past public sector quality initiatives (Pollitt and Bouckaert, 1995; Löffler and Vintar, 2004).

First, there was **little sensitivity to the context and objectives of particular quality initiatives**. For example, to an external observer, it may have seemed that, in the early

1990s, the UK, Belgium, France and Italy were all pursuing the same strategy – after all, each country introduced a public service citizens’ charter. Closer inspection showed, however, that the charters had very different assumptions and mechanisms – each firmly belonged to its national context. **Therefore, we need to recognize the past and continuing relevance of contextual elements such as:**

- **single majority party v. coalition political systems and the related decision making procedures;**
- **centralised v. decentralized systems;**
- **well-developed v. less developed civil societies and**
- **law- v. management-based systems.**

Without awareness of the context, quality improvement attempts can easily fail because of a naive belief in the capacity to imitate innovations that come from very different systems.

BOX: PAST EXPERIENCES WITH CITIZEN’S CHARTERS

Citizen’s Charters exist in many countries. Experiences from countries such as the UK, France and Belgium demonstrate Critical Success and Failure Factors

Opportunities and Critical Success Factors:

- Visible communication to external customers;
- Degree of control of customer expectations;
- Possibility of designing improvement initiatives, such as complaints procedures, listings of rights and duties, provision of additional service standards information;
- Measure perceived quality, expectations, satisfaction, trust.

Threats, Critical Failure Factors:

- Quality standards are not related to surveyed perceptions, expectations or satisfaction;
- Lack of measurement systems;
- Lack of willingness to communicate on quality, expectations, satisfaction;
- Lack of link to improvement strategies;
- Single shot exercise rather than recurrent effort.

Second, there was often a **lack of attention to the coherence of a particular quality initiative** in the overall set of values, policies and other management systems within an organisation. There were examples of quality initiatives and strategies which fell well short of their aims because they were disconnected from each other, or from other management reforms, and were thus incoherent. For example, the introduction of quality management systems has usually been done separately from the personnel department. As a result, little attention has been paid to staff training. **The lesson is that quality is not something separate from the rest of the management agenda – it needs to be a dimension of all**

reforms, even those which may appear unconnected, such as accounting regulations, recruitment procedures or ICT installation.

Third, **there was a general assumption that the introduction of private sector management methods would help public agencies to become more efficient and customer-oriented.** Although some management methods and tools of the private sector have indeed been successfully implemented in public service organisations – after their adaptation to the specific context of the public agency – there is also a long list of failed ‘concept transplants’, such as business process re-engineering. **We can learn from such past experience that private sector quality tools are only beneficial in the public sector if they are adapted to the multiple-stakeholder environment of public agencies.**

Last but not least, **there have been a few efforts to launch international benchmarking exercises, typically involving peer public agencies in other countries.** In spite of the potential benefits, given the resources needed and the language difficulties to be overcome, it is unlikely that we can expect a huge number of international benchmarking projects in the near future. Furthermore, the results of past international benchmarking projects have been rather disappointing. Typically, the results did not go beyond the discovery that the participating peer agencies are organised differently. This does not mean that such projects are futile but **international benchmarking has to be set up and structured very carefully in order to bring about ‘step changes’ rather than continuous change in the quality of public services – and, in particular, process benchmarking is much more likely to be valuable at an international level than mechanistic comparison of performance levels.**

BOX: REINVENTING INTERNATIONAL PUBLIC SECTOR BENCHMARKING

Benchmarking is a term which was originally used by land surveyors to compare elevations. Webster's dictionary defines the concept as *“a surveyor's mark ... of previously determined position... and used as a reference point ... a standard by which something can be measured or judged”*. Today, however, benchmarking has a more narrow meaning in management, since the benchmark is usually the best-in-class. In his book, *Benchmarking: The Search for Industry Best Practices that Lead to Superior Performance*, Robert Camp defines benchmarking as:

The continuous process of measuring products, services and practices against the toughest competitors or those companies recognised as industry leaders. (It is) ... the search for industry best practices that will lead to superior performance (Camp, 1989, p. 10).

Benchmarking was first used by Xerox corporation in 1979 when severe quality and cost problems became visible in the face of the extremely low price of Canon copier machines. Xerox first benchmarked its marketing costs against Canon and Kodak. It later extended the

benchmarking to companies in other sectors, such as the credit card company American Express, to learn from its invoicing system.

Interestingly, when public agencies undertake benchmarking they usually make a lot of effort to identify 'similar organisations' working in similar contexts. However, this search for pure comparability is often taken far too far – experience shows that comparisons with similar organisations within one country or region are unlikely to generate radical public sector innovations - they typically identify 'efficiency gaps' as in the case of benchmarking of the Dutch Home Care Service. The comparison of similar processes across organisations and between very different contexts is much more promising and rewarding in the search for 'transferable difference'.

