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The role of organizational culture in public management reform

Master Thesis

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Abbreviations

ICT	Information and communications technologies
HR	Human resources
HRM	Human resources management
NPM	New public management
NWS	New Weberian state
DEG	Digital era governance
NAUCS	The National Agency of Ukraine for Civil Service
PMR	Public management reform

1 Introduction

The reform of public management is a topic which attracts the attention of both scholars as well as practitioners. The discussion evolves around the new principles which have to underly public management in the changing political, economic, social and technological environment of the modern world. The new public management (NPM) which became a dominant paradigm at the end of the 20th century was widely criticized for its numerous shortcomings and inability to achieve expected results. Consequently, the need to establish new approaches to public management, which could eliminate the adverse implications of NPM and could effectively respond to the changing context become evident. While previously reform of public management was associated with transformations of 'hard' aspects of administration such as structural, operational and legislative changes, the current discussion shifts focus to the 'soft' components of the reform. In this context, the administrative culture of public organizations is claimed to be a barrier which hinders the process of reform development and should be comprehensively addressed. The new principles of public management are claimed to be 'culturally-oriented', and their introduction is possible through a significant transformation of prevailing administrative culture, which is deeply rooted in public organizations.

The establishment of features such as customer-orientation, horizontal collaboration, innovativeness, partnership and network-based policy development, which are in the centre of discussions about modern public organizations requires a significant shift in administrative culture. Christensen (2012, p. 14) points out that post-NPM reform evolves around the cultural transformation of public agencies: 'they focus on cultivating a strong and unified sense of values, cultural integration, teambuilding, the involvement of participating organizations, trust, value-based management, collaboration and improving the training and self-development of public servants'. At the same time, the cultural change is a challenging and time-consuming process which needs deliverable action and commitment of public leaders to encourage cultural transformations in public agencies. However, in practice, the human-related aspects and issues of administrative culture are overlooked, which result in the limited success of public management reform or its complete failure. The change of administrative culture is claimed to be a foundation and a necessary precondition for all further reform efforts. Consequently, *the problem* lays in the neglect of administrative culture as an integral part of public management reform, which could hinder the process of organizational transformation if not properly addressed. Moreover, the discussion on the new vision of administrative culture in modern public organizations has rather a general character and lacks clarity in defining elements of culture which have to be addressed within a broader context of the reform.

Following this discussion, *the motivation* for the thesis is twofold: first, the literature on the cultural aspects of public management reform and role of administrative culture as a distinctive type of culture in public organizations is rather limited. The existing research is focused mainly on technical and legislative aspects of reform while putting less emphasis on cultural and human-related aspects. The literature review revealed vagueness in the topic of administrative culture and general statements regarding a new vision of culture in the public sector. Thus, the thesis is aimed at contributing to the existing body of research on administrative culture by shedding light on the cultural dimensions of public management reform. Second, the cultural transformation is an uneasy matter not only from the theoretical perspective but also in practice. It is argued that cultural change is a long-term and complicated process which needs to be properly addressed and managed to fulfil desired results. For this reason, the thesis is intended to gain practical insights from the case study, which describes the experience of cultural transformation in public organization and covers practical aspects of the reform. Consequently, the research motivated by theoretical and practical concerns, is intended to reduce the existing theoretical gap on cultural aspects in the process of public management reform and outline how dimensions of organizational culture should be addressed as a component of the reform. *The goal* of the thesis is to identify cultural determinants of public management reform and investigate how they should be adjusted to the new principles of public management.

The thesis is aimed at addressing the question of *what dimensions of administrative culture could enhance public management reform*, revealing main cultural barriers and obstacles which hinder the process of organizational transformations in public sector. In order to address the problem, the sociological institutionalism is defined to be an appropriate approach, which is the most common within cultural studies of the public sector and suits the goal of this research. According to Hofstede (2001), the main aspects of national culture are reflected in institutions which emerged in society as well as represented on organizational levels. Since organizational culture, as well as the administrative culture of public organizations, is associated with broader cultural processes and environment, its analysis requires applying a methodology that could capture these contextual elements and their impact on public institutions. For this reason, the organizations are analysed from a broader cultural perspective and through the lenses of contextual forces which shape the development of administrative culture. The culture of a particular institution, thus, is considered to be a 'product' of a wider environment in which it operates. Following this, the thesis includes an overview of national culture, the role of social values and contextual factors which have a significant impact on cultural norms of society and their connection to the administrative culture of public organizations.

To ensure consistency of the research, the structure of the thesis was defined and followed, which allows to build the research based on the existing body of knowledge and position it within broader context and studies.

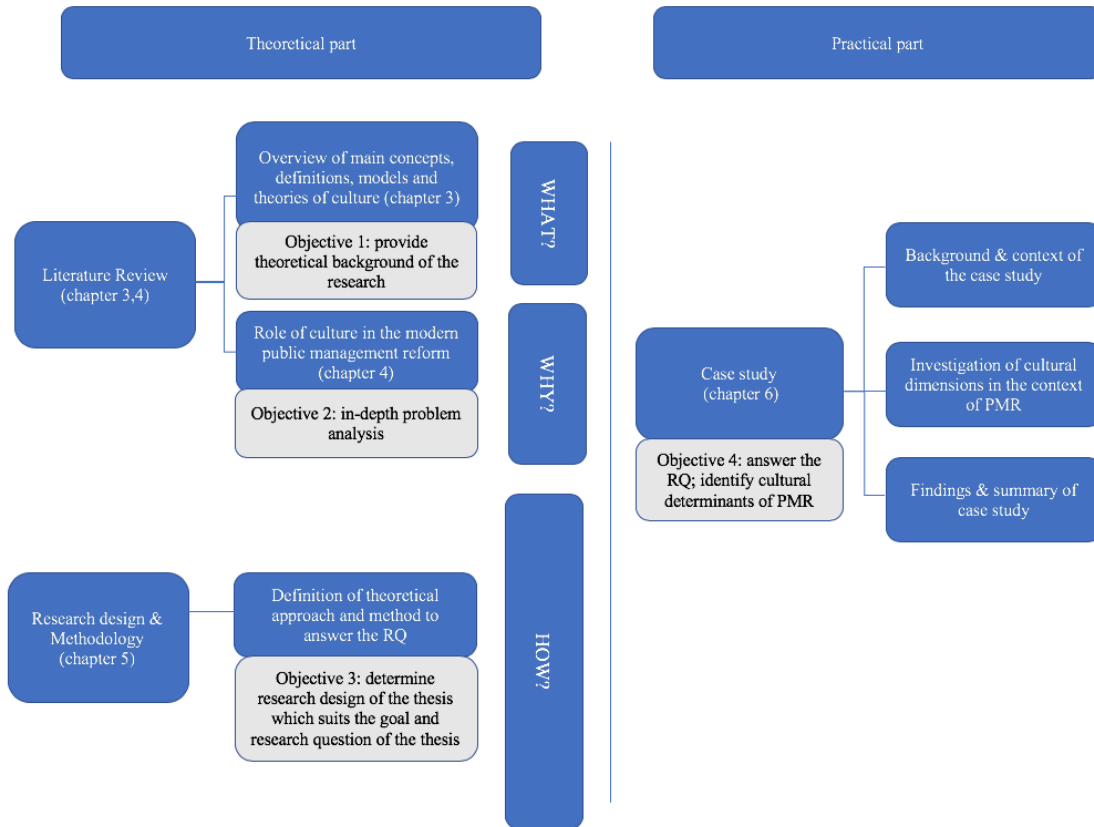


Figure 1: structure of the thesis

The thesis consists of two main parts which are further divided into subchapters. The *first part* includes the literature review of the relevant studies, articles and research papers in the field of organizational culture, administrative culture, public management theories, national culture in politico-administrative systems and emerging principles of public management. *The goal of the literature review* (chapter 3, 4) is to outline the current state of research in the field, analyze existing studies and identify the gaps in the theory which are not yet well-examined as well as identify calls for the future research to contribute to the studies by reducing the research gap. *The objective of chapter 3* is to provide a theoretical background of the research, analyse the main approaches and theories of culture to operationalize the main concepts used in the thesis and determine the link between national and organizational culture, role of social values in politico-administrative system. It is a descriptive section which mainly answers the question ‘what?’ and outlines the theoretical foundation of the research. *The objective of the following chapter 4*, which is also a part of literature review, is to provide in-depth analysis of the problem, revealing the role of administrative culture in the context of modern public management reform and position the problem in a broader context of

studies. This chapter indicates the importance of culture-oriented reforms in public sector and the need to address the issue of administrative culture as an essential aspect of the organization, thus, addresses ‘why?’ question. Then, after the theoretical foundation of the research is outline and the problem is defined, *the objective of chapter 5* is to determine the methodological approach to address the problem and answer the research question of the thesis. The research design is described in the detail which is aimed at answering ‘how?’ question and explain methodological approach to address the problem.

The second part is practice-oriented and consists of a case study focused on the investigation of cultural aspects of public management reform developed by The National Agency of Ukraine for Civil Service (NAUCS). *The objective of chapter 6* is to answer the research question of the thesis and define dimensions of the organizational culture which could enhance the development of public management reform. NAUCS is a governmental institution responsible for the transformation of public service, including change of administrative culture in public agencies. The methodological approach developed by Yin (2018) is followed to ensure consistency of the case study process. The main method of data collection used for the case study is semi-structured interviews with representatives of NAUCS and external consultants engaged in the reform. The questionnaire for the interview was developed based on Hofstede’s framework of national and organizational culture (2010), which allows to cover different dimensions of organizational culture and determine their role in the process of organizational transformation. The case study includes analysis of the context and environment in which public organizations operate and forces which determine the administrative culture of public organizations. Following, the role each of the dimensions plays in public management reform is discussed as well as other cultural aspects discovered during case investigation are summarized.

Finally, the conclusion is provided which covers the answer to research questions and main findings of the thesis, including its practical and theoretical implications, followed by the limitations of the research and outlook at the future possible studies in the field.

2 Problem definition

The analysis of literature demonstrates that administrative culture is a major aspect of public sector organizations and plays an essential role in public management reform. Although a significant body of literature exists on the topic of organizational culture, the shortcomings and gaps outlined in the review process show the potential for more research in the field. The previous models of public management are widely criticized by scholars and practitioners for numerous weaknesses and inability to respond to existing challenges of modern public administration and changing economic, technological, political and social environments. The need for transformation becomes evident, and governments are under pressure to reform the existing model of management. In these efforts to change management models, the administrative culture is recognized to be one of the main burdens for transformation. The cultural environment of public organizations and human resource management practices are considered to be unsuitable for the new developing principles of management. At the same time, the discussion about administrative culture has rather a general character and lacks clarity regarding cultural dimensions which need to be addressed. The main body of literature is focused on critics of previously dominant models of management, including the cultural environment they fostered while not clearly articulating dimensions that have to be developed. The discussion revolves around the negative implications of classical and NPM approaches without providing a coherent vision of cultural arrangements in modern public sector organizations that could enhance its ability to deal with rising challenges effectively.

The concept-centric table (appendix 1) shows that organizational culture and its role in modern public organizations is underrated compared to other elements of public management. Specifically, the limited number of articles are focused on administrative culture as a distinctive type of values, artifacts and ethics intrinsic for public organizations. The lack of interest in unique cultural characteristics of public agencies could be identified as a shortcoming since it leads to the application of findings and practices which developed within private sector studies. Such extrapolations omit the differences between private and public organizations and could result in misinterpretations, incorrect conclusions and do not depict the distinctive environment and nature of public organizations

The issue also lays in a missing link between the discussion on public management reform and cultural transformation in public organizations. In the literature these topics are addressed separately and only few studies make a clear connection between the reform of public management and the transformation of organizational culture. Thus, although organizational culture is claimed to be a crucial element of politico-administrative systems and public sector organizations, the gap in the research of this phenomenon still

exists. Specifically, the literature review demonstrates lack of vision on how administrative culture in post-NPM era needs to be transformed, which particular elements of culture have to be addressed and what is the role of cultural transformation in a broader process of public management reforms.

The need for future research of cultural transformations in the public sector is supported by scholars who have made significant contributions in the field of research. In particular, Osborne highlights the need to integrate cultural components in the discussion of public service reform: 'The cultural components of change in public services signify that change needs to take account of the specific culture of public services but at the same time, understand that diversity and subcultures will be present' (Osborne & Brown, 2005, p. 86). Similarly, Mauri and Muccio emphasize the need to study the link between reform and organizational culture: 'Further research is clearly needed in order to substantially prove the liaison between an effective administrative reform and the culture systems of the civil servants. This is at theoretical level, as well as at empirical one' (Mauri & Muccio, 2012, p. 54). Killian suggests studying the role of cultural factors as much as other aspects of the reforms: 'Historically developed, culturally accepted, and organizationally entrenched values and norms cannot be changed by administrative reform alone.... The human factors that create and affect the nature of organizational culture must therefore be considered at least as important as the structural and procedural features of organizational life...' (Killian, 2008, pp. 62-63). Thompson and Jones outline the future perspectives for the research and suggest clearly defining the concept of culture and operationalize it in order to avoid ambiguity typical for many studies of a cultural phenomenon: '... we wish to observe that one precondition for conducting better research on the impact of cultural change on public organizations is a better definition of what we mean when we use the word culture' (Thompson, 2007, p. 226).

Following this discussion, the research problem is motivated by theoretical shortcomings in the field of the research as well as by the practical concerns of cultural barriers in the public management reform. Consequently, to address these theoretical and practical gaps, the research question of the thesis is defined as follows: *What are the dimensions of administrative culture which could enhance public management reform?* In order to answer the main research question, the following sub questions are defined: 1) *What are the main barriers of administrative culture hindering public management reform?* 2) *How administrative culture of public organizations could be transformed?*

3 Cultural aspects of public management: from national to politico-administrative culture

3.1 Culture as mental programming, dimensional approach to culture

The national culture is a concept widely used in diverse disciplines and addressed from different perspectives, including management, sociology, anthropology, marketing (Matei & Abrudan, 2018). The culture was scrutinized as a variable which could enhance understanding of other phenomenon and explain differences between organizations across countries (Smith, 1992). The correlation between beliefs and values, on the one side, and democratic institution in society as well as economic development of the country, on another side, have been confirmed by The World Values Survey (2020). These findings demonstrate that culture is a crucial phenomenon and could determine a country's political and economic systems, consequently, should not be overlooked in the studies of different spheres, including public management and administration. The connection between culture, values and economy was described by Max Weber, who explained the development of capitalism in Western countries by Protestant values dominating in these countries, thus creating cultural pre-conditions for the spread of capitalist institutions (Weber, 1958). Analysing post-Cold War world, Samuel Huntington (1997) elaborated a culture clash theory, claiming that it is not a political, economic or ideological distinction that divides people around the world, but first of all, cultural differences. The humans identify themselves through religion, values, history, language and affiliation to the cultural groups such as nations and civilizations. Consequently, the role of culture in a modern world is superior over other forces, and 'the culture could become a factor of conflicts between civilizations or serve as a point of consensus for people sharing the same values' (Huntington, 1997, p. 21). It is also argued that the characteristics of national culture are replicated and represented in countries' institutions and could be observed on organizational and individual levels (Hofstede, 2001). In addition, the connection between national culture and public management practices and reforms adoption is confirmed by a recent comparative study of civil service in Europe (European Commission, 2018).

