Public Management after Managerialism? Lessons from Covid-19

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This work aims to highlight the importance of the co-creation of public value and how the lack of integrated territorial networks of care have impacted in the management of the COVID-19 emergency. It shows how decisions made in response to wicked problems must consider different policy areas (clinical, social, economic) that are highly correlated and differently experienced by different publics. From our analysis it has emerged that in a first phase of the emergency the focus was on the creation of new organizational models such as the creation of integrated territorial networks of care and assistance, the continuous monitoring of the territory and the strengthening of the hospital system. However, these interventions are effective only if citizens are fully involved and engaged in the fight against the epidemic. Thus, community co-creation is important to manage COVID-19 and to assure the provision of public services while improving community resilience.

1 Introduction

European healthcare systems have been called upon to respond to the pressures of a drastic and unexpected increase in demand for care and assistance to high numbers of patients affected by the coronavirus. At the same time, they are struggling to maintain the provision of adequate (timely and sufficient) levels of non-COVID healthcare services.

The waves of the epidemic have clearly shown the lack of integrated territorial networks of care and assistance. For example, during the first wave, the application of instruments for prevention, the tactics adopted for containment, and the management of hospitalizations in most European countries were the result of decisions taken by individual health organizations rather than by interdependent and cooperative place-based health systems as a whole.

This is the result of a series of reforms which have been focused into the restructuring of internal processes for delivering healthcare services (such as for example lean management and operations management, see[1]), especially for

those services related to emergency and acute settings. This approach is coherent with the efficiency-focused managerial reforms[2] developed in the past decade to tackle the severe reduction in the health budget to rein in public spending after the financial crisis[3]). Less attention has been paid to the exploitation of the networks between public and private healthcare providers and the collaboration with other stakeholders involved (communities, group of citizens, patients, etc.).

2   COVID-19 as a Wicked Problem

The challenges of COVID-19 clearly fall under those requiring management approaches and tools suitable for wicked issues.[4]

Wicked problems are known as such because they do not have a definitive solution within the traditional toolbox. Moreover, the components of a wicked problem are interrelated and interdependent in systems where actions to deal with some elements may have other counter-related effects on other components of the same system: for example, enforcing a lockdown is good for public health but uncomfortable for the economy.

European governments recognized COVID 19 as a wicked problem too late. In order to guarantee the best response to the epidemic and, in the near future, the sustainability of the decisions made today, it is necessary to understand that the different policy areas (clinical, social, economic) are highly correlated and differently experienced by different publics.[5–7] For example, the response to the pandemic through the creation of integrated territorial networks of care and assistance, the continuous monitoring of the territory and strengthening of the hospital system are only a partial solution to the wicked problem of Covid-19. These interventions are most effective only if citizens are fully engaged and committed in the fight against the epidemic. As Cepiku et al. have shown,[8] community co-production is important to manage COVID-19 and to deliver public services while enhancing community resilience.

3   Public Management for a Post-Managerial Era?

COVID-19 made us aware that public values are at the heart of our social, economic and political systems. All organisations are indeed part of society, and as such they play a crucial role in shaping it, for good or bad.[9] In this respect, COVID-19 has re-affirmed the centrality of the importance of public management. However, while management is needed to plan and control for the best use of the resources available, managerialism as an ideology and rhetoric[10] has had side effects - for example, when emphasizing a competitive focus among single organizations. From the point of view of the individual organization, the focus on performance often drives decision-makers and managers to search

for organizational rather than a public value optimum, which can lead to the creation of a culture of standardization of activities and the search for ultra-specialization.[11]

In other words, organizations have closed in on themselves in the relentless search for the best operational and financial performance on which they are evaluated, thinking less about the public value and community outcomes from a systemic and place-based perspective.[7] For example, a recent literature review on the performance evaluation of lean management in healthcare shows a lack of interest in the external effects of such a practice.[12]

This brings us to open a reflection on the role of public management and managerialism. Hood[13] has discussed managerialism, linking it with its values, which might be different even within managerialism. For example, in Hood's terminology, sigma-type values which call for frugality and a focus on outputs are different from lambda-type values which call for resilience and a focus on inputs and processes. To make a practical example, in normal times having extra beds in an intensive care unit might not be good from a frugal point of view, but it is good from a resilience point view if a pandemic occurs.

Now that public services are getting a new centrality in the public debate, we believe it is important to discuss which public management we do want for a post-Covid-19 era. It seems to us that we have at least three main options: to keep going as it is now like if nothing was happened; to reconcile public values and managerialism for an era of new managerialism; to open up a public management for a post-managerial era, where public purpose and democratic logics are prioritized over managerial logics. Distinguishing between public management and managerialism is important. For example, Pollitt[14] (p.44) wrote that while "public management is important…the ideology of managerialism is founded on an exaggeration". How will public management look like in a post-COVID-19 and (post-)managerial world?

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