This means that international benchmarking can be expected to be more beneficial for public agencies than conventional benchmarking within one country (although we understand that relatively few public agencies will have the courage to embark on such ambitious projects). In order to realise these benefits and to keep the costs to a reasonable level, public agencies need to ensure that

- ... there is a diagnosis of organisational weaknesses at the start of the benchmarking project. These weaknesses should then determine the choice of appropriate international benchmarking partners. For example, Xerox 'found' L.L. Bean as a benchmark in distribution because goods retailers and mail-order houses tend to have a comparative advantage in logistics.
- ... the objective of the benchmarking project is not about finding out how much better others are doing but rather how they do better in certain areas. This means that, at least in the first stage of the benchmarking project, the focus should be on the comparison of specific functions.
- ... staff get a proper understanding of different managerial practices in international benchmarking partners, before foreign practices are implemented within their own organisation.

International public sector benchmarking projects which aim at comparing performance levels of whole organisations are likely to get trapped in technical measurement issues without much understanding of how different management practices actually affect performance levels. Typically, such benchmarking exercises remain without any practical consequences in terms of public service improvement.

III. The present: New challenges and opportunities

Even though quality remains high on the reform agenda of EU Member countries, the label 'quality' has changed both its meaning and coverage (Bovaird and Löffler, 2003). While many challenges driving the quality agenda in the last two decades remain today, new challenges have reinforced the need for quality initiatives and have often taken them in new directions. These new challenges have not developed overnight but they are nonetheless dramatic in their effect. One clear example is that fiscal pressures have heightened in some countries (e.g. Germany). In other countries, there are new levels of demand (and expectations) in relation to public services (e.g. in the UK and in many of the new EU Member Countries). Which pressures are dominant and which are less relevant depends essentially on the local setting: for example, in the case of the City of Dortmund in Germany fiscal pressures remain very high, whereas the City of Liverpool in the UK now benefits from an improved economic situation but also has to cope with more demanding targets set by central government and a demographic profile which entails higher public spending.

Present challenges

"Listening to citizens is the key to quality improvement."

Vice President Gore

New challenges have reinforced the need for quality initiatives and often taken them in new directions. There are many 3QC examples which show that some public agencies are already going beyond improving public services and are taking a more comprehensive approach towards improving the outcomes of public policies and the quality-of-life of their stakeholders.

From our research we can identify the following key challenges facing public agencies in the EU:

1. Political pressure from **unresolved 'wicked problems'** such as crime, vandalism, and environmental pollution, which receive a lot of media attention not least as a result of the activities of Agenda 21 and other pressure groups.
2. **Social exclusion**, which has become a key concern to policy makers and public managers throughout Europe, together with related problems of racism, xenophobia, drugs, crime and anti-social behaviour.
3. The **lack of trust of citizens in politicians and political parties**, which is evident, for example, in decreasing electoral turnout and which challenges the legitimacy of democratic institutions (Bouckaert and Van de Walle, 2003).

4. **The increasing speed of technological developments in ICT** and other scientific advancements, which has become a challenge for the planning cycles of public agencies and the credibility of technical knowledge bases within public sector institutions (since citizens and community groups now also have access to similar knowledge bases).
5. **Demographic changes**, particularly in the form of the 'ageing society', which imply that the pool of qualified workers becomes smaller while, at the same time, the burden of payments for pensions, health and social care is becoming bigger.
6. The development of a **more differentiated civil society with new information and communication needs** and, in some limited (but very vocal) cases, the desire to engage in debates on policy issues (such as the environment and community safety). This has intensified the demand from the media and from groups in civil society for more information on public policies and public services. At the same time, newsletters and other publications of public agencies are now in strong competition with outlets of NGOs, new websites, and private press, radio and television channels.
7. Last but not least, **migration** within the enlarged EU and outside the EU accentuates **diversity**, which means that policy-makers and public officials are faced with voters and users who have new demands in an increasingly multicultural and multi-ethnic society.

These new challenges imply that public agencies must take some new directions on their quality journey:

1. **While public service quality remains important, public agencies are now having to adopt a wider 'quality-of-life perspective'**. A 3QC example was the cooperation between different levels of government and organisations from the private and non-profit sectors in Sweden in order to improve road safety effectively (www.vv.se). This involved the development of a consumer rating system of cars with the participation of national consumer associations from many countries. This put pressure on vehicle manufacturers to give more priority to car safety in their product development so that they would get good scores in the consumer rating. According to the project manager Mr. Anders Lie, one key success factor for the productive cooperation between the Swedish National Road Administration and consumer associations was the staffing of the project with public relation specialists rather than legal experts.
2. **Public agencies now need to be not just modern service providers but also enablers of community action and encouragers of responsible citizens.** A 3QC example was a Czech programme for crime prevention ('Safe locality') which raised the interest and capacity of citizens in taking active steps to prevent crime in their areas (www.mvcr.cz/prevence/lokalita/index.html). As a result of a nation-wide media campaign and the provision of free counselling services of the police and insurance companies, citizens were persuaded to invest in security devices such as camera systems and safer

entrance doors. The next priority of the programme is to improve the social cohesion of residents.