Although national cultures have been widely researched during the whole 20th century, the interest in the topic has dramatically risen after the publication of 'Culture's consequences' by Hofstede (2001) whose book was based on a comparative empirical study of national cultures. Initially, the study of national cultures was based on comparison of 40 countries and later extended to 76 countries of diverse regions and was validated in different domains of application. In his approach, Hofstede defines culture as a 'mental program' of humans, which is reflected in values, symbols, heroes and rituals

and distinguishes one group from another (Hofstede et al., 2010). The cultures develop in groups over a long period of time and are characterized by stability, which makes the behaviour of members predictable to some extent (Hofstede, 2001). The differences in mental programs, which emerge from early childhood and through diverse institutions operating in society, are evident in countries comparison. Although the ‘software of mind’ is an abstract construct, which could not be directly observed, it determines the behaviour of humans which could be analysed and enhance our understanding of ‘mental programs’ (Hofstede, 2001). Since every person is influenced by environment and group that he/she belongs to, both universal and individual mental features are represented in all humans. For this reason, Hofstede distinguishes three levels of ‘mental programming’ in order to illustrate that common characteristics of a group are combined with unique peculiarities of individuals (Hofstede, 2001). The features which are intrinsic to a particular person are represented on the individual level, it is exceptional in each case and could never be identical for another person. On the contrary, the universal level is characterized by mental programs, which are genetically determined and typical for the entire humankind. In the middle, there is a collective level, which represents mental characteristics that individuals learn in the process of interaction with other members of society and are considered to be pre-programmed by the social environment of the individual. Although collective mental programs could be transformed during the lifetime as they emerge continuously, the most fundamental characteristics are developed in the early years of a person’s life (Hofstede, 2001).

The national cultures emerge through long periods and are deeply rooted in countries’ history. However, there are characteristics typical for all cultures, which could be used to operationalize a phenomenon of national culture. For this reason, Hofstede uses the term ‘dimensions’ to define the aspects, which could highlight similarities of cultures and be used for the comparison of several cultures (Hofstede et al., 2010). This idea is based on the statement that all societies have to deal with the same problems; however, their solutions could differ significantly, which basically constitutes the diversity of cultures. These ‘common problems’ were revealed in the study of IBM employees across different countries and underly Hofstede’s dimensions (Hofstede et al., 2010). As long as the issues faced by people around the world are similar, the dimensions enable measurement and analysis of the cultures. Overall, Hofstede (2010) defines the following dimensions that are used to describe national cultures:

- power distance is defined as ‘the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally’ (Hofstede et al., 2010, p. 61). Since every society is characterized by inequality, which could be represented in numerous ways such as a gap between rich and poor, powerful and powerless, respected and marginalized

groups of people, the dimension depicts how deep are the divisions between the ones on the top and at the bottom of the hierarchy. While analysed in a particular country, it reveals how the state deals with this issue, what instruments are applied to handle the problem, the communication style and relations between privileged and unprivileged groups and how the issue of inequality is perceived by members of society (Hofstede et al., 2010).

- individualism vs collectivism dimension is described in the following way: ‘individualism pertains to societies in which the ties between individuals are loose: everyone is expected to look after him- or herself and his or her immediate family. Collectivism as its opposite pertains to societies in which people from birth onward are integrated into strong, cohesive in-groups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty’ (Hofstede et al., 2010, p. 92). While in the societies with dominant individualism people are expected to pursue, first of all, their own private interest, in the collectivist culture it is a group’s interest that a person has to satisfy. In particular, the relations at a workplace in collectivist cultures are family-like, where personal and emotional connections play an important role in the workplace, for instance, in cooperation and hiring of employees. These dimensions could be easily observed on the country level, especially the dominant values could have an impact on economic and political systems. For example, the individualism is associated with liberal political ideology and market economy, whereas the collectivism prevails in the systems, where the state has a powerful role in different spheres and domains (Hofstede et al., 2010).;
- masculinity vs femininity dimension describes the difference between assertive and modest behaviour typical for the cultures. As every society considers a certain behaviour more appropriate for males or females, the countries with one of the roles dominating are labelled as masculine or feminine. It is argued that some personal features such as competitiveness and assertiveness are typical for male roles, while females are rather emotional and tender, paying more attention to friends and family. Thus, in the cases when this distinction is clear, and gender roles are divided, the society is masculine, on the contrary, when emotional characteristics are present in both genders, the culture is treated as feminine (Hofstede et al., 2010);
- uncertainty avoidance shows how tolerable society is with unpredictable circumstances of the future such as technology development, politics, economy or any other sphere. This dimension is defined as follows: ‘the extent to which the members of a culture feel threatened by ambiguous or unknown situations’ (Hofstede et al., 2010, p. 191). Thus, in societies with the high level of uncertainty avoidance people experience anxiety and stress in ambiguous conditions, so they try to structure their environment and make the future more predictable through the introduction of rules

which determine behaviour in different situations. On the contrary, people in societies that are characterized by weak uncertainty avoidance, feel more comfortable with unpredictable scenarios of the future and do not rely that much on the regulations (Hofstede et al., 2010).

- long-term vs short-term orientation dimension represents, on the one side, a culture which is oriented toward future result and rewards, while, on another side, virtues, which are more focused on the past such as a respect of traditions and history. The vision of the most important events for society is also different as in the first case it is assumed that these events will happen in the future, whereas in the second they are considered to occur in the past. Short-term orientation stands for stability, and the economy of countries with such virtues is characterized by slow growth. Conversely, adaptability and permanent changes are features of long-term orientation as adjusting to ever-changing circumstances is a crucial characteristic of such culture, which also impacts economic prosperity (Hofstede et al., 2010).
- indulgence vs restraint dimension demonstrates to what degree people are free to enjoy their lives and satisfy their desires without pressure or restrictions. The members of indulgence societies feel more control over their lives and have more freedom in making decisions about their behaviour. Oppositely, in restraint cultures, people are significantly affected by dominant norms, thus are more prone to build their lives in accordance with social expectations (Hofstede et al., 2010).. As results of the research show, citizens of the countries which are located more on the indulgence pole, feel happier and more satisfied with their lives than representative of restraint cultures (Hofstede et al., 2010).

As Hofstede stresses, the dimensional approach is not only a useful way of describing and comparing national cultures but also could provide insights on how the dimensions (and the culture in general) affects diverse variables and determines different aspects of society. The value of measuring dimensions within a national culture could be especially useful when the dimensions are connected to other types of data and correlations are detected. Overall, the research of Hofstede as well as of other authors confirms such correlations, in particular, between power distance and type of political system (Gregg & Banks, 1965), individualism and country's wealth, uncertainty avoidance and public health (Richard Lynn, 1975) and even between short-term orientation and imprisonment rate (Hofstede et al., 2010).. Thus, the cultural aspects which are often overlooked, could add value in analysis and broaden understanding of a wide range of phenomenon, including public management reform.

3.2 Culture map of the world: socio-economic development and emergence of democratic institutions in Inglehart's and Welzel's theory

The values are widely researched as a core component of the culture, which plays a central role in determining human's behaviour in a group and building institutions. While some component of culture, such as artifacts and symbols are the visual expression of culture, their real meaning resides and could be deciphered through the analysis of underlying values (Schein, 2004). Thus, it is not a surprise that values attracted the attention of the scholar around the world and became a topic of academic interest, among which one of the most rigorous is The World Values Survey. Established in 1981, this community united scholars from diverse countries in order to collect data and make research of values and beliefs which could enhance understanding of the social and political situation around the globe (The World Values Survey, 2020). The results of the survey, which covers almost 100 countries, were used as a foundation of Inglehart's and Welzel's cross-cultural research . Based on the analysis of the data from diverse countries, the authors identified two dimensions upon which values are polarized and constitute distinct clusters. The first dimension, which demonstrates cross-cultural variations differentiates between traditional vs secular-rational values of societies (Inglehart & Welzel, 2005). Societies, where family connections play an important role in peoples' lives together with a strong position of religion, are placed on the traditional pole. It is typical for such cultures to foster virtues of obedience, respect of authority and feeling of national pride while judging family divorces, protest, suicide and abortion. On the contrary, secular-rational societies do not have such strong family ties, and religion is not considered to be an important aspect of life. The occurrences such as suicides, divorces and abortions are more tolerable within these societies (The World Values Survey, 2020). The second dimension distinguishes between values of survival and self-expression For societies with dominant survival values, physical security, together with economic well-being is the priority over other rights and opportunities (Inglehart & Welzel, 2005).. These societies are characterized by a low level of trust and tolerance, in particular, to minority groups, and deviant behaviour such as alcoholism is heavily judged and not justifiable. Oppositely, in self-expression societies, people highly appreciate diversity and freedom as well as opportunities to participate in political and economic life. It is subjective well-being and high quality of personal life together with tolerance and trust, which play a major role in societies with dominant self-expression values (The World Values Survey, 2020).

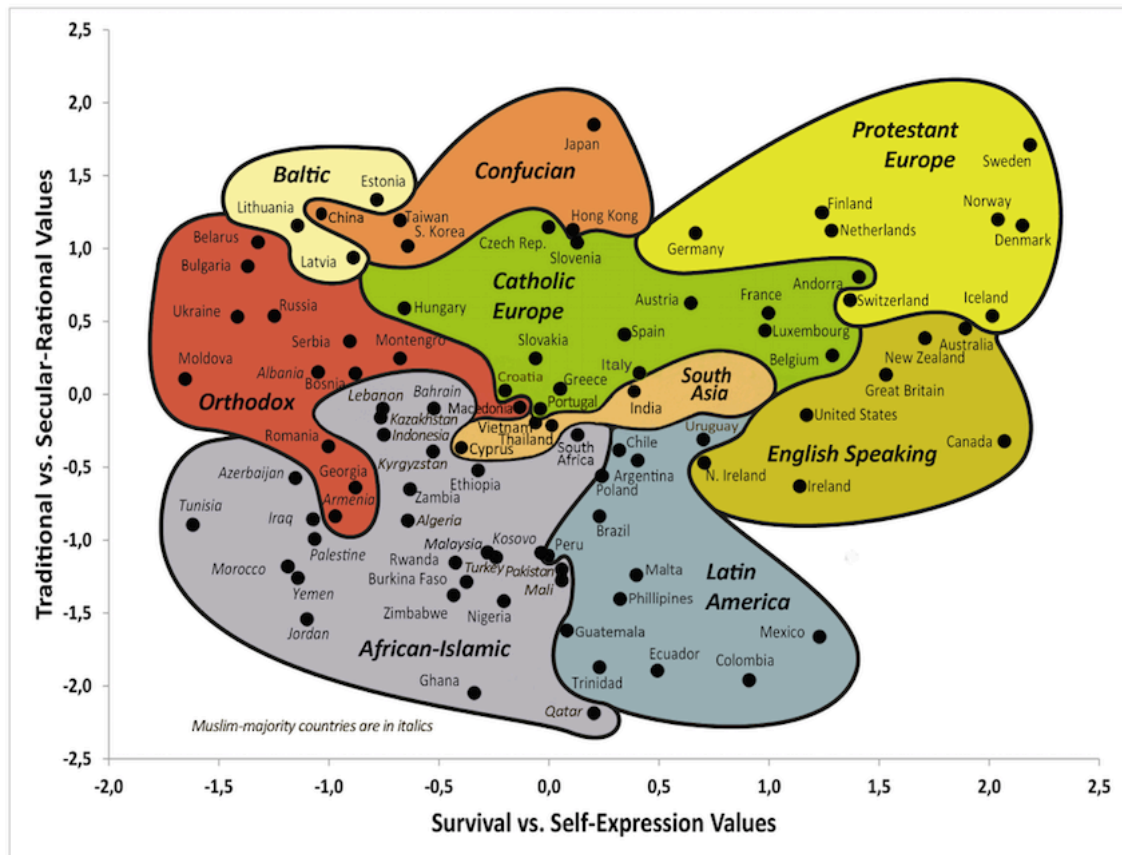


Figure 2: Inglehart–Welzel cultural map of the world (The World Values Survey, 2020)

Based on the findings of two most distinctive cross-cultural dimensions and using scatter plot with traditional vs secular-rational values positioned as the vertical axis and survival and self-expression positioned on the horizontal axis, Inglehart and Welzel (2005) located countries using results of their score on each of dimensions. As countries were positioned on the map, the strong correlation between values and socio-economic development and the political system became evident. The tendency of countries with low income being located in the left low part of the map, oppositely to high-income countries falling into the right upper was revealed (Inglehart & Welzel, 2005). This pattern is so consistent, that no exceptions were found in the linkage between values dominating in the country and its socio-economic development, which proved the influence of the culture on political and economic systems.

All in all, the authors argue that socio-economic development and movement from agrarian to industrial society is reflected in the shift of values from traditional to rational. Thus, as conditions of life are improved, a society demands freedom, tolerance and self-expression, which changes a country's position from the left side on the culture map to the right. As soon as people consider self-expression to be an essential value, they put pressure on authority if these rights are not ensured, consequently, it is unlikely that authoritarian regime will survive in a country with prevailing values of self-expression

(Inglehart & Welzel, 2005). Therefore, the culture map based on findings of World Values Survey developed by Inglehart and Welzel (2005) demonstrates that the strong correlation between cultural values, on the one side, and socio-economic development and political system, on another side, exists.

3.3 Defining organizational culture: approaches and theories

Although organizational culture studies are a relatively new discipline, it has a solid theoretical and empirical background. Primary the interest in the topic was mainly driven by the assumptions that a particular kind of culture could positively impact organizational performance and effectiveness. Therefore, organizational culture was established as an independent ‘school’ of thoughts within organizational theory in the early 1980s shifting a research interest from ‘hard’ aspects of organizations to its ‘soft’ components (Onday, 2016). The first researches of organizational culture were focused on the analysis of Japanese management approach explaining its economic success by specific features of its corporate culture (O’Riordan, 2015). This interest was followed by empirical research of organizational culture and its influence on effectiveness, performance and ability to produce innovations (Barney, 1986). Further, the research of organizational culture was pushed by practical concerns and promises to develop better management tools which rely on cultural features of the organization (Schraeder et al., 2005). As organizational culture was recognized to play a major role in organization’s performance, the need to develop mechanisms which enable culture management and transformation become evident leading to the emergence of frameworks and guidelines on culture change management (Cameron & Quinn, 2006).