3. **Leadership has to be nurtured – not just at the top of the organisation but at all levels within public agencies – and, even more challengingly, outside public agencies. Good leaders are not necessarily those who get things done but who are able to activate others, then stand back and let them get on with it.** As the ‘Leadership Talk Show’ at 3QC showed, the momentum for change may not necessarily come from the top of the organisation but from a determined and inspirational individual elsewhere. In the case of Carrick, which is a small housing estate in the South-West of England, a community nurse with the responsibility of activating local people to take greater control over their own health outcomes (<http://bcrp.carrick.gov.uk>). The estate originally suffered from multiple deprivation and was regarded as the most concentrated area of social problems in Cornwall, an EU Objective 1 Area. The estate had become isolated and lost its community spirit. The turn-around started when Hazel Stuteley, a health worker in the area, managed to persuade a range of public agencies such as the police and social services to listen to the anger and concerns of local residents. This trust-building process ultimately resulted in the foundation of two community associations which she encouraged to bid for funding for a major programme of energy efficiency measures of the central government. Although Cornwall is generally the warmest part of the UK, it is also very wet, which means that there is a serious problem of damp and condensation in housing. The housing estate obtained £1.2 million to carry out an insulation programme which resulted in quick improvements in health, with associated gains in family welfare and school attendance. This improvement then sparked off further initiatives of the Carrick residents.
4. In terms of policy-making, there is now a stronger awareness of the **need to integrate different policies and to overcome the ‘silos’ syndrome**, which results in different public agencies designing and implementing their own policies with little regard to the strategic knock-on effects of local decisions on other stakeholders and other areas. At 3QC, a representative of the French Economic and Social Planning Council noted that this required a re-examination of traditional procedures. A good illustration of such a re-engineering process is the new partnership between the French Directorate General for Taxes (*DGI*) and the French Treasury (*DGCP*) to simplify tax assessments for individuals and companies while reducing fraud. The initiative ‘making tax easier for you’ (*Pour vous faciliter l’impôt*) involves the development of joined-up services and joint performance indicators for 138,000 employees. The cooperation between both agencies has also meant the establishment of new user committees where representatives of both agencies are included. The results already achieved are encouraging: In a national survey carried out in 2003, 80 per cent of users declare to be satisfied with tax agencies.
5. Public service agencies have to reach out to achieve a **stronger engagement of all partners** in issues of strategy development, public service planning, delivery and

evaluation; in particular taking pains to include hard-to-reach groups, such as marginalised ethnic groups, people with mental problems and other disadvantaged groups. The consultation and participation of all such groups of citizens are now seen as key to building trust in public agencies – and, where young people are concerned, key to the future credibility and legitimacy of the public sector as a whole. One dramatic example of what can be achieved by engagement of service users was illustrated by a prison in Oslo, where the views of prisoners were sought concerning the conditions and procedures under which they were kept – and this led to less use of security cells, more order in the prison and less sick leave being taken by prison officers – benefits to all parties simultaneously.

6. **Diversity management** needs to be embraced as a new imperative for public sector employment. In contrast to previous equality policies, many public agencies not only try to make sure that minorities are treated fairly when applying for a job or a promotion but also actively seek to ensure that their employment profile reflects more appropriately the society which the agency serves. Several cases discussed at the Rotterdam conference concerned public service recruitment and appointment, but it was clear that this aspect still tends to be underplayed in many contexts.
7. Public agencies must become **more competitive employers** in order to attract a qualified workforce and not to lose out to the private sector (as often happens in particular in the new EU Member States). Given that many public agencies will not be able to offer private sector salaries, there must be a strong focus on staff training and development to keep staff motivated. Many of the improvements presented at 3QC claimed to intensify the service orientation of staff and to lead to job enrichment.
8. Public agencies must embrace **the new ICTs** which offer radical new solutions to issues such as health management (tele-medicine) and prison management. For example, the Dutch project Nocturne (www.dianet.nl) involves the use of ICT for remote monitoring of chronically sick dialysis patients. Instead of having to visit a dialysis centre three times a week to undergo lengthy blood transfusions new telemedicine makes it possible to provide complex specialist treatment in patients' home. This does not only improve patients' health but also reduces medical costs. As the case of the Portuguese National Probation Agency demonstrates, electronically monitored home curfew is not only cheaper than preventive detention but also allows defenders to maintain their social and family ties which helps their reinsertion in society. However, there is an urgent need to make more investments in ICT and to develop the ICT skills of public sector staff. Along with this goes the need to develop coherent **knowledge management strategies**.

Given these new pressures and challenges, the new disaggregated (or 'fragmented') public sector – with many services being delivered through partnerships, networks and contracting out - raises **new issues of how to control quality 'at a distance'**. How does one ensure that contractors, partners etc. meet the quality standards required by the state or by the EU?

This is likely to be especially difficult in services where outputs or outcomes are hard to monitor (e.g. caring services, advice services)? It is easy to slip into heavy-handed inspection, regulation and audit (what is sometimes called 're-bureaucratization') but, equally, it is easy to underestimate the problem and think that because a contractor has ISO 9000 (or some other 'badge') everything will be alright. The evaluation of quality of public policies and public services must ultimately be informed by those who are interested in and who care about the results, and not only by bureaucrats, consultants and academics.

Finally, it is interesting to note that **the discourse about 'quality' has itself been overtaken and encompassed by a number of more recent, wider concepts**. We have had 're-invention', 'modernisation' and 'good governance' (see, e.g. Fukuyama, 2004; Osborne and Gaebler, 1992). All these include notions of quality, and in their practical realisations include quality efforts. In that sense the debate about 'good governance' (to take one example) is a 'friend' of quality. However, these newer debates may also lead to confusion. Is 'quality' now something of the past? Is it different from 'good governance', or part of it? We suggest that, while it is always important to define terms and explore concepts, it is also vital that we do not get bogged down in purely terminological debates. After all, 'good governance' and 'modernisation' are - like 'quality' itself - very broad, non-scientific labels. They are part of political and public debate, and are constantly re-interpreted and re-formulated in different contexts. What seems very clear is that, in practice, in most if not all European countries, what we have in the past defined as quality issues are still very much part of the agenda of reform. What we have collectively and individually learned about the conditions for success (and the causes of failure) in quality improvement remains vital in tackling modernisation and good governance.

New opportunities

"I'm doing quality and you are doing finance: why don't we work together?"

A conference participant

"Quality knows no borders."

Minister de Graaf, Deputy Prime Minister of the Netherlands

"Old EU Member States may find it useful to look at the Central and Eastern European countries for specific solutions for individual administrative problems".

Keynote Speech of Ms Tiina Randma-Liiv

One important difference in comparison to past quality initiatives is the wide availability of information and communication technology (ICT) in the public sectors of the EU Member Countries. While many public officials - and some elderly citizens - may perceive ICT as a challenge or even as a threat, it clearly opens up new opportunities for quality improvement. One reason for the great interest of all EU governments in e-government is the hope that it will help to increase the accessibility and responsiveness of public services, and, at the same time, make it cheaper to reduce the cost of public service delivery. There is increasing awareness that joined-up services need joined-up data and widely-networked citizens, and ICT seems to offer the means of achieving all these things (Bellamy, 2003, p. 114). As many 3QC cases illustrate (e.g. the city of Dortmund), one of the most pervasive themes in e-government is the provision of clusters of services through one-stop shops. However, some of these case studies also illustrate that the development of one-stop shops often takes more time than initially expected in e-government strategies.

There can be no doubt that it is still early days for electronic service delivery – many municipalities (such as Amaroussion in Greece, which was showcased at 3QC) have so far focused only on using the internet for providing information and consulting citizens and businesses.

What is really worrying is that the development of e-government has not yet brought about efficiency savings – indeed, it has generally increased costs. One reason is that governments have been doing very little to deal with the digital divide and therefore have to keep several channels open which is, of course, very costly. For example, processing a welfare claim depends essentially on the quality and timeliness of data about a claimant provided by that claimant. Data input controlled by the customer him/herself – perhaps over the internet – will not only be cheaper and faster but more accurate (Bellamy, 2003, p. 115). However, current practice shows that welfare claimants and other disadvantaged groups of society who are in frequent contact with public agencies do not have the skills – and are often not trusted by government – to manage such transactions. It is fair to assume that it would be cheaper to buy a computer and provide training to ‘internet-illiterate’ people than investing considerable resources into multiple provider channels which are all underused.

Clearly, the focus of 3QC was on personal exchange of experiences and, for the first time, 25 EU Member Countries participated at an EU Quality Conference for Public Administrations. We observed that many public sector innovations showcased by the new EU Member Countries came to some participants as a shock. For many Western European professionals, the public sectors of Central and Eastern European countries are strongly characterised by ‘red tape and corruption’, so that it seems rather exotic for policy advisors to look for ‘good practice’ cases from this region. Paradoxically, however, most policy-makers in Central and Eastern European Countries also seem to be more interested in Western European (and

U.S.) experiences with specific public sector modernisation programmes than in experiences arising from their own region. For example, when the Latvian government considered the introduction of executive public agencies à la United Kingdom, it mainly gathered information on processes of agencification in other Western OECD countries, including New Zealand and Australia (Maurina and Gray, 2003). Without doubt, it would have been much more valuable to assess what the results achieved with public agencies have been in other Central and Eastern European countries which shared a similar public sector context to that in Latvia.

Nevertheless, Western aid organisations and consultants have learnt many lessons from failed pilots and consultancies with Central and Eastern European public agencies. In many ways, their experiences with governance problems in Central and Eastern Europe were an eye-opener for them and made them aware that these problems also existed in Western Europe. Today, there is a wide agreement across the professional and academic community in Western Europe that corruption is a problem in the public sector which needs to be addressed through pro-active policies and programmes. By the same token, diversity management has become an important issue in public sector management in most Western European countries. Again, there is now awareness, that the respect of minorities is not only relevant in Central and Eastern European countries such as Hungary and Rumania but also an issue for EU Member Countries such as the United Kingdom.

BOX: BOOSTING ORGANISATIONAL PERFORMANCE THROUGH DIVERSITY

A recent research report ("The Business of Diversity") has revealed more than a hundred of the UK's leading organisations now recognise the development of diversity as an important contributor to their overall business performance. Whether your business is commerce or the delivery of better public services, 80 per cent of the respondents saw a direct link between good diversity policies and improved performance.