Even before this period culture was a topic of interest among researches from diverse disciplines such as sociology, anthropology and psychology, and was addressed as an important component of social organizations (Denison & Mishra, 1995). Thus, some authors argue that organizational culture is a theoretical concept developed within sociology and anthropology, which was later borrowed and integrated into organizational studies (Meek, 1988). These roots of organizational culture as a research topic in other disciplines led to the variety of definitions and approaches to understand the phenomenon, among which sociological and anthropological are the most widely used (Cameron, 2007) (Meek, 1988). While in sociological interpretation, culture is an outcome of collective behaviour (culture is something that organizations possess), within the anthropological discipline, it is considered to reside in individual interpretations (organizations are culture). This distinction is crucial from research and management perspective since in the first approach it is assumed that culture could be identified, changed and measured, while in the second interpretation culture is represented in different aspects of the

organizational life, and one can encounter it when observing any organizational phenomena (Cameron, 2007).

Although more than 150 definitions of organizational culture exist, most of the authors refer to similar elements and interpretations of the concept (Cameron, 2007). Namely, organizational culture is described through values, beliefs, assumptions shared by groups of people and in its extended definition, it also includes visible components such as artifacts and behaviour of members (Onday, 2016). Besides that, other characteristics of the culture are mentioned by many authors among which the most widely used are: 1) culture is a central element of each organization, which defines its functioning (Schraeder et al., 2005); 2) it is holistic and historically developed phenomenon which emerges as a result of common experience, thus it is difficult to change (Hofstede et al., 1990); 3) culture is significantly influenced by the external environment, thus changes in the environment require organizational adjustment to the new conditions (Gordon, 1991); 4) it serves as a 'glue' in the organization creating cohesion and keeping members of organization together (Schraeder et al., 2005). Therefore, the following definition covers main aspects of organizational culture highlighted in the literature and captures its main elements: 'pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems' (Schein, 2004, p. 17).

Since the concept of organizational culture is complex and includes many elements, researchers use multi-level models to explain it. The most common distinction is made between visible and hidden elements of the culture. The former are represented in aspects which could be observed such as artifacts and behaviour, while the latter are more difficult to investigate and include values, norms and assumptions shared by members of the organization (Onday, 2016). Not only a distinction between visible and hidden aspects of organizational culture could be made, but also a difference between formal and informal norms prevailing in the organization has to be identified. Formal norms are reflected in diverse aspects of an organization and determine its environment, significantly influencing organizational culture. Among others, the following formal practices are considered to play an important role in the development of organizational norms: structures, rules, procedures and financial controls (Martin, 2002). For example, hierarchical structures and handbooks of rules determine organizational practices creating certain norms that have an impact on organizational culture. On the contrary, informal practices are not documented and emerge from interactions between members of the organization and have a form of social rules (Martin, 2002). They are usually taken for

granted and could be understood from the position of the internal environment of the organization and learnt in the process of socialization.

3.4 Organizational culture as multi-layer phenomenon is Schein's model

A cultural perspective could be a useful approach in understating the roots of different aspects of organizations and the reasons staying behind its successes or failures. Looking through cultural lenses allows to answer 'why' question and decipher cultural factors underlying behaviour of individual members of the organization as well as its overall performance (Schein, 2004). This requires an in-depth analysis of the organizations covering visible and hidden aspects of its environment, intentions and norms. Hence, to analyse such a complex phenomenon, different levels of organizational culture could be differentiated. As elaborated by Schein (2004) three levels are distinguished, ranging from elements that are easily observed to the ones which are difficult to capture: artifacts, espoused beliefs and values.

The artifacts are the most tangible elements, which are at the surface of organizations and include phenomena that could be seen, heard or felt by someone who enters a new group which has an unfamiliar culture (Schein, 2004). In each organization artifacts could be presented in different forms which are especially evident for new person encountering the organization. In particular, it could include elements such a common language or jargon used by a group, physical arrangements of the working environment, organization of work space, communication style, stories circulating in the organization and even prevailing clothing style. The artifacts are not limited to the informal elements, but also include organizational processes, procedures, structures and descriptions, which significantly determine employees' behaviour and routines (Schein, 2004). Although artifacts are the most tangible level of organizational culture and could be observed even by someone outside the organization, they are extremely complicated when it comes to their interpretation. Even when different organizations have the same artifacts it does not mean they play the same role and have identical meaning in both cases. Hence, while it is relatively easy to capture artifacts, the process of deciphering could be very challenging (Schein, 2004).

In order to avoid misinterpretation of artifacts and understand their meaning and role in each particular case, it is crucial to 'dig deeper' in analysis of culture to understand what stays behind this 'facet'. For this reason, the next level of organizational culture has to be investigated, which includes espoused beliefs and values. The beliefs of a group emerge as they face some challenges or try to address a problem. In a new group, members do not have a previously shared knowledge which could be used to determine which decisions and actions will work best to address an issue they encounter. Thus, it is usually based on individual beliefs of active members about what is the most appropriate way to

tackle a problem. As the group follows a solution offered by the leaders, they gain common knowledge and can observe if the dominant belief was valid to solve the problem. If the solution works and a group perceives it to be successful, it transforms into a shared belief (Schein, 2004). Hence, values and beliefs are developed in the process of empirical validation and social experience of the group. When a group achieves a certain level of maturity, the values become consciously articulated and could be listed as a code of rules or organizational philosophy, which could be useful to guide members in ambiguous situations and solve complex tasks. Although values and beliefs could be written and formally defined, sometimes it happens that real values do not match them. It is usually the case, when the values are not based on the previous learning experience of a group but are, for example, imposed by top management of the organization. Then, the gap could exist between what is stated to be the organization's values and how members of the organization behave in real-life situations. To characterize this type of values, the term 'espoused beliefs' is used to distinguish them from real beliefs shared by a group, which guide their decisions and actions (Schein, 2004).

Although analysis of values and beliefs could be useful to understand the organizational culture better it does not always cover all aspects of behaviour and sometimes is even contradictive, especially if espoused beliefs are significantly different from those shared by groups members. For this reason, Schein (2004) claims that one has to investigate underlying assumptions that dominate in the organizations to be able to decipher artifacts and behaviour of the group. Basic assumptions are 'essence of a culture' (Schein, 2004) and they emerge when certain solutions demonstrate the potential to solve the problems and become taken for granted, so members could not even see other options of behaviour in a given situation. As basic assumptions are subconscious and determine how members of a group think, react and behave, people can experience anxiety and feel uncomfortable in the environment where other assumptions prevail. This is due to the fact that assumptions are very stable and extremely difficult to change, and the process of relearning requires 'destroying our cognitive and interpersonal world' (Schein, 2004). When a new group is established, its members bring assumptions they developed during their prior personal or professional experience. The culture of such group emerges as they share a common experience and develop their own assumptions, which guide their behaviour and actions. Thus, digging into dominant assumptions and their roots is the approach one has to follow to capture the essence of organizational culture in a group (Schein, 2004).

3.5 Types of organizational culture: competing values framework

Organizational culture could be assessed and analysed based on typologies and frameworks. In particular, competing values framework developed by Cameron and

Quinn is aimed at profiling a dominant culture that underlies organizational dynamics (Cameron & Quinn, 2006). Based on the studies of organizational effectiveness, leadership and culture, the authors identified indicators which significantly influence organizational effectiveness and operationalized them in two dimensions. These dimensions are considered to be useful in determining types of culture that exist in organizations. The first dimension distinguishes organizations that are flexible and dynamic from those which are stable, rely on order and control. The second dimension identifies if the organization is oriented toward internal processes, integration and unity or, on the contrary, it is more external-oriented with a focus on differentiation and competition (Cameron, 2007).

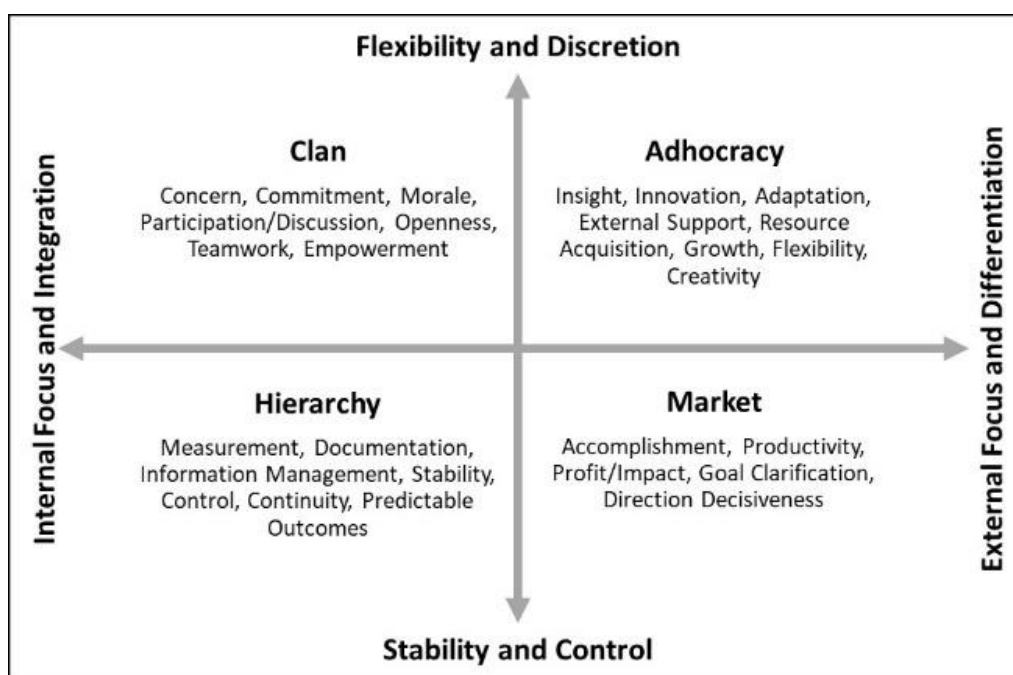


Figure 3: competing values framework by Cameron and Quinn (2007)

Based on these two dimensions, a framework that consists of four quadrants, each representing a different set of elements that underly organizational culture was developed. As values on the two sides of each dimension are opposite, the sets and organizational types within a framework are competing and contradictory to each other. Overall, the four culture types defined based on dominant values are the following:

- Hierarchical culture is characterized by strict rules, clearly defined process of decision-making, established procedures and subordination. Organizations which have this type of culture are stable and predictable and operate based on formally defined policies. The work is usually specialized and unified, and decisions-making process is highly centralized. The examples of such organizations come from

different spheres ranging from governmental agencies to large corporations. The knowledge of rules and procedures is considered to be a crucial factor for all employees and main precondition for the promotion within organization.

- Market culture, on the contrary, is external-oriented with a focus on actors operating outside the organization such as customers, suppliers and partners. The main driving force is a goal to achieve a competitive advantage, profitability and win the market. Consequently, the working environment is results-oriented with an emphasis on productivity, and success is measured in terms of market share. It is assumed that milieu is highly competitive, and aggressive strategy is needed to retain the customers and survive on the market.
- Clan culture received its name because of the similarity with traditional families where integrity, the spirit of unity and personal ties are dominant values that define relationships in the organization. Teamwork and ability to cooperate are more valued than individual work and performance, which is also reflected in the rewards system, where team accomplishments are recognized and rewarded rather than individual achievements. Developing employees and creating a comfortable working environment are also typical characteristics of clan organizations. Employees involvement and empowerment are in the centre of organizational practices and are used to create a feeling of loyalty and commitment as well as for improving organization's performance through the collection of employees' feedback and suggestions.
- Adhocracy culture is a dynamic, innovative and creative working environment, where experimentation and entrepreneurship are prevailing characteristics, which are encouraged and supported. This type of organizations is future-oriented and innovative ideas and products are highly valued among the employees. As a permanent adaptation to new inputs from the environment is a central aspect of this culture, it requires flexible structure and change of decision-making centre as well as roles distribution based on the needs in a particular moment. The working environment is uncertain, and risks are usually taken in expectation of profitability and rapid growth.

Even though organizational types defined by Cameron and Quinn are theoretically 'pure' and quadrants positioned diagonally are contradictory, in practice, organizations could have mixed culture types co-existing in the same environment. In such situations a balance between different cultures has to be achieved; otherwise, it could lead conflicts and dysfunctionality when one prevailing culture within organization clashes with subcultures of organizational units (Parker & Bradley, 2000).

3.6 Hofstede's theory revised: dimensional approach to organizational culture

Although Hofstede's dimensional concept of culture was primarily developed to compare cultures on the national level, it received a great interest in the research community after its publication in the 1980s and was further applied to investigate culture on individual and organizational levels. Some of the researches were focused on one particular dimension, revealing its correlation with different variables such as economic prosperity, while other investigated dimensions as an element of personality. As the dimensional paradigm demonstrated its potential in many contexts and fields of application, Hofstede followed the same approach to investigate culture on the organizational level and across occupations. As a result, Hofstede (1998) identified dimensions which are recommended to be used as a framework while analysing culture on organizational level, namely the dimensions are the following:

- Process-oriented vs result-oriented distinguishes between organizations which rely on bureaucratic processes and routines from those, that are mainly focused on performance and outcomes;
- Job-oriented vs employee-oriented demonstrates how the organization treats its members if they are considered only through the lenses of their job performance and results or their well-being and comfort in the working environment are also the responsibility of the organization;
- Open system vs closed system describes a dominant communication style, which is used internally in the organization as well as with external actors, it also refers to the way outsiders are accepted to the organizations;
- Tight vs loose control distinguishes between the different degree of formality and punctuality which is followed in the organization;
- Pragmatic vs normative is mainly used to characterize customer orientation in the organizations: while the first are flexible in their operations, the latter are rather rigid (Hofstede 1998)

The national cultures differ on values, whereas organizations and their cultures within the same country vary mainly based on practical aspects. In this context, practices are defined as the reflection of symbols and rituals, which are visible and not so deeply rooted comparing to values, thus could be easier transformed and changed (Hofstede 1998). The author argues that values could reflect only top management and leaders' orientations, while practices are overarching and cover all members of organization giving a more realistic picture of a culture in the organization. Although some members might not share the organization's values, they still have to follow the organization's practices in order to remain its members. Based on these findings, the dimensions which characterize organizational practices and describe culture on organizational level were elaborated and serve as a framework for cross-organizational analysis.

All in all, among diverse approaches and theories of organizational culture, some aspects are repetitively highlighted and discussed by the authors and could be defined as major features of the culture. First, organizational culture is considered to be a complex phenomenon, that could be understood through the multi-layer model, where visible elements are on the surface, while underlying assumptions constitute the foundation of the culture which determines members' behaviour. Second, even though some elements of culture could be easily observed, usually it is much more difficult to decipher and reveal their real meaning in a particular context. In order to understand the culture, one has to 'dig deeper', so that visible artifacts and formally stated values could be connected with organization's paradigm. Third, although organizational culture serves as a 'glue' in a group, most organizations are not homogeneous and usually subgroups which develop their own culture exist. Fourth, organizational culture could be operationalized through dimensional or similar multi-elements approaches, which serve as a framework to analyse organizational culture and reveal aspects that could be observed and further interpreted. Fifth, the gap between formally defined organizational values, which could be written down in organization's mission or other documents and real values that dominate in organization and determine the behaviour of members could exist

3.7 Administrative culture as a distinctive type of organizational culture

Since organization culture historically has developed as a research topic within business administration and management studies, the relevant literature and findings are mainly derived from research of private organizations. However, for a reason of significant differences between private and public organizations, the culture should not be understood in the same way in both types of organizations, and the distinctions between them have to be outlined. Therefore, when it comes to organizational culture in public organizations, the term used to describe the 'shared beliefs and practices held by the community of public administrators' (MacCarthaigh & Saarniit, 2019) is administrative culture. Although administrative culture as an important aspect of public administration has been overlooked for a long time (Anechiarico, 1998), the recent growth of the literature on the topic resulted in a variety of approaches and interpretations of the term. The administrative culture could be considered as culture intrinsic specifically to public organizations and defined in the following way: 'the culture of administrators, more specially the culture of those participants whose activities are restricted to the administrative environment, i.e. how an administrator acts or behaves vis-à-vis other administrative objects or 'actors' or individuals of the society in administrative capacity, is part of administrative culture' (Sharma, 2002, p. 65). Other approaches are focused on particular elements of culture with the emphasize on beliefs shared by members of

organizations: 'the modal pattern of values, beliefs, attitudes, and predispositions that characterize and identify any given administrative system' (Dwivedi, 2005, p. 20).

The two main approaches to administrative culture exist depending on its vision as a given or changeable phenomenon. In the structural view, the administrative culture of the organization is considered as a part of the wider social culture; it is claimed to be embedded in society with its dominant values and beliefs. For this reason, the culture of the organization could not be manipulated as it is determined by social context and guided by prevailing norms. On the contrary, within the individual view, culture is a dependent variable which could be modified if certain actions are taken, or environmental factors are changed. In particular, management strategies and leadership are considered as tools which could be applied in order to achieve desired changes in the culture (Jamil et al., 2013). Overall, these approaches are reflected in studies of administrative culture where it is addressed as both dependent and independent variable, which could determine various aspects of public administration as well as be manipulated and modified.

The phenomenon of administrative culture is considered in a wide range of contexts connecting and explaining different aspects of public administrations. For instance, the concept of administrative culture is applied to investigate bureaucracy and the decision-making process within public administration, in particular, to explain the adverse phenomenon such as patron-client relationships and persuasion of private interest by public officials (Jamil & Dungal, 2009). Following similar ideas, Dwivedi (2005) examines the role of values in public administration, their diversity among countries and its link with public management practices. In particular, the author argues that public management reform imposed by the West did not succeed in non-Western countries because of cultural differences and lack of compliance between prescribed management style and prevailing local values. Since administrative culture and underlying values vary significantly among the countries, the management practices have to be aligned with these differences and result in the diversity of approaches and styles of public management (Dwivedi, 2005). Similarly, the culture is addressed as an aspect which plays a more significant role in the adjustment of public servants to the new circumstance of the work and is more challenging to be changed compared to bureaucrats' adaptation to the new legal and procedural norms (Schröter & Röber, 1997). The influence of administrative culture on technologies enactment in public organizations has been studied recently, in particular, its impact on governments' intentions to introduce innovations aimed at increasing accountability and transparency (Bolívar et al., 2013), (Ortiz-Rodríguez et al., 2015). Likewise, the link between cultural traditions and administration is studied in comparative research of administrative systems in Asia, Europe and USA (Yun, 2006). The increasing attention to the topic of administrative culture and variety of studies

demonstrate that cultural perspective could be extremely useful to explain the diverse phenomenon of public administration.

Even though administrative culture has a lot in common with the concept of organizational culture, Dwivedi (1999) justifies the need to distinguish between two of them using the following arguments. First, there is no any other organization which could be compared to public administration system in terms of its scale and complexity; consequently, these aspects are reflected in a specific type of culture intrinsic to public administration. The second reason lays in the link of administrative culture with the political culture of the society, which means that attitudes and values of society are always reflected in public institutions, which are dependent on the broader cultural environment. It is claimed that administrative culture is determined by the culture of the entire population, and no significant changes or modernization could happen in the administration without corresponding transformations in the society. Consequently, the evolution of values in society and in politics reinforces the attitudes and culture within public administration (Dwivedi & Gow, 1999).

The application of approaches and conceptual frameworks, which come from private sector studies is criticized for focusing mainly on internal context of organizations while neglecting the role of the external environment, which is essential for public organizations analysis, including its organizational culture. Specifically, the relation and influence of politics on public administration should not be overlooked in the research of administrative culture in the public sector. For this reason, Jamil (2002) suggests integrating external context into studies of administrative culture, which allows capturing crucial aspects of public administration. First of all, the bureaucrats' attitudes toward politics and politicians have to be determined, which results in a distinction between the classical and political type of bureaucrats. While the first type is characterized by process and procedures orientation, the second is problem-oriented and has a pragmatic attitude toward goals achievement. The second aspect of external context, which has to be incorporated into the analysis is bureaucrats' relations with citizens. The attitude could be either universal which is characterized by impersonal application of rules in relations with citizens or it could be patronage, which oppositely is characterized by personal relations, nepotism and even corruption (Jamil, 2002).

It is not only the external environment factors which determine the distinctiveness of public organizations, but also operational activities which differentiate public sector organizations. In particular, the cultural perspective could be applied to demonstrate how organizational functions differ in private and public organizations, which is reflected in administrative culture as well. The researches (Schraeder et al., 2005) define the following functions which vary in two types of organizations and reveal cultural differences:

- Decision-making process is typically participative with the engagement of many team members in private organizations, oppositely to autocratic in public administration agencies;
- Policies and communication are result-driven in the private sector compared to procedure-oriented and guided by rules in the public sector;
- Personnel management could vary in the private organizations depending on its structure and include both centralized and decentralized functions, while in public sector the officials could be elected, appointed or hired, which requires more complex personnel management approach;
- Procurements in private companies are usually flexible with long-term relations with suppliers, which could decrease costs and high efficiency, on the contrary, in public administration, the process is regulated by legal acts and procurements require bidding and takes a long time;
- Financial management is a responsibility of the top-level management in major decisions, and other functions are delegated in private organizations, while in the public organizations it depends on the jurisdiction of an agency and flexibility is limited if cross-department operations are needed;
- Marketing is a crucial aspect for the business where the environment is highly competitive, while the public sector is characterized by monopoly; however, public sector organizations still have to manage the interests of numerous stakeholders (Schraeder et al., 2005).

Similarly to organizational culture school, the theorist of administrative culture consider values to be at the heart of public administration culture and define the value in the following way: ‘principle or quality from which may be inferred a norm or standard conducive to ordering or ranking, by preference, objects, activities, results, or people’ (Dwivedi, 2005, p. 23). The basic values, which are expected to be followed by public officials could be described through the concept of ‘bureaucratic morality’ is proposed by Dunsire (1988), who developed a hierarchy of ‘moral behaviour’ for the public servants. The model starts with the most basic expectations to public servants and includes the following four levels: 1) discipline as compliance of behaviour with the requirements and rules of the organization, which in particular includes timeliness, responsible delivery of tasks and reasonable use of resources; 2) trust to public servants could emerge as their behaviour is honest; the power of officials is not used to achieve private goals or in the exchange of other favours. It is expected that public servants have ‘clean hands’, they are not engaged in bribery or nepotism; 3) fairness is represented in unbiased and impersonal behaviour of public servants, on the one hand, and in the ability to be helpful and open, consider different aspects of each case, on the other hand; it is expected that clerks’ role

is not limited to following the rules, but also they can pay attention to special circumstances of the situation when making decisions; 4) professional honour could be observed as officials' commitment to apply the best methods of achieving public goals, develop their skills and knowledge in order to maximize public interests in their work (Dunsire, 1988).

Another typology was developed by Manzer (1984), who distinguishes between instrumental and substantive values. The first category includes values such as 1) efficiency: receiving maximum results with the minimal costs; 2) effectiveness: achieving goals and making an impact by means of solutions and policies; 3) legitimacy: compliance of decisions and actions with legal norms and acts. The substantive category consists of the following values: 1) acceptability: an approval of solutions by political actors, its political feasibility; 2) authenticity: the ability to reach a compromise between demands of public and political needs; 3) justice: the requirement to meet the interest of different groups and make decisions that will proportionally reflect diverse interests and needs (Manzer, 1984).

Although the authors make an attempt to define universal values which are typical for all public administrations and are expected to be met by public servants, it is argued that administrative cultures are not the same in different countries. In particular, Dwivedi (2005) emphasizes that administrative culture emerges under the influence of diverse global, regional and local forces. It should be considered as a 'product' of unique historical past and distinctive circumstance of the present, including economic, political, social and even environmental systems' characteristics (Dwivedi, 2005). The diversity of administrative cultures and traditions is also addressed by Pollitt and Bouckaert (2011), who consider the dominant administrative culture of public organizations to be one of the key features constituting politico-administrative systems. Together with state structure (1), the nature of executive government (2), relations between politicians and public servants (3) and sources of policy advice (5), the administrative culture (5) is addressed as a key aspect of public administration and used in comparative studies of politico-administrative systems across countries. Following the ideas of Kuhlmann and Wollmann (2014), the authors differentiate between civil law model (Rechtsstaat) of administrative traditions and public interest model (Anglo-Saxon) which prevail in European administrative systems (Pollitt & Bouckaert, 2011). In the first model, the state plays a central role in society with administrative law being a fundamental guiding codification of rule, which determines the main principles for public administration. The public servants in such a system are expected to be well-aware and trained in the law, so they are able to follow the rules and rely on the precedents. The Rechtsstaat model is associated with the administrative culture based on values of the rule of law, respect to authority, equality, unbiased decision-making and knowledge of procedures and rules. On

the contrary, in the Anglo-Saxon system, the state is considered to be a 'necessary evil' and has rather an instrumental role, which is concentrated in the government, whose responsibility is to manage interests of different groups. The officials are accountable to citizens and have no special position in society but have the role of professionals who work for the government. Hence, the underlying values of administrative culture are pragmatism, independence, flexibility and ability to balance interest, which is more important than legal expertise (Pollitt & Bouckaer, 2011), (MacCarthaigh & Saarniit, 2019).

The growing interest in administrative culture as a field of research is significantly conditioned by the role it plays in public management reforms. As the culture has been identified to be one of the factors influencing the reform implementation (Pollitt & Bouckaer, 2011), the cultural approach is applied to explain various aspects and the process of reform initiation, implementation and results. In particular, the culture is considered to be a factor that determines the success of administrative reforms or, on the contrary, its failure (Koci, 2007). For instance, cultural incompatibility is widely used to explain the limited success of the new public management approach in developing countries (Dwivedi, 2005). The management and administration practices which demonstrated a potential to be effective in one cultural context did not show the same results in another because of mismatch between imposed rules of management and prevailing values in public administration. Pollitt and Bouckaert (2011) claim that decision regarding reform implementation and its feasibility has to be based on evaluation of political-administrative regime, including a prevailing administrative culture, which could not be neglected or overlooked as an element of reform development. Similar ideas are elaborated by Koci (2007), who explains the failure of public management reform by the gap existing between 'modern' principles of NPM and traditional values of public administration.

All in all, the existing literature covers different aspects and provides diverse approaches to the vision of administrative culture, its role in public organizations and influence on various aspects of the administration. However, the essential ideas highlighted in the literature could be generalized and reflected in several proposals which are repetitively discussed in the literature. First of all, although administrative culture is a concept similar to organizational culture, it has its own intrinsic characteristics; thus, the distinction between two of them has to be made. Specifically, it is conditioned by the complex nature of public administration and its numerous relations and dependence on diverse stakeholders, including political actors, citizens and civil society organizations. Thus, when it comes to public organizations, these environmental factors have to be considered as the forces influencing administrative culture and be included in the analysis. Second, it is not only external elements which distinguish the culture of public

administration but internal differences as well. In particular, the scale and structure of the administration could not be compared to any private organization, which is also reflected in the peculiarities of organizational culture in public administration. Additionally, operational and functional activities in both types of organizations differ significantly from a cultural perspective, including such aspects as decision-making, personnel and financial management, marketing and others. Third, although the administrative culture as a research field has been overlooked for a long time, the recent studies proved culture to be one of the key features of the politico-administrative system that could determine different aspects of public administration. In recent studies, cultural perspective is applied to explain diverse phenomenon ranging from corruption in the public sphere to the enactment of technologies and innovations. Fourth, it is argued that some universal values which are expected to be met by all public officials exist, however, an administrative culture emerges as a result of the historical experience of the country and arrangements of social, economic and political life, thus it is unique in each particular case. For this reason, policies and solutions which demonstrated the potential to be effective in one context could be inappropriate in another environment because of cultural contrasts and differences in administrative traditions. Fifth, the culture is widely discussed to play a decisive role in the implementation of public management reform. In particular, the failed attempts to introduce NPM practices in non-Western countries could be explained by a mismatch between imposed new values and dominant traditional beliefs in public administration. The cultural barriers are addressed as one of the main hindrances in the process of public management reform and are considered to be more challenging to change compared to legal and structural adjustments.

Based on the findings mentioned above, it could be stated that the field of administrative culture requires decent attention in the analysis of public administration, especially in the context of public management reform.

4 Cultural aspects of public management: underlying principles and challenges of transformation

The technological progress, globalization and rise of wicked issues put the pressure on governments and public organizations to change and adapt to the new realities, so they are capable to respond to the challenges and meet the increasing expectations and requirements of the citizens. Both external factors of the environment, as well as internal elements of public organizations, force the governments to introduce reforms and change the approaches to public management. It is crucial to analyse what are the practical implications of different approaches, which prevailed in the last decades and what are their main weaknesses in the context of modern challenges. For this reason, in the following chapter, the overview of public management models, their evolution during the last decades, and main critics is provided, followed by the analysis of the new developing approaches and trends in public management. The triggers which push the governments to transform and new principles which evolve as the answer to the changing environment are analysed. This is followed by an overview of the cultural challenges public organizations face and main barriers in the process of public management transformation.

4.1 Principles of public management: from classical theories to NPM

First of all, to avoid ambiguity in concepts and terms, it is necessary to provide the definitions and main approaches to public management and public administration and outline the difference between both. Although the two terms are sometimes used as interchangeable, in the academic literature, a clear distinction is made, so public management and administration have different connotations and are used to characterise different phases and visions of management models in the public sector (Hughes, 2003). The term 'public administration' captures the classical theories and studies, which established the domain of research as well as prevailing models based on these theories, which were applied in practices of management of public organizations at the beginning of the last century. With significant changes in economic, political and social spheres the need of new visions arose, which led to the development of the new approach, which was labelled public management (Hughes, 2003). In practice, the significant shift in models of public management has occurred when classical public administration principles were recognized to be obsolete and were replaced by public management with its roots in the private sector. Other authors point out that public administration and management represent two paradigms that are oriented on different functions and outcomes of the government. The administration is a narrower term, which is associated with the processes of following the rules, delivering tasks and services, it usually refers to the

bureaucratic procedures and execution of the daily governmental functions. On the other hand, public management covers a broader range of operations and outcomes, including efficient achievement of goals, performance measures and personal responsibility of the managers for the results achievements (Hughes, 2003).