In another research project, undertaken by the consultancy Schneider-Ross, 140 leading organisations from both the private and public sectors were questioned about their equality and diversity business priorities and what links they saw between this and their overall business performance. The report found that successful equality and diversity policies deliver significant business results including: "better recruitment, increased retention, improved understanding of markets and communities, an enhanced reputation and cost savings".

Source: Newman, J. (2003): Changing equalities. Politics, policies and practice, In: Bovaird, T. and Löffler, E. (eds.), Public Management and Governance, London and New York, Routledge, p. 204.

Do we need new tools?

“Quality management used to be seen as a new initiative – but when new initiatives come in, you have to ensure that the baby doesn’t get thrown out with the bathwater.”

A conference participant

In the light of new pressures and opportunities, quality in the public sector has not only become a much wider concept than was the case in the past but its meaning has constantly changed as users and other public sector stakeholders have gained a bigger say.

BOX: THE SHIFT FROM A STATIC TO A DYNAMIC QUALITY CONCEPT

A critical overview of the literature and the case studies allows us to say that there are:

1. Different qualities for different purposes (producer quality, consumer satisfaction, legitimacy);
2. Different quality measures and indicators for different types of services;
3. Different strategies of quality improvement for different purposes, services and circumstances.

This context fosters three rather distinctive development strategies:

- From a producer-focused traditional bureaucracy to customer co-production based on volunteers;
- From a closed producer-focused traditional bureaucracy to an open, citizen-oriented but still bureaucratic production, informed by surveys and other customer research;
- From a traditional producer-based bureaucracy to citizen-as-customer based production, where the quality of public services is determined by the intensity of involvement of the users.

Source: Pollitt, C. and Bouckaert, G. (1995), *Quality Improvement in European Public Services: Concepts, Cases and Commentary*. Sage: London, p.162-173.

Not surprisingly, these new demands placed upon public agencies have also triggered the emergence of new tools. As a number of 3QC ‘good practice’ cases show, there is **increasing use of the Balanced Scorecard as a performance management tool**, which allows quality of service to be included directly in the performance reports of organisations. This technique originated in the USA in the early 1990s, mainly in relation to private sector firms (Kaplan and Norton, 1996). However, it has very quickly caught on as a valuable way of reporting performance in the multi-objective, multiple stakeholder context which faces most public sector organisations. Part of its attraction has been that it can easily be married with the more comprehensive EFQM or CAF frameworks – although it also offers a rather different perspective on how to build up the ‘results’ story of an organisation. The approach tended to be taken up first by local authorities, which could decide for themselves how best to report their results, but it has quickly spread to health agencies (such as hospitals), executive agencies and is now even becoming common in parts of central government. More recently,

Kaplan and Norton have extended the conceptual framework behind the Balanced Scorecard to emphasize its use as a strategic management tool, including 'strategy mapping' (constructing cause-and-effect maps which show how public services impact on users' welfare). This puts an even greater stress on the quality of outcomes for different stakeholders – something which goes well beyond the EFQM and CAF frameworks.

A further tool which has become very popular in quality management in the public sector over the last ten years but which has been less visible at 3QC is **Customer Relationship Management (CRM)** (Stone et al., 2002). The principal tenet of CRM is that marketing will be more successful (for both sides) if it is based on successful management of the mutual relationship between the organisation and the customer. This has led to much more investigation into what relationship customers actually want with service organisations (which, in some cases such as the prison service, may be none at all!) and how this relationship can be developed and used to mutual advantage in a range of ways, going well beyond the initial issue which brought the organisation and the customer together. For example, this may lead a social housing agency to decide that it needs to offer to its elderly residents a range of extra services – e.g. shopping, medical advice, nursing services, leisure activities and perhaps even holiday opportunities. Behind all CRM is a desire to build up and to use a much more detailed knowledge base in relation to the clients' needs, wants and likely reactions to services offered – partly to help the client and, of course, partly to ensure that the organisation's offerings are seen to remain relevant. In the public sector, the growth of CRM has gone hand-in-hand with e-government, where it has become clear that entirely new channels can be made available for interacting with stakeholders and it is therefore necessary to rethink the role of existing channels and their relative priority compared to new e-channels.

The increasing popularity of both of these instruments in the public sector shows that there is a need for new tools. As quality is a dynamic concept with evolving meanings, reality needs to be analysed and interpreted in different ways as well. This does not mean that more conventional instruments such as user surveys have become obsolete but there is increasing awareness that there is no quality tool or model which fits all purposes.

IV. THE FUTURE

Whatever the public management merry-go-round may look like quality will remain a key issue on the public sector modernisation agenda in all EU Member Countries in the near future. Does this mean that we simply have to be patient and wait until the results of all current efforts in quality improvements become more visible?

We believe that several changes of direction are needed if we want to make quality approaches more effective in the public sector. This section will outline some strategies for change management for the future.

Should we be moving towards a common European quality agenda?