The public administration model, which was dominant in the Western countries for many decades, has its theoretical roots in the ideas of classical authors, among which the most influential were works of Wilson, Taylor and Weber (Hughes, 2003). The authors criticized the existing systems of governance for lack of professionalism, links between politics and administration, patronage, and inequality. The need to make a clear distinction between the sphere of politics and administration was addressed by Wilson, who emphasized that 'the field of administration is a field of business. It is a part of political life only as the methods of the counting-house are a part of the life of society; only as machinery is part of the manufactured product' (Wilson, 2017, p. 41). The politicians are empowered to make decisions about the 'broad' plans and set goals, nevertheless, the responsibility for implementation is the competence of public servants and is an administrative function. Although strategic visions are part of the policy domain, the administrators are free to decide upon the instruments applied to achieve the goals and should not be influenced or manipulated by politicians during this process (Wilson, 2017). To prevent the abuse of power, the officials have to be accountable to the public and susceptible to citizens' opinions. Wilson argues that such mechanisms could work only if two fields of politics and administration are separated, and the public keeps attention on the behaviour of officials, whether it is positive or negative. Another pillar of public administration is trained public servants who have the knowledge of democratic principles as well as technical skills required for effective execution of the laws. Wilsons stress that government 'machinery' needs a class of well-educated officials, who are unbiased and professional, could follow bureaucratic procedures and demonstrate their political independence (Wilson, 2017).

Similarly, Weber (2017) developed a theory of bureaucracy, which is characterized by hierarchy, subordination, strict compliance with rules and merit-based recruitment of public servants. The author considered bureaucracy as the most proficient form of administration, which is technically and professionally superior over other models of governance (Waters & Water, 2015). To build an efficient system of bureaucracy, certain principles have to be followed. First of all, the competences of various agencies have to be clearly defined and fixed in the laws. Thus, the areas of the responsibility are divided, and each element of bureaucracy is specialized in executing a certain task. This allocation of competences is supported by the hierarchical system, which defines super- and subordination relations within the organizations, so the lower levels are under the control of the upper organizational structures (Rockman, 2019). In

delivering the tasks and making decisions, the officials should be guided by 'files', which are formally recorded documents. On the contrary to the private sector, in bureaucratic organizations, employees have to follow the rules, which are exhaustive and stable over time, so no private interest is persuaded in this process. Effective bureaucracy requires officials who are trained and educated in the law and are able to perform their work professionally (Hughes, 2003). Additionally, the life-long employment of public servants could enable their independence from politicians, which is a key feature that distinguishes a bureaucratic system from other models of governance (Weber, 2017).

The theorist of scientific management Taylor developed a new approach to improve the efficiency of organizations through the mechanism such as standardization of work, monetary incentives for employees, implementation of the best practices and reduction of waste. Although these ideas were primarily focused on improving the performance of industrial manufacturing companies, Taylor suggested introducing the same principles in the management of the public organization, which in his opinion, were characterized by a low level of efficiency and waste of resources (Hughes, 2003). The author claims scientific management to be a beneficial approach for both employer and employee and leads to improvement of the overall organization's performance if properly applied (Taylor, 2017). To achieve better results the basic principles have to be followed, which include the following: 1) at the very beginning all knowledge and skills of employees have to be generalized and transformed in code of rules and manuals; the codification of the knowledge enables analysis of the processes and their further optimization, so the best way of tasks execution is discovered. As the clear instructions are recorded, the workers are obliged to follow them, which leads to improvement of performance; 2) to use the skills and knowledge of each employee in the best optimal way, the manager needs to know what are the strengths and weaknesses of every staff member. It is the responsibility of the manager to invest in the development of the personnel, discover their abilities and find a position which suits their skills and could be executed with the best results; 3) to make the best-developed practices work, it is necessary to 'bring together' the principle, so the cooperation between the workers is ensured and the whole 'machinery' works smoothly together; 4) the tasks between managers and workers have to be allocated more equally, so employees have to cooperate closely to achieve a shared goal, which should eliminate possible conflicts between both sides (Taylor, 2017).

The ideas of scientific management fit the concept of bureaucracy and public administration well and could be considered as complementary (Hughes, 2003). Overall, the classical authors of public administration theory built their vision based on the principles such as hierarchy, subordination, specialization, the rule of law, impersonality and separation of politics and administration.

Despite the long-lasting dominance of public administration ideas in practice and theory, the rapidly changing external and internal environment of public organizations required new visions and approaches to the governance. In a political domain, the spread of neo-liberal ideas, globalization, new expectations from citizens regarding services provided by the public organizations were the causes pushing the process of transformation. From the economic perspective, the need to change was conditioned by the ageing society, increasing tax rates and decreasing power of labour unions. Social factors also played a major role in putting public administration under pressure, including changing standards of life quality and shift in social values (Bovaird & Löffler, 2009). All these factors overlapped with the critics of public administration as inefficient and overwhelmed and the need to transform more into ‘businesslike’ structures with the management mechanism used in the private sector. Thus, the preconditions for a shift in models of public management caused the development of the new paradigm, which became known as new public management (NPM) (Pollitt & Bouckaer, 2011). The hierarchy, process-orientation, subordination, and stable bureaucracy were replaced by different principles underlying NPM, among which the following doctrinal components are highlighted:

- Focus on performance management and efficiency oppositely to an orientation on the processes and procedures in bureaucracy with ‘hand-on professionals’ at the top of organizations, who are free to make decisions (Hood, 1991);
- Measurement of outputs through the introduction of standards, clear target goals and indicators of success, which are permanently measured especially when quantitative methods could be applied (Hood, 1991);
- The performance-based reward system of employees, whose payment depends on individual results and contracts are personalized (Bovaird & Löffler, 2009);
- Rigid and large organizational forms replaced by disaggregated units, which are small in size, lean and flexible; developing a decentralized system of authority with a delegation of power to the lower levels (Hughes, 2003);
- Citizens are considered as customers and clients of services, the higher user-orientation and responsiveness is required; quality assurance tools such as total quality management are applied (Pollitt & Bouckaer, 2011);
- Embedding of market competition mechanisms such as tendering to lower the costs and improve the standards (Hughes, 2003);
- Introduction of new financial management tools such as flexible budgeting, user charges, and internal markets as well as greater discipline in the use of resources and cutting costs (OECD, 1993);
- Privatization of public enterprises, which are market-oriented (OECD, 1993).

While some authors claim NPM to be an international movement (Thompson, 1997), others argue that different countries followed their own path in the integrating NPM principles in their management models (Pollitt & Bouckaer, 2011). Nevertheless, the examples from public administrative systems around the world demonstrate that ideas of NPM have significantly influenced practices of governance internationally. Not all the countries were prosperous in their attempts to transit from old public administration to NPM, however, the role of these principles played a major role in various countries. Despite its dominance for decades, NPM has not become a ‘remedy’ for the issues of public management and does not demonstrate potential in dealing with rising challenges of the public sector. Following the period of ‘hype’ around NPM and its inability to achieve expected results, this model became widely criticized for several reasons. First of all, Hood (1991) argues that NPM did not lead to real transformations of public organizations, but was rather a trend and a buzzword, which bring no significant changes in the practice of public sector management. Second, the new model was not successful in achieving one of its main promises, which was to cut the cost for public administration; moreover, the actions taken to reduce the budgets have adversely influenced and weakened the bureaucratic apparatus. Third, it is criticized for the promotion of managers as a social class that is more privileged and superior over other categories of employees. Additionally, despite the statement that NPM is a universal model of management, its applicability in some counties where it was imposed by international actors became a failure because of its incompatibility with diverse aspects of a local politico-administrative system (Hood, 1991). Moreover, some authors consider the spread of neo-managerialism to be a serious threat to principles of democratic governance because of significant power concentrated in the hands of top managers and their inability to persuade public interest (Terry, 1998). All in all, the weaknesses of NMP, which became evident in practice together with other economic, political, and technological factors resulted in the need to develop new models of public management. Although the demand for a new vision of public management is obvious, no single model of governance became dominant. Nevertheless, the national governments, as well as academia, offer their own vision and models, which could be suitable for governance in the new era (Pollitt & Bouckaer, 2011).

4.2 Post-NPM approaches and new vision of public management

Some authors claim that NPM is a middle phase in the process of transformation from public administration to new public governance (Osborne, 2006). As both paradigms, which prevailed during the 20th century, are heavily criticized, and the dichotomy between administration and management is widely discussed, the more holistic model, which integrates elements of both emerged under the term ‘new public

governance'. It is formally defined as 'a new regime trend which focuses on the relationship with the external environment and inter-organizational relations' (Sordo et al., 2012). While NPM is oriented on the outcomes, in governance, the process of delivering the results is in focus, namely, it refers to the engagement of different stakeholders such as citizens, private organizations and politicians (Bovaird & Löffler, 2009). It is closely linked with the network model, which reflects a fragmented structure of society with its complex connections. For a reason of these interconnected relations and complicated issues that governments are expected to deal with, the efforts and collaboration of different actors is required, which could not always be achieved through hierarchical management. Thus, governance is characterized by the movement toward participatory models of decision-making and building strong partnership relationships with business and civil society organizations (Pollitt & Bouckaer, 2011). Other features of governance are self-organization, accountability, and transparency, together with the emphasis on developing inter-organizational relations and trust (Bovaird & Löffler, 2009). Overall, governance could be considered as a model which integrates several approaches to management: 'It combines the strengths of public administration and the NPM, by recognizing the legitimacy and interrelatedness of both the policymaking and the implementation/service delivery processes' (Osborne, 2006, p. 384).

Another concept which emerged as an alternative to NPM and became popular during the last years is Neo Weberian State (NWS). This approach significantly relies on the classical ideas of Weber about strong state institutions and professional bureaucracy. NWS rejects the idea of the minimal state and, on the contrary, provides a new vision of the state as a facilitator or a platform for the implementation of democratic mechanisms and guarantees the smooth operation of other spheres, including economic and civil domains (Pollitt, 2008). Thus, the image of the state apparatus shifts from the 'necessary evil' to a reliable partner. Oppositely to NPM, the business tools and style of management are not taken for granted as superior over mechanisms applied in the public sector. Moreover, a clear distinction is made between both sectors, and the peculiarities of public organizations are widely recognized, including ethical aspects of public service. Among other elements of traditional bureaucracy, NWS emphasizes public servants to be a special class within society, which has its own culture and status (Pollitt, 2008). Not only elements of traditional Weberian administration are at the core of NWS concept, but also new aspects are addressed within this approach. In particular, Pollitt and Bouckaert (2011) define the following 'neo' elements: 1) change of orientation from internal processes and procedures toward the focus on citizens and their needs; development of quality service culture in public organizations; 2) application of participatory tools such as consultations with the citizens in addition to traditional representation democracy; 3) adjustments of the laws in order to change a focus of public servants from procedure to

results achievement; 4) extension of traditional public servants competences with new managerial and customer-orientation skills (Pollitt & Bouckaer, 2011).

The issue of public agencies fragmentation and coordination problems within public organizations caused by the application of NPM principles were addressed by reforms introduced in several countries under the term 'joined-up government' or 'whole-of-government' (Christensen & Lægreid, 2007). The organizational structures with isolated silos characterized by limited communication between different departments were criticized for lack of holistic visions in policy development. With the rise of wicked issues, a need to integrate different organizations and coordinate their efforts become evident. Thus, the whole-of-government approach emerged as a response to existing drawbacks of a fragmented system of public management: 'Whole-of-government denotes public services agencies working across portfolio boundaries to achieve a shared goal and an integrated government response to particular issues. Approaches can be formal or informal. They can focus on policy development, program management, and service delivery' (Christensen & Lægreid, 2007, p.1060). Thus, self-focused and 'single-purpose oriented' organizational units are considered to be ineffective in the changing environment, where the context requires collaboration and synergy of diverse actors. Moreover, the 'seamless' services provided for citizens could not be introduced if operations of diverse agencies are not well-coordinated. It is argued that not only structural changes are needed to transform public management, but cultural aspects of the public sector have to be addressed, including attitudes and values of public servants, especially those working at a low and middle level of the organization (Colgan et al., 2014). These ideas are in line with another concept widely discussed in the literature under the term 'collaborative public management'. This approach 'describes the process of facilitating and operating in multiorganizational arrangements in order to remedy problems that cannot be solved or solved easily by single organizations' (McGuire, 2006, p. 33). It is argued that social changes and challenges determine the way the government has to be organized, and as rigid bureaucratic structures were suitable for the industrial phase, the digital age requires collaborative management to react on the transformation of the society. Two main aspects have to be addressed in order to implement this approach, which are collaborative structures and collaborative skills (McGuire, 2006). The structural arrangements should be organized in the way which enables horizontal, vertical, and cross-sectoral interactions between subunits and agencies. It could be both situational or permanent cooperation, which includes alignment of policies and actions of several actors in order to achieve a common goal. Additionally, it is argued that to make collaborative government work, the managers need to develop the necessary skills. In particular, it refers to the ability to reach an agreement, facilitate negotiation as well as a need to have proficient leadership skills (McGuire, 2006). In the management of cross-

organizational projects building commitment among employees for collaboration and fostering trust between different departments is a necessary precondition for a successful project implementation (Kickert et al., 1997). Thus, cultural component and relations management are at the core of this concept, which requires attention and skills that could enhance the development of strong connections between diverse organizational units.

The ideas of NPM are also claimed to be obsolete and not suitable for changing context of the governance. The adverse implications of NPM in Western countries are widely discussed and claimed to cause 'policy disasters', which are not easily reversed even if new models of management are introduced. One of the attempts to eliminate the negative consequence of NPM and adapt public management to the new technological changes is 'digital era governance' (DEG) (Patrick Dunleavy, 2005). Within this model, IT plays a major role in the transformation of internal processes in public organization, delivery of services as well as interaction with citizens. Although IT is at the core of the DEG, it is emphasized that digital shifts happen not only through the introduction of technologies but also through adjustments of business processes, organizational restructuring, and changes in organizational culture (Ropret & Aristovnik, 2019). Thus, the concept captures the implementation of technological solutions in the public organization, together with its impact on diverse aspects of public organization functioning. Overall, the researches (Patrick Dunleavy, 2005) highlight three main processes which reflect main principles of DEG, namely: 1) reintegration of isolated silos within public administration, so their processes are redesigned and alighted to achieve higher efficiency and quality of operations; 2) needs-based holism puts citizens and their needs as a priority for a public organization, which are obliged to develop their operations and services with the focus on customer convenience and requirements; from an organizational perspective, it includes the shift from rigid tools of project management to more flexible and agile practices; 3) digitization which enhances the increase in productivity through implementation of technological solutions in public organizations, including automation of the processes, development of e-services and centralized governance of database systems (Patrick Dunleavy, 2005). The advocates of this model claim DEG to be an approach that enables use of technological opportunities in order to achieve a more flexible, holistic, and effective government that builds strong relations with citizens and provides customer-oriented high-quality services (Patrick Dunleavy, 2005).

All in all, the discussions in academic literature as well as among practitioners show that NPM is an obsolete approach and should stay in the past, while new ideas are required, and the role of government needs to be revised. As NPM did not manage to achieve most of its promises and caused numerous problems in public organizations such as the disintegration and weakening of public institutions, the new approaches have

emerged as a response to the critics of these issues. It is argued that no one single model exists, which became as spread as public administration or NPM, however, it is rather a set of ideas, which are reflected in different concepts. Despite the diversity of developing approaches among which new public governance, collaborative government, digital era governance, networks, and neo-Weberian state are the most widely discussed, some ideas are similar in most of the concepts, and principles addressed by these models could be derived and generalized. In particular, the principles which the governments are expected to embed in their management approaches include the following:

- Networks as a new model of managing the relations between different actors of the public sector, on the contrary to the hierarchies;
- A shift of the focus from results achievement and efficiency to the policies development process, which has to be delivered through the engagement of different stakeholders;
- Implementation and rational application of ICT to improve internal processes within public organizations as well as for enabling better external interactions and communication;
- Governance as a shift from the internally-oriented decision-making process to the involvement of diverse actors such as business and civil society organizations and building strong partnership relations;
- Citizens empowerment through the establishment of mechanisms which enable their participation and strengthens their role in policy development;
- Collaboration between employees, cross-departments coordination and implementation of the cross-sectoral project that could reduce costs, adjust policies developed by different organizational units and create an environment favourable for innovations;
- Trust between employees and team relations management as crucial factors of effective public service and outcomes achievement;
- Establishment of public services ethics and its clear distinction from other spheres such as business. The administrative culture and values in the public sector are unique and public servants as considered to be a distinctive professional group;
- Engagement of low- and middle-level public servants to the process of organizational changes, which could not be successfully implemented without the commitment of the employees; not only top-down but also bottom-up transformations;
- Citizens as customers and main ‘client’ of public organizations; the needs of citizens are in the focus of service design and delivery to ensure high quality of services and decent customer experience for citizens;

- The managers are expected to execute not only the functions of administration and coordination but also have well-developed leadership and personnel management skills.

The need for governments to change becomes evident, and the principles which are repetitive and reflected in diverse models are significantly different from the approaches that prevailed in previous periods. The new changing environment, which includes economic development, technological progress, the shift of social values and political ideas pushes the government to transform their management models embedding principles that could respond to the new context and challenges. All the elements listed above require serious reforms of public management to be implemented by the governments. Thus, in order to adjust to the challenges of the modern world, be capable of dealing with rising wicked issues and meeting changing expectations of the citizens, the governments need to rethink their management approaches and adapt the principles mentioned above. As the cases of many countries showed, NMP does not suit the changing environment and is considered to be obsolete. Moreover, the new principles which are widely mentioned in the literature include the transformation and management of the 'soft' components of public service, in particular, the change of attitudes among employees toward collaboration, the need for leadership and personnel management, recognition of organizational culture in public organizations as unique. At the same time, these aspects are considered to be the most challenging and time-consuming when it comes to the practical transformation of organizations. Thus, cultural factors require attention as one of the key components in the process of public management reform. For these reasons, the following chapter is focused on the role of administrative culture in reform development and cultural barriers, which could hinder the transformation.

4.3 Administrative culture as a barrier in public management reforms

The overview of post-NMP approaches and principles demonstrates that the new reform of public management shifts the focus from performance and efficiency to elements such as holism, collaboration, horizontal coordination, innovations, ethical norms of public servants and values. Pollitt and Bouckaert (2011, p. 2) define public management reform as 'deliberate changes to the structures and processes of public sector organizations with the objective of getting them (in some sense) to run better'. Although it emphasizes the 'hard' aspects of public administration, in post-NPM the role of 'soft' elements is becoming more important and plays a central role in reforms. The efforts of changing public organizations in the post-NPM era are claimed to be culturally-oriented: 'They focus on cultivating a strong and unified sense of values, cultural integration, teambuilding, the involvement of participating organizations, trust, value-based

management, collaboration and improving the training and self-development of public servants' (Christensen, 2012, p. 14). It is claimed that in order to transform behaviour, shared beliefs, and practice of the employees, one needs to change organizational culture. Moreover, if cultural aspects are neglected in the transformation process, the organization could get 'stuck' in its efforts to change (Robert Lawson, 1992). Similarly, Patrickson and Bamber (1995) highlight that organizational culture has to be addressed as a strategic priority in organizations which are in the process of change (Osborne & Brown, 2005). Since administrative culture is a crucial element of new reforms and because of its importance in organizational change management, the detailed analysis of cultural challenges and barriers which hinder a successful application of post-NPM principles is provided in this chapter. Specifically, it covers how values and norms which were dominant in previous phases of public management impede wide use of ICT opportunities to increase citizens' participation, development of service-oriented government, implementation of holistic principles in management, innovativeness of public organizations and successful implementation of e-government.

The opportunities provided by ICT are widely discussed to be promising in increasing citizens participation and involvement. Multi-stakeholders interactions and networks development are typical characteristics of post-NPM approaches, which, in particular, could be enhanced through the application of the mechanisms of e-democracy. Although conditions created by a broad introduction of technologies are considered to be promising in increasing citizens' engagement, existing cases do not demonstrate the achievement of expected results (Gunter, 2006). Among other reasons which could explain the limited success of e-democracy, the issue of administrative culture in public organizations seems to play a major role. The potential of technological determinism is limited in its attempts to explain the process of technology enactment in public organizations and leaves many factors unseen. On the contrary, it is argued that technology has an indirect influence on the users as it is mediated by diverse variables, thus, the analysis of technology introduction needs to be contextualized (Zhang & Feeney, 2019). Specifically, institutional and organizational factors have to be in focus, including the role of organizational culture and broader cultural context. For instance, Zhang and Feeney (2019) emphasize the polarization observed in public organizations between agencies where bureaucratic processes and efficiency are the priorities and those where participation and responsiveness are the core values. Thus, such difference leads to the conflict between orientation on results and the ability to represent and interact with citizens (Rosenbloom, 1983). Consequently, this incompatibility in values is reflected in organizations' intentions to adopt ICT in order to increase stakeholders' engagement. As the recent study demonstrates, a successful application of participatory mechanisms and implementation of principles such as co-creation and network-based decision-making is

significantly conditioned by the administrative culture of the organization. While agencies with prevailing values of efficiency are less inclined to use ICT for collective decision-making, the ones with dominant participatory and responsiveness values tend to widely apply these mechanisms to increase the involvement of diverse stakeholders (Zhang & Feeney, 2019). This link is especially important in the context of post-NPM reform, where network development and partnership are major principles together with a significant role of ICT in organizations' relations with different actors.

Another research demonstrates how obsolete bureaucratic and hierarchical culture could hinder the process of reform toward service-oriented government (Zhou, 2019). It is argued that to succeed in establishing a new model of public management, one needs to align administrative culture with the underlying principles of this model (Osborne & Brown, 2005). This compatibility is a precondition for the transformation, and if the balance is achieved, culture could enhance other reform efforts. When it comes to the service-oriented model, the feeling of serving people and creating public goods are the values that should be shared by the organizations' members (Zhou, 2019). The process of changing organizational culture has to be comprehensive and include several steps, such as creating an appropriate environment and support the transformation by institutional rearrangements. Hence, building advanced administrative culture and developing values that reflect the ideas of serving people is a necessary precondition of establishing a service-oriented government. It is usually the case that most of the efforts are focused on structural and legislative aspects of reform while neglecting cultural elements, which in results leads to the reform failure. For this reason, the reform, such as the establishment of a service-oriented government, is a long-term process that requires adjustment of organizational values, which are not easy to change (Zhou, 2019).

The models of 'joined-up government' and other holistic approaches require a strong culture of collaboration, which is not only internally-oriented but also includes the ability to negotiate with a wide range of partners effectively and coordinate efforts across organizations and sectors (Ling, 2002). The issue is that these principles are not intrinsic to classical bureaucratic systems: 'Almost nothing about the bureaucratic ethos makes it hospitable to interagency collaboration. The collaborative ethos values equality, adaptability, discretion, and results; the bureaucratic ethos venerates hierarchy, stability, obedience, and procedures' (Bardach, 1998, p. 232). It is a focus on achieving the goals of a single organization, which is a barrier that hinders the ability to negotiate between different agencies and maximize a public value through the process of exchange and co-creation. The change of the attitude from self-focus and self-interest to partnership in order to achieve better outcomes for the public is required to foster a culture of collaboration (Ling, 2002). Another aspect that has to be addressed when a movement to cross-agencies partnership happens is the need to develop mutual trust. While most of the

organizations work in isolation focused on achieving their own goals, the concern about the balance of interests in collaborative projects could become an issue. It is not only coordination between different agencies that is required but also the need to share budgets and other resources to achieve common goals. Thus, it is evident that collaboration could not be effective if there is a lack of trust between the partners working on the project. The trust is especially important when it comes to the situation of vulnerability of the partners, circumstances of uncertainty and need for risk-taking (Bardach, 1998). It is usually the case in unpredictable conditions that organizations could make a wrong decision, which leads to loss of costs or resources. In this situation, the tolerance to partner's mistakes and acceptance of the failure in circumstances of vulnerability is possible if the trust between two contra-actors exists. It is argued that the fear of vulnerability could be eliminated when the confidence about the partner's trustworthiness is established (Bardach, 1998). As most of the collaborative projects in the public sector have a long-term nature or are executed on a permanent basis, it is necessary that partners can rely on each other and believe in the professionalism and expertise of another organization. Otherwise, lack of trust and reluctance to collaborate could significantly decrease the effectiveness and cause numerous issues. If confidence does not exist, the chance of conflicts is high, which adversely affects outcomes and leads to endless blames instead of focusing on value creation. Consequently, the trust plays a major role in moving toward holistic management approaches, the commitment to invest in the relations and mutual confidence between organizations are the crucial factors in implementing new principles of collaborative management (Bardach, 1998). This step is especially challenging for organizations that were significantly affected by NPM principles of management such as market-orientation, focus on performance, and single-purpose orientation, which require mindset significantly different from collaborative.

The innovations in the public sector are pointed out to be one of the elements of post-NPM reforms. The ability of public agencies to produce innovations is considered to be essential in numerous ways. Specifically, it is claimed that innovations could be applied to improve the quality of public services, optimize business processes, maximize public value and reduce overabundant costs of administration. The issue of public organizations being less innovative than private companies and the need to foster innovative ecosystems is widely discussed in the literature as well as among practitioners (Boukamel & Emery, 2019). At the same time, the public sector is significantly dependent on principles, which hinder the development of the environment favourable for the invention of the innovative solutions. In particular, strict regulations, legislative norms, need to comply with numerous formal procedures, life-long employment, overwhelming organizational structures are considered to be typical characteristics that impede innovations in public sector (OECD, 2017). However, while structural, political, legal and

financial barriers are usually highlighted to affect innovations development, the role of culture is often underrated. At the same time, recent studies demonstrate that administrative culture plays a central role in the organization's ability to produce and implement innovations. According to Boukamel and Emery (2019) the cultural barriers in public organizations among others include the following: 1) risk aversion and anxiety caused by the unpredictability of innovation and implications of its introduction in the organization; it could be observed on both individual and organizations levels, and it is associated with the fear of failure in case innovation does not bring expected results and individual reluctance to be punished; 2) 'illegitimacy' of the innovation is a perception of novelties as useless or not necessary for the organization to execute their tasks; this barrier could be reflected in 'we have always done it this way' approach which shows resistance to change the old methods applied in the organization; 3) limited autonomy as a lack of freedom and opportunities to generate creative ideas and unfavourable organizational environment for individual employees to push their own innovations; 4) conflict avoidance which does not allow contradictions between employees and especially with superiors; thus it is unlikely that innovative ideas will be produced as a result of discussions; 5) anonymity as a principles of impersonality typical for public organizations is contradictory to the practice of innovation introduction which is usually pushed by a person who challenges a status quo; it is likely that innovator in public organizations could be under the pressure of colleagues who are reluctant to change old practices (Boukamel & Emery, 2019). To sum up, although governments are expected to be more innovative and demonstrate the same level of novelty as private organizations, the cultural barriers in the public sector have a significant influence on their ability to produce innovative solutions.

Likewise, the role of administrative culture is widely discussed in the context of e-government implementation. It is claimed that cultural change is as much important as technological. Specifically, Heeks (2006) argues that 'soft' aspects of managing e-government projects are more often an issue than the technology itself. The cultural elements and values are included as a core component of e-government system framework, emphasizing its importance together with technological, structural and organizational factors. The role of context in e-government development is emphasized as public organizations 'provide political and cultural milieu', in which projects are embedded (Heeks, 2006, p. 5). It is contended that culture could play a role of both a driver and a barrier of e-government depending on the values which dominate in the organization. In particular, the movement from a rigid organizational environment to adaptive is a necessary precondition for reorganizing and digitalizing the organization's operations and services (Raguseo & Ferro, 2011). Overall, the negative attitude to IT in government organizations could be caused by previous experience, including overran

budgets and technological failures. This leads to a fear of a mistake and accusations of unreasonable use of public funds, thus creates unfavourable conditions for 'trial and error' methods, which play a significant role in innovative and technological projects. From the perspective of the values, many barriers that hinder e-services development still exist despite the recent reforms and all attention paid to opportunities provided by ICT. Although some of the cultural aspects were addressed by NPM stressing the need to diminish principles of old bureaucracy, their role is still important when it comes to moving from traditional to e-services and processes. In particular, formality is a typical characteristic of public organizations, which could be reflected in employees' reluctance to use electronic channels as official means of communication of service delivery (Margetts, 2002). Similarly, uniformity is another principle which could become an obstacle when public organizations are developing new means of interacting with citizens. As for a long time public servants were trained to treat all citizens in the same way, it is difficult to change this attitude when e-tools emerge as an alternative to the traditional method of delivering services and extends channels of communication with citizens. This barrier of uniformity has to be eliminated as public organizations are expected to use diverse channels depending on the users' preferences, and e-services are usually provided complimentary to existing traditional ways of work (Margetts, 2002). Likewise, the reluctance to work with electronic tools could also be explained by 'channel rivalry' issue, which arises when employees become obliged to work with e-tools in addition to their traditional tasks. This could result in claims that electronic services do not work effectively or cause high costs for their maintenance as well as lack of enthusiasm for working with technologies or even opposition to the development of e-government mechanisms (Margetts, 2002).