“The European administrative space will gradually become a reality... This will require an exchange of information, experience and best practice”

Ms Randma-Liiv, at a 3QC plenary session

The government of virtually every European country says it is concerned to improve the quality of its public sector. Furthermore, many of the pressures on governments are almost universal - including the pressures to spend more but tax less, but also pressures arising from rapid technological change, from the growth of competitive international markets, from population shifts and from rising public expectations. Do these shared pressures, and to some extent a shared general rhetoric about quality, mean that all countries are, or should be doing the same things?

We say 'no' - as a matter of observable fact all governments are *not* doing the same thing and, what is more, we very much doubt whether they *should* be. Ms Randma-Liiv was arguing for an exchange of information, which (as she clearly acknowledged) is not at all the same thing as the adoption of a single policy. Nowadays academic analysts (e.g. Pollitt and Bouckaert, 2004), many practitioners and international organizations (OECD, 2003) recognise that **diversity is both inevitable and justified**. As the booklet accompanying the 3QC DVD put it: “Different countries, different rituals, different sectors. Different people. But what they have in common is that they are all working to create high-quality public services”.

Different countries start from different places. The most pressing problem in one country may be far down the list of problems in another. We see this in the modernisation documents supplied to 3QC by European governments, and in the range of keynote speeches. For example, in one country the aim is for '24/7 agencies' which citizens can access by a variety of means, according to choice. In another country fighting corruption and gaining basic financial control and transparency are top of the agenda. In a third, the emphasis is mainly on efficiency, performance measurement and contracts. In a fourth, great stress is laid on HRM reforms – the whole character of the public service is undergoing change. The trajectories of reform in these four countries is most unlikely to be the same.

Yet, from the conference documentation, it is striking that most presenters of 'good practice' cases are convinced that their project can be transferred to other public agencies. This is worrying - we know by now that 'what works in New Zealand does not necessarily work in Mongolia' (Schick, 1998). There is also increasing awareness among Western European and American consultants that the context and expectations of public agencies in the new EU Member countries are still significantly different from the national context with which they are familiar. For example, in Hungary more and more public agencies are currently becoming ISO-9000 certified. However, due to the high competition among certification agencies and consultants and the lack of any national agency monitoring the certification process, certification agencies are not very demanding, and it seems likely that, sooner or later, all public agencies which have applied for ISO certification, will receive it (Jenei and Gulácsi, 2004).

There is also a strong belief among many public officials, in particular lawyers that, given the different *legal context* in EU Member countries, it is impossible directly to transfer reforms from abroad. Ironically, in spite of a lot of rhetoric about the impact of globalisation on the public sector, the syndrome of 'not made here' or 'we are unique' is still strong in public agencies in most EU countries.

Different countries also have different *cultures* of government - research indicates that some place a higher value on egalitarianism than others, some are more individualistic than others, and some are less comfortable with ambiguity than others (e.g. Mouritzen and Svava, 2002). This can affect quality reforms – for example 'aggressive' individual leadership is less acceptable in some collectivist and consensual cultures than in the USA.

The very *capacity* of public organisations for reform may differ considerably from one country to another (Fukuyama, 2004). **All these factors and more provide entirely legitimate reasons why both the prime targets for reform and the means of implementation may vary considerably from one place to another. The task of the reformer, therefore, is to build a strategy and select the tools and instruments which best fit the particular problem in the particular context.**

Three short examples (all taken from the real world) will help to illustrate this point:

- Introducing a quality system which requires a high degree of local operator autonomy. Such an initiative will be much more difficult in a context which is highly hierarchical and centralised than in one which is relatively decentralized and relatively egalitarian in workplace relationships. Of course, that context can be changed, but probably only gradually, and meanwhile the approach to quality will need to reflect the realities of existing institutional arrangements.

- Concentrating on faster, friendlier service may be a mistaken priority if citizens see the main problem as being corruption. In these circumstances a more sensible quality strategy may be to address corruption head-on, and to enlist the aid of the public in doing so.
- Intensive training of staff in a particular quality technique may be largely wasted if the rate of staff turnover is very high. The turnover problem needs to be addressed before sophisticated quality systems can be expected to work.

Does this argument for diversity and contextual sensitivity mean that different countries and organisations cannot learn from each other? Absolutely not. On the contrary, it means that the exchange of ideas and practices becomes even more important, as reformers need to search widely for approaches which best fit their own particular circumstances. Quality improvement becomes a matter of careful selection and adaptation – ‘intelligent shopping’ – rather than taking the first ‘off-the-shelf’ technique which is currently fashionable.

Strategies for the future: looking beyond 3QC

“It is rare that public services are entirely produced by one public agency. In the majority of cases, they are the result of cooperation between several agencies, which may be at central or sub-national level. It is essential for the quality of public services that this cooperation is effective”.

Mr. Yves Cannac, member of the French Economic and Social Council at a 3QC plenary

Three major policy implications emerge from this analysis of diversity. First, it is essential to perform a thorough prior *diagnosis* of what the problem really is. Second, the search for relevant ideas, techniques and practices needs to be as *wide* as possible, and to include new forms of consultation and participation. Third, the *sequence* of reform is often of crucial importance.