All in all, the topic of administrative culture is central in the current discussion about public management reform. The principles underlying post-NPM approaches to management are 'culturally-oriented' and organizational transformation could not be delivered if cultural aspects are not addressed as much as other elements of the reform. Specifically, numerous barriers exist which hinder the development of values and practices such as collaboration, holism, innovations, e-government and network-based decision-making. The need to develop a public management ethics and 'distinctive public service ethos' is becoming more important in the new vision of public management, shifting a focus to 'soft' elements of public organizations. Nevertheless, cultural transformation is claimed to be uneasy matter, which requires deliberate efforts and strategy of the changes, which has to be aligned with other priorities of reform. Therefore, to achieve the goals of public management reform, administrative culture has to be addressed as a focal element of the transformation, and respective tools and approaches to overcome cultural barriers need to be elaborated.

5 Methodological approach: literature review & research design

5.1 Literature review: approach & main findings

The literature review section is intended to outline the current state of research, examine existing contributions in the field and determine gaps which are not yet well-studied and identify suggestions for future research. It is focused on the analysis of the relevant articles, proceedings and books chapters related to the topic of administrative culture in the context of public management reform. Likewise, the literature review is aimed at covering the main concepts and theories, and to determine the problem and direction of the research based on the previous studies and issues raised by scholars and practitioners. To ensure the consistency of the review process, the approach elaborated by Webster and Watson (2002) was followed. Specifically, the selection of relevant literature was made in three steps: 1) the articles on the topic of the thesis published in well-acknowledged journals, book series and conference proceedings were examined, including the following: Public Management Review, Administration & Society, International Journal of Public Administration, Academy of Management, Public Administration Review, Public Administration, Organization Studies, Research in Public Policy Analysis and Management series; 2) the relevant and repetitive citations analysed during literature review were further examined to determine prior contributions and researches underlying the articles identified in the first step; 3) to find more sources citing the key relevant studies, the reference and citation indexing database Web of Science was used (Webster & Watson, 2002). Additionally, the search was executed using academic reference and indexing databases to find more relevant literature on the topic and extend a number of resources. In particular, the keywords such as ‘administrative culture’, ‘organizational culture’, ‘organizational culture in public organizations’, ‘culture in public management’, ‘national culture and public management’, ‘role of administrative culture in public management reform’, ‘culture in post-NPM’, ‘public management reform’ were used to search articles in the citation indexing databases such as Web of Science, Google Scholar and ProQuest.

Based on the prior findings of the literature analysis, the structure of the review was determined, which consists of two parts. The first part provides an overview of the concepts such as national culture, its link with politico-administrative systems and public administration, the concept and main theories of organizational culture, the notion of administrative culture and its unique characteristics. The second part consists of main theories of public administration and management, demonstrating the development of underlying principles of management in the public sector, its evolution and current discussion on models of governance, the role of cultural aspects in public management reform and respective culture-related challenges.

The structure is based on the following logic: first of all, the definitions and main theoretical approaches to culture are provided to avoid ambiguity in the terms used and make an overview of main concepts relevant for the thesis. As for the research, it is necessary to operationalize the main concepts, the models which could enhance understanding of culture are examined in the review section. Specifically, significant attention is paid to the concept of national culture, and its influence on diverse aspects on the social-political system since the culture of organization could not be analysed separately from the environment in which it operates. For this reason, the national culture as a major force shaping development of administrative culture is in the focus of the literature review. Then, the concept of the organizational culture is introduced, followed by theoretical models and typologies of organizational culture. Further, the literature related to the topic of administrative culture and its distinctiveness as a unique type of the culture intrinsic for public sector organizations is examined. The administrative culture is addressed as a significant component of politico-administrative systems, and its characteristics and roots are reviewed.

The following chapter is focused on public management theories and the role of organizational culture in the current debates about modern models of public management. The overview of main approaches to public management is necessary to observe the evolution of main underlying principles of different models which prevailed in a certain period. The purpose of such analysis is twofold: first, the modern approaches are characterized by a significant shift from rigid, hierarchical and businesslike practices and vision of public management reforms as a legal or technical matter to a new culture and human-oriented models. Hence, to understand challenges related to cultural transformation, it is necessary to identify the barriers which emerged as a result of old paradigms of public management and their impact on the current environment of public sector organizations. Second, the overview of public management theories is justified by the nature of new emerging approaches, which are considered to be a mixture of many models and integrate principles of diverse approaches.

In order to synthesize the findings from the literature, the concept-centric approach is followed, which allows to summarize main topics addressed in the literature and identify fields that are not well-studied (appendix 1). Overall, 74 resources were analysed in the process of literature review, which are represented in a concept-centric table to accumulate knowledge on the topic and determine patterns in the field of study. All in all, the need to study a topic of cultural dimensions in public management reforms is justified by both theoretical and practical reasons, which could be summarized as follows:

- The role of administrative culture is neglected compared to other aspects of public management reforms such as legal, organizational, technical and structural, hence more research on the cultural elements of public organizations is required;
- Administrative culture is not always clearly distinguished from the culture of private organizations, which leads to the application of findings about the private organizations in the context of public sector. For this reason, it is necessary to determine what the peculiarities of administrative culture are together with their influence on organizations' transformations;
- The missing link between discussion on the administrative culture and public management reforms needs to be established to define how culture has to be addressed in the organizational change process;
- It is argued that although culture is acknowledged to play an important role in public management transformation, there is no clear vision on how culture has to adjust to the new principle of public management. The discussion is rather confusing and precise dimensions need to be determined. Thus, the research requires a clear operationalization of culture as a phenomenon and definition of the dimensions which have to be addressed;
- Although the need for public organizations to introduce reforms is evident, many reforms efforts are not successful, the failures could be partially explained by the inconsistency between strategic goals of reforms and elements of administrative culture which hinder the transformation;
- The issue of the public sector being less attractive workplace for talented and well-educated employees is recognized to be a serious issue for public organizations. The organizational culture becomes a more important factor in the decisions about the workplace, so transforming an image of public organizations could be delivered through the transformation of the prevailing culture.

5.2 Research design

The research design is an essential component of the thesis which is intended to determine the strategy and plan of moving from the problem statement to the answer of the research question. The helpful way of structuring and visualizing research is the model of research 'onion', which includes the following layers: 1) research philosophy; 2) research approach 3) research strategy; 4) choice of method; 5) time horizon; 6) technique and procedures (Saunders, 2019). This approach allows to integrate different components of the research and structure it in a logical way to ensure consistency of the research. The research design is determined by the problem and is built accordingly to address the research questions and achieve the research goal. The following figure is aimed at illustrating the research design of the thesis and is further explained in detail.

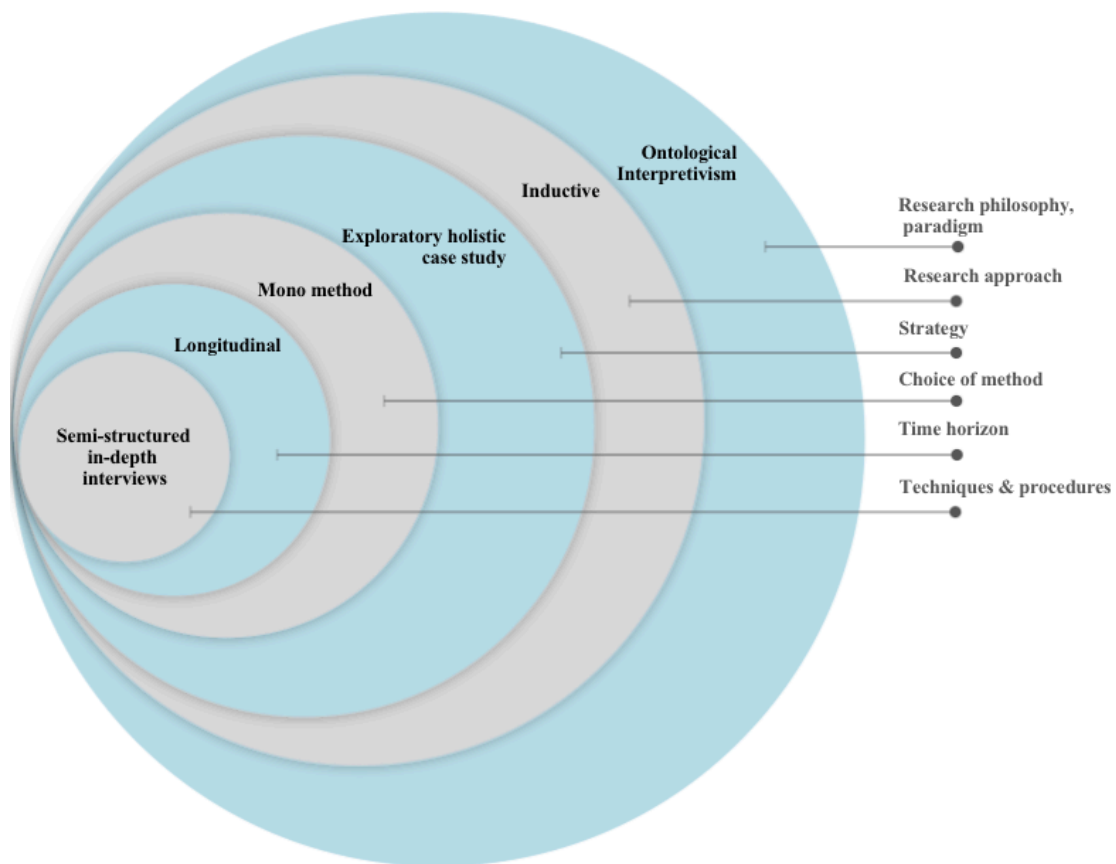


Figure 4: research design

5.2.1 Research philosophy

The research philosophy is ‘a system of beliefs and assumptions about the development of knowledge’ (Saunders, 2019, p. 124). It determines the way in which the data about the researched phenomenon is collected, analyzed and applied. The research philosophy is useful to define the overall strategy of the research as well as select the most suitable research method to be applied. This is an important step in the process of research as the philosophy reflects the basic assumption of the researcher and ‘establishes the intellectual context of the research’ (Walliman, 2006, p. 184). In this thesis an ontological perspective of viewing the research philosophy is applied, which is aimed at exploring the existing social phenomenon and entities which operate as a part of society. The ontology is ‘concerned with the nature of social bodies and entities’ and addresses the questions regarding the reality and nature of humans (Jupp, 2006). This perspective deals with studying of the ‘being’, answering the question ‘what is?’ and is applied to investigate the ‘structures of reality’ (Crotty, 1998). Further, the thesis embeds an interpretivism philosophy, which is associated with the qualitative research widely applied in the social sciences. The interpretivism makes a clear distinction between the

study of the physical world and study of humans and their relations that could not be understood through the applications of universal laws (Saunders, 2019). Unlike other paradigms, the interpretivism is not intended to produce the new theories but aims at enriching the existing knowledge with better understanding and interpretation of the social phenomenon and its context (Saunders, 2019). In the interpretivism, the reality is considered to be highly complex and socially constructed and could be explained in multiple ways, on the contrary to the approaches which look for the 'truth' and 'correct' answers (Goldkuhl, 2012) (Yohannan, 2010). Following the interpretivism paradigm, this study addresses the phenomenon of administrative culture as changeable, constructed by human interactions and influenced by social forces phenomenon. The administrative culture of public organizations is analysed in the environment of its operation and is considered to be 'shaped' by social context and human experience. When it comes to the abstract concepts such as culture, the interpretive approach, which reveals the phenomenon through the meanings given by the individuals, is suitable to explore the complex nature of the culture. In line with the basic assumptions mentioned above, the thesis is focused on enriching the knowledge about cultural aspects of public organizations through its interpretation. The study of culture requires an approach which allows to capture the meanings of human actions and further interpret them. The administrative culture, in this sense, is understood through the subjective experience of the individuals, which are situated in a unique context that determines their beliefs and assumptions (Yohannan, 2010).

5.2.2 Research approach

The theory is an integral part of every research. It could be determined in the design of the research or be presented in the findings of the study. The differences between these two approaches is represented in inductive and deductive reasoning to the theory development (Saunders, 2019). The inductive approach is typically applied in qualitative studies and it starts from the observation of instances which are further generalized. The research process in inductive approach begins with the problem statement followed by data gathering and observations, which are aimed at exploring the phenomenon and lead to better understanding of the problem (Nicholls, 2009). There is no clearly defined theory and hypothesis which have to be tested in the process of the research, instead the knowledge is being produced as the data is being collected (Walliman, 2006). The inductive approach is suitable to explore the complex elements of social reality and capture the feature which could be omitted in deductive studies. It is characterized by a certain level of flexibility and allows to develop generalizations based on the investigation of empirical data, which depicts real-life situations (Nicholls, 2009). It is also argued that inductive reasoning is a suitable approach to explore the phenomenon

which is significantly dependent on the context and requires ‘bottom-up’ investigation (Saunders, 2019). In order to ensure the validity of the generalizations made upon the data collection, three criteria are satisfied: 1) the observations/ statements have to be multiple; 2) the instance which is generalized needs to be repetitive; 3) the observations/ statements cannot be contradictory (Walliman, 2006). Following the logic of inductive approach, the thesis investigates the phenomenon of administrative culture through the perspective of different experts to determine the essential elements which are repetitively articulated and could be generalized and contribute to the understanding of the cultural aspects in public sector organizations.

5.2.3 Research strategy

The strategy is chosen based on the goal of the research and has to be appropriate to address the research question. The thesis applies a case study as a method in order to answer the research question. The case study method is one of the most popular empirical methods applied in social and political sciences, which is suitable to investigate ‘real world’ phenomenon in its context (Yin, 2018). It could help to identify practical examples on phenomenon, which is analysed that could not be captured through other methods (Zainal, 2007). The methodological approach developed by Yin (2018) is followed in case study design.