Diagnosis: It is not only knowledge of quality techniques that matters, but also knowledge of local contexts (a good diagnosis needs to contain both). Experts in quality systems can easily make serious mistakes if they are not teamed with people who have a deep knowledge of local conditions and ‘the way things work around here’. As one country put it in its 3QC documentation, there will be major problems if “instead of basing solutions on analyzing problems and getting to their root, it tends to jump at whatever solution first comes to mind”.

Width of search, consultation and participation: Searching widely and across national and sectoral borders takes time and money. In spite of the emerging 'Common European Space', cross-cultural learning in the enlarged EU is still confined within quite narrow linguistic and cultural boundaries. Of course, attitudes vary across countries - for example, it is striking that international public management conferences frequently experience low participation from German delegates, whereas, in general, they tend to be well attended by the Finnish and the Irish. One question, therefore, is how can we widen these 'communities' and encourage more cross-cultural learning between EU Member countries?

But searching for relevant ideas and practices involves far more than the police force or social care organization in country 'X' talking to its opposite number in country 'Y', although such 'pairings' have often proved to be very useful. Even more ambitiously, **future quality improvement efforts are likely to take the quality agenda beyond the improvement of services by managers within individual organizations to a much more ambitious agenda. This will embrace inter-organizational co-ordination, citizen participation and social exclusion.** More specifically, we see this future as including:

- **more collaboration and 'joining-up' between different departments and levels of government.** Offering citizens 'seamless services' ('one stop shops', 'one window') is a growing trend. There were many examples at 3QC, including a Dutch project for tackling domestic violence that involved police forces, judicial authorities and support agencies.
- **stronger consultation and participation of citizens and stakeholder groups in the planning and co-production of public services** – this therefore goes beyond just measuring (dis)satisfaction and becomes interactive. As Vice-President Al Gore said, both politicians and civil servants have to learn to listen to citizens and to take them seriously. Developing a vibrant participative democracy involves a learning process and long-term investments in order to build up trust among politicians, civil servants and citizens. Trust cannot be earned just by claiming it or talking about it. It comes from the real experiences of citizens over time, not from 'spin' (which can easily make matters worse). One thinks of Henryka Piekarska, the Head of the Polish Tax office portrayed in the 3QC DVD, *Faces of quality*.
- At a time of fiscal stress, growing 'wicked' social problems (such as anti-social behaviour and unemployment) mean that **the public sector has to activate the knowledge, resources and engagement available in the nonprofit and private sectors.** In order to tap these 'hidden' resources, politicians and civil servants must develop new networks, show creativity, take more risks – and trust others. This tends to be less difficult in countries which have large and vibrant civil societies, but 3QC also contained examples of public agencies co-operating

with companies and universities in countries that have hitherto lacked this structural advantage.

- **more serious thought and action to respond to the diversity of modern societies.** Our public services need to be able to respond equally well to the old and the young, to different ethnic groups, to men and women, to the disabled as well as the able-bodied. This was evidenced at 3QC by cases addressing the problems of immigration services, battered women, prisoners and haemodialysis patients. Diversity needs to be addressed both externally, in terms of dealing with citizens and internally, for human resource management within the public service. The civil service needs to become **more open to people with different work experiences**. Diversity becomes a key to HR policies and practices. At the same time, **the civil service itself has to represent more diverse communities** - gender mainstreaming and attraction of ethnic minorities are essential for credibility.

It should be noticed that this broadening of the quality agenda brings it closer to another agenda – that of extending and deepening the democratic links between the state and civil society. A few further observations will be made about this link at the end of this report.

Sequencing reform: At the national level there is so much that *could* be done to improve public services, so many different complaints and suggestions and possible new technological solutions to attend to, that there is a constant temptation to try to tackle everything at once. But this is seldom a sensible strategy, and can easily lead to fragmentation, contradiction, disillusionment and failure. Reform is frequently an uncomfortable experience and – as many of the 3QC cases mentioned – staff can be anxious, hesitant or downright obstructive. A real strategy will include long term goals but also a set of **priorities** – first things first – which will give the change effort a proper degree of focus.

But what things should come first? That is where the importance of a good diagnosis again comes to the fore. As Vice President Gore said, reformers should not assume that they already *know* what is needed. They need to listen to their customers, and to their own staff, and to their major stakeholders, and to the experiences of similar services in other countries. These dialogues will reveal what the most fundamental problems are and what solutions appear most acceptable and effective. They will show what should be tackled first. It may be poor financial control, or high staff turnover or lack of training, or long queues, or poor communication with users or any combination of these. Sometimes it may even be a poorly-designed policy, or an old-fashioned law, and that will require further attention at the political level. There is and can be no general rule here – everything depends on the local situation and the values and goals of local policymakers. The strategy should be constructed in the light of these factors, combined with expert assessments of possible solutions.

V. Concluding remarks

“Once in a while we are even willing to stick our necks out for what we believe in. Because without guts, creativity, dedication and personal commitment, real change will never come.”

Mr Rob Kuipers, Director General of Public Service Management,
at the 3QC closing plenary session

The 3QC, hosted by the Dutch EU presidency, provided an extremely valuable framework, bringing people with different experiences and backgrounds together and giving them excellent opportunities to network. However, this conference - any conference - can never be more than the beginning of improvement. The contacts made at 3QC have to be nurtured, which requires time, money and a lot of patience, before the full results will be reaped. The foregoing analysis, stressing the need for adequate diagnosis, wide search and the patient construction of a carefully-sequenced strategy, indicates that lasting quality improvements seldom happen overnight, and that simple copying of the success of others is seldom an adequate recipe.

Nevertheless, we firmly believe that the regular exchange of experiences and exploration of tacit knowledge – and not simple exchange of information taken out of context – is likely to lead to a deeper understanding of what works, in which context, and what does not. We are impressed with the plans that the Finnish organisers of 4QC have already announced for involving more representatives of the non-profit and private sectors – very much in line with the vision of the future set out above.

Of course, none of this will work without committed leadership – both at the political level and among public officials.

BOX: LEADERSHIP AND QUALITY

A number of the key speakers at 3QC emphasized the links between leadership and quality. Vice President Al Gore called for a new kind of leadership that communicated a vision, strong values and a set of clear goals. Ms Tiina Randma-Liv stressed the need for both politicians and public managers to shift from hierarchical and ‘macho-manager’ styles towards more consultative and carefully analytical approaches.

Yet in many contexts it is still difficult for middle level and junior public managers to re-envision their roles so that they see them not as following rules and ‘keeping their noses

clean' but rather as creative, consultative and enabling for others. This is a major cultural shift – in many parts of Europe, not just in the new member states. It involves all levels – not just top management. Modern studies of leadership often emphasize that it is not just the charismatic top leader that is important for organizational change, but leaders at every level from the street or 'shop floor' up to the pinnacle of the organization. Leadership, from this perspective, is not something which is accomplished by lone, heroic figures, but by many individuals who are actively pushing for change because they have a practical vision of a better future. One task for top managers is to seek out these reformist voices and give them room to experiment – often to form informal and mutually supportive alliances and networks within public service organizations, working for quality improvement. The *worst* thing top managers can do under these circumstances is to 'talk the talk' but fail to 'walk the walk' – to make speeches about the importance of change and a client or user-orientation, but then to fail to support (or even punish) those at a lower level who try to innovate. As Director General Kuipers said at the close of the conference: "Once in a while we are even willing to stick our necks out for what we believe in".

In sum, leadership for quality has to involve many managers, with many different personal qualities, at many levels, not just one leader. It concerns the creation and communication of achievable visions of change. It requires consultation. It demands real behavioural change – which must be modelled by the leaders. It is simultaneously an intensely personal commitment and a collective one.

Benchmarking, *CAF*, charters and every other tool will fail to produce their potential benefits unless they are actively led and supported by individuals who believe that they can and should make a positive difference to the quality of government and to the experience of citizens. Many case studies show what a challenge it can be not just to introduce quality improvements, but to make them stick. **Reformers need the 'three Ts': time, trust and tenacity.**

We have also been asked to comment on the relationship between quality and the EU's Lisbon agenda. The Lisbon agenda aims at making Europe the most competitive and dynamic knowledge-based economy in the world. Public service quality does have a role to play in this. Most obviously, certain public services contribute directly to economic activity. Remember the early-rising Alain Vadot, the Parisian street sweeper portrayed in the 3QC DVD, *Faces of quality*. "He likes clean streets. Visitors like clean streets. So that's good for the economy of Paris" (DVD accompanying booklet). But beyond these direct contributions, the overall quality and reliability of public administration work as a powerful attractor to businesses. Businesses have to use public administration just as individual citizens do. They need well educated, healthy employees. They need good systems of public roads and railways. They do not wish to become the victims of crime. They need a sensible, fair and efficient regulatory environment. 3QC did not make a special focus on these aspects, but it is obvious that they underpin any competitive economy. **As Adam Smith recognised, competitive markets need effective governments to sustain them.**

We would like to end with a few words about the relationship between quality and democracy. As indicated above, the wider quality agenda which we predict for the future begins to intersect with larger questions of governance and democracy. But this intersection is a subtle, not a simple one. Rolls Royce quality – the best that producers can produce, using the most expensive methods – does not necessarily mean democracy. Dictators could produce this kind of quality, if they wanted to. But **what does intersect with the democratic agenda is the modern quality idea that users have to be consulted, listened to and respected – and, beyond that, that *all* users must be treated in this way, not just the ‘average’ user, but the entire citizenry, in all its diversity.** This links to democracy because it implies a sharing of power – the giving of a real say to users as well as producers, to citizens as well as ministers and directors general (Pollitt and Bouckaert, 1995). And once given, it is very hard to take it back. Managers and politicians can no longer expect to be able to retreat into their authority and hatch their plans in the secrecy of their offices. Exchanges concerning the quality of public services will then have become another important channel in the complex web of interactions that comprise modern democracy.

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