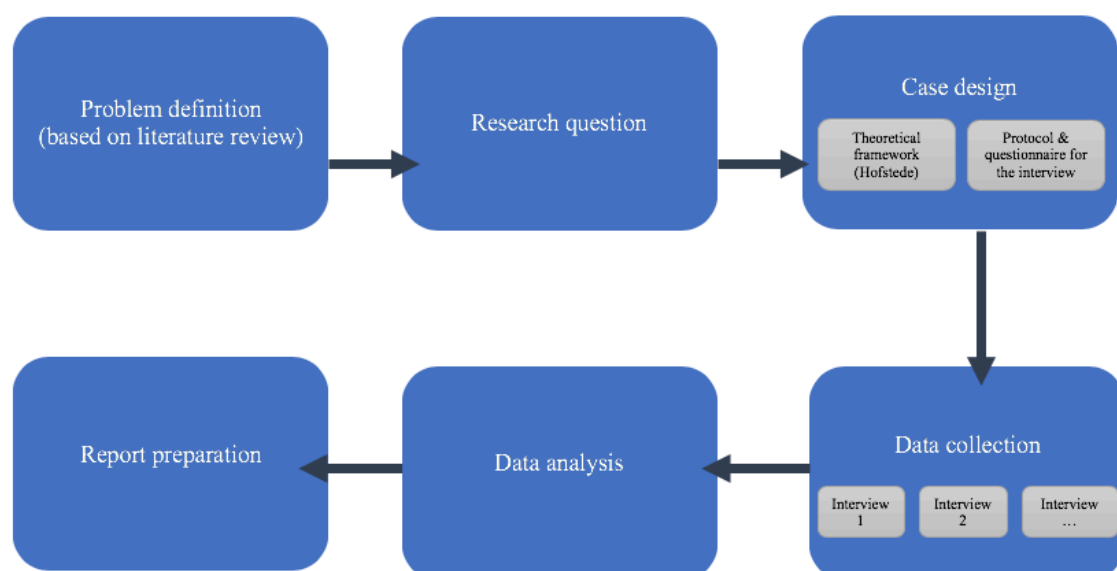


Figure 5: research process

First of all, the preliminary overview of the literature is done to gain some insight on the topic of research, relevant studies and opportunities for the further research are

analysed. This review is intended to narrow the field of interest and to enhance a process of defining the research question which guides the case study. The overview of what is already done in the field allows to determine important areas of research. The case should be developed based on the previous studies and add a value to existing research extending the knowledge about the researched phenomenon. Following that, the case question was defined which outlines the field of interest and serves as a guide for the further steps.

As pointed out by Yin (2018), the questions itself could be too broad to outline the research area, hence it needs to be specified and narrowed down with the use of theoretical proposition. The proposition is aimed at directing attention to the certain aspect which is further investigated and define the scope of research. Based on the examination of the literature, proposition 'begins to tell you where to look for relevant evidence' (Yin, 2018, p. 62). Hence, the proposition for the case study of this research which is based on the findings of literature review is the following: *principles of organizational culture such as innovativeness, cooperation, initiative, networking, horizontal coordination play decisive role in public management reform development. These principles could be fostered in public organizations through transformation of dimensions of organizational culture such as power distance (bridging the gap between top management and civil servants), uncertainty avoidance (decreasing the fear of punishment), employee-oriented work environment (putting individuals over results), loose system of control (providing more autonomy to employees, encouraging initiative and innovativeness on all levels of organization)*. It is assumed that other dimensions could also have a significant influence on reform process, however based on the previous studies the highlighted dimensions are expected to play especially important role in public management reform.

Afterwards, when the research question is defined and proposition is developed, the case itself needs to be selected to address the issues posed in the preceding steps. According to Yin (2018), case could be represented in variety of forms ranging from single person, events, entities to social groups programs, decisions or phenomenon. The case should reveal the problem which is in focus of the research and enhance the process of investigating the topic of interest in order to gain more insights. Since selection of the case is based on the research question and purpose of the study, this thesis is focused on cultural aspects of public management reform developed by The National Agency of Ukraine for Civil Service (NAUCS). NAUCS is a governmental institution responsible for transformation of public service in Ukraine, including change of administrative culture in public agencies and development of new human resources management principles in public organizations (NAUCS, 2020). The new strategy of public management reform was approved in 2018 and transformation of organizational culture is highlighted to be one of strategic priorities which is included as an element of public

service reform. For this reason, this case is considered to be suitable to answer the research question as NAUCS is in charge of delivering cultural changes in public sector as a part of broader public management reform. Hence, the cultural aspects could be analysed precisely to define which dimensions are addressed to adjust cultural environment of public organizations to the new principles of public management reform. Additionally, Yin (2018) emphasizes importance of access to case-related information as one of the main criteria in case selection. As a sufficient amount of data is available on the ongoing reform, including strategy of the reform, year plans and reports on development of the reform, and a preliminary agreement about interviews was achieved with professionals involved in the reforms, this requirement was considered to be an important factor in case selection process. All in all, the cultural transformation undertaken by NAUCS is closely related to the problem outlined above and the research questions defined. The study is designed as single holistic and exploratory case study which could enhance understanding of cultural dimensions in the context of public management reform.

According to Hofstede (2001), the main aspects of national culture are reflected in institutions developed within society as well as represented on organizational and individual levels. The connection between national culture on the one side and public management practices and reforms adoption, on the other side, is also confirmed by a comparative study of civil services in EU member states (European Commission, 2018). Since organizational culture, as well as the administrative culture of public organizations, is associated with broader cultural processes and environment, its analysis requires applying a theoretical approach that could capture these contextual elements and their impact on public institutions. Overall, Schedler and Proeller (2007) define four main approaches to investigate a phenomenon of organizational culture in public sector organizations, namely they are: sociocultural, culturalist, neo-institutionalist, and functionalist. Among these approaches, neo-institutionalism is considered to be the most popular and widely applied. Neo-institutionalism is an approach 'that explores how institutional structures, rules, norms, and cultures constrain the choices and actions of individuals' (Breuning & Ishiyama, 2014). It is not a homogeneous methodology and is represented by diverse schools, in particular, historical, sociological and rational approaches have been established as different ways of researching administrative culture (Schedler, & Proeller, 2007). The sociological institutionalism is claimed to be the most suitable theoretical foundation to explore the phenomenon of administrative culture. In this approach, the organization is analysed from a broad cultural perspective including the environment in which it operates. Thus, the different aspects of the organization are interpreted through practices and structures that are legitimate and valued in a broader context (Schedler, & Proeller, 2007). Following this, it is assumed that cultural forces that

dominate in the environment have a significant impact on organizations, and their culture is considered to be a component of a wider cultural milieu. Within this approach, institutions are culturally conditioned and constrained by the external environment and the changes have to be aligned with a broader context, so the reforms have to gain legitimacy within society and comply with its norms and values (MacCarthaigh & Saarniit, 2019). Thus, if applied to public sector reform development, it means that cultural forces dominating in a nation, society and political system will impact the process of reform.

All in all, as the administrative culture of public organizations is proved to be dependent on broader cultural environment, in particular, national and political culture, sociological institutionalism could be a valuable approach in studying the organizational culture of public organizations in the context of public management transformations. In order to avoid a narrow perspective where organizational processes and structures are considered in isolation from external factors, sociological institutionalism could be helpful in capturing other elements of cultural environment and provide a broader picture while investigating administrative culture in a particular organization. For this reason, the case study includes an overview of national values and norms which could influence political and administrative culture and be reflected in the administrative culture of the public organizations. Specifically, to outline the contextual and environmental cultural factors, the separate section is focused on elements of national culture, including country's cultural characteristics derived from World Values Survey (2020) and Hofstede's dimensional cross-countries study (Hofstede Insights, 2020).

5.2.4 Choice of method

The choice of the method determines what data the researcher collects and how these data is further analysed. This thesis is a qualitative study which is based on collection and analysis of non-numerical data. For the purpose of this research, the mono-method approach is followed, which means that the single method of data collection (in-depth semi-structured interviews) and data analysis (categorizing) is applied to answer the research question, which are further explained in detail.

5.2.5 Time horizon

The time horizon of the research has to be defined as a crucial aspect of research design to determine if the study is aimed at analysing the phenomenon in its state in a particular moment of time or it is intended to observe its change and development over a certain period. The thesis embeds a longitudinal perspective which enables the analysis of the phenomenon in its dynamic state of change to capture how organizational culture

is transforming within the process of the reform. The research questionnaire is designed in the way which allows to cover the state of organizational culture (and its drawbacks) at the beginning of the reforms and at the stage of data collection after the organizational change has started. It is aimed at covering not only the ‘what?’ question regarding cultural dimensions which have to be addressed as a part of the reform efforts but also answer ‘how?’ question to understand the expected vision of administrative culture and observe the organizational transformations in progress.

5.2.6 Techniques and procedures

The lack of clarity in the use of the concept of organizational culture is addressed as serious shortcomings in the literature. For this reason, it is recommended to operationalize the concept to avoid ambiguity and make the analysis of cultural phenomenon more precise. As elaborated by Hofstede (2001) culture could be understood and analysed through dimensions that constitute the culture and could distinguish one organization from another. This approach is applied as a framework in the case study to ensure that analysis is consistent and specific conclusions could be made about aspects of culture which enhance or hinder the process of public management reform. Specifically, the administrative culture as an element of the reform is scrutinized through the lenses of the following dimensions determined by Hofstede (2010) which are recommended to be applied as a framework.

Dimension	Meaning
Power distance	The degree of inequality of power between a person at a higher level and a person at a lower level. Denotes the extent to which less powerful members expect and accept that power is distributed unequally
Uncertainty avoidance	It deals with an organization's tolerance for ambiguity. It indicates to what extent members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, and different from usual.
Process-oriented vs result-oriented	Process-oriented organizations are dominated by technical and bureaucratic routines, results-oriented by a common concern for outcomes.
Job-oriented vs employee-oriented	The former assume responsibility for the employees' job performance only, and nothing more; employee-oriented cultures assume a broad responsibility for their members' well-being.
Open system vs closed system	In the open system unit members consider both the organization and its people open to newcomers and outsiders. This means that almost anyone would fit into the organization, and new employees only need a few days to feel integrated. In the closed

	system units, the organization and its people fit into the organization, and new employees need a long time to feel at home.
Loose vs. tight control	This dimension refers to the degree of internal structures within an organization, which affect aspects like company behaviour and business apparel. People in loose control units feel that no one thinks of costs, meeting times are only kept approximately, and jokes about the company and the job are frequent. People in tight control units describe their work environment as cost- conscious, meeting times are kept punctually, and jokes about the company and the job are rare.
Normative vs. pragmatic	This dimension opposes units, whose members accomplish their tasks in strictly following their inviolable rules (normative) to market-driven organizations (pragmatic). In normative units the major emphasis is on correctly following organizational procedures, which are more important than results. In the pragmatic units, there is a major emphasis on meeting the customer's needs.

Table 1: cultural dimensions according to Hofstede (2010)

The main method used to collect data for the case study is in-depth semi-structured interviews with representatives of the organization, which is in the scope of this research. In order to cover different aspects and achieve that responses are unbiased, five interviews with two different type of interviewees were conducted. First of all, top managers and employees of the agency were interviewed, who have been/are responsible for implementation of reform, namely: Oleksandr Starodubtsev, ex-head of NAUCS, Natalia Aliushyna, director of HR department of NAUCS, Yulia Loziuk, state expert on HRM reform. Second, external experts and consultants who work with public management reform were interviewed to provide their vision regarding the role of cultural dimensions in the context of public management reform, specifically: Olesia Ogryzko, an expert in public service reform, a consultant at Office of Reform, Andrew Rozhdestvensky, a professor in HR and organizational development, consultant in organizational culture.

To measure each of dimensions the questionnaire (appendix 2) for the interviews was developed according to characteristics of dimensions as defined by Hofstede (2010). In particular, the questionnaire used for the research carried out by Hofstede was analysed and adapted to the research needs of the thesis extended with the questions related to role and uniqueness of administrative culture and its place in the process of public management reform. The questionnaire used for the interviews consists of three main parts, namely: 1) introduction to define interviewee's professional experience, position and role in the reform; 2) background and general questions related to public management reform, its current state and desired vision, the role of national culture in public sector organizations, main cultural hindrance and challenges of the reform; 3) main part which is focused on the analysis of each dimension of the framework with 3-5 questions per each dimension; particular attention is paid to the practical examples which could

illustrate how cultural dimensions are reflected in daily practices and behaviour of public servants and how they are changing in the process of the reform.

After the interviews were conducted and data was collected, all information was generalised and analysed. The interviews were transcribed for the purpose of analysis, the main insights and ideas retrieved from the interviews were structures according to the framework, so each dimension of administrative culture could be described separately, and its role in the reform of public management could be concretely determined. The repetitive and complimentary statements were grouped in the categories to develop a coherent description of each dimension and ensure that all aspects of administrative culture are covered. Then, the ideas and thoughts categorised according to the dimensional framework served as a foundation for the report preparation and case description, which includes detail information about each dimension of the administrative culture with illustrative examples provided by interviewees. All other comments and ideas expressed during the interviews which do not fit into the framework but are articulated by the interviewees as important cultural aspects of the reform were added as final remarks. In the end, the main findings of the case study and consequent conclusions were presented. For the purpose of convenience, the role of each dimension is summarised in table 2.

6 Case study: changing public service through transformation of administrative culture

6.1 Role of national culture in public management reform in Ukraine: preconditions, background and context

The reform of public management has been a topic of discussions in Ukraine since it acquired independence in the early 1990s. Although CEE countries followed different paths in public sector transformations after the fall of communist regimes, Bouckaert (2011) points out that the common characteristic intrinsic to all of them was a drastic pace of the changes. A rapid transition from dictatorship to democracy and from planned to the free-market economy are the processes which required the transformation of the whole government system (Radyszewska, 2017). On this way, Ukraine has made several attempts to reform public sector and get rid of its post-Soviet heritage of ineffective bureaucracy and outdated practices of management. In these circumstances, challenges that the country had to deal with were ‘absence of qualified administrative personnel’ and a ‘shortage of efficient managerial models’ (Condrey, 1998, p. 31). The preliminary goals of the reform were the establishment of democratic politico-administrative institutions, development of state structures, decentralization of power and movement to the market economy. The first wave of reforms already introduced in the period of 1991-1997 (Bouckaert et al., 2011) was characterized by the dominance of populism, inconsistency, persuasion of private interest by a political elite, high level of corruption in the public sector and instability (Condrey et al., 2001). Condrey (1998) emphasizes that developing public management system became uneasy matter because of diverse factors, in particular: lack of agreement regarding goals and methodology of reform, poor horizontal coordination between governmental agencies, overcentralized system of decision-making, lack of professional public servants and corruption. It is argued that the country had no tradition of independent bureaucracy as other European countries, so the challenge was to build the administrative system from scratch: ‘Admittedly the young Ukrainian state has inherited the institutions of the old Ukrainian Soviet Socialist Republic, but they had a largely symbolic existence under the Soviet system, and the territories under nominal Ukrainian jurisdiction were never governed with the powers of a nation state’ (Condrey, 1998, p. 30).

Unlike countries which introduced reforms of public management and ‘reinvented government’ in the situations of economic and political stability, Ukraine turned out to be in the situation with no previous experience of building democratic institutions, lack of resources and limited ability to predict the future political situation (Condrey et al., 2001). Wise and Brown (1996) characterize the public sector of this period as

underdeveloped with weak institutions and limited capacity to build a system of public management. Another issue arose as a result of attempts to apply governance models of more developed politico-administrative systems with no context and circumstances taken into account. For a reason that reforms were funded mainly by Western private and public organizations, the recommendations developed by these partners served as a guideline in the transformation process. At the same time, the practices and principles which emerged within Western management systems were not always appropriate for the state with a weak system of institutions at its early stage of development and had limited success in addressing the challenges of the administrative system of Ukraine. Moreover, it is argued that recommendations of different partners were not aligned in one strategy and were rather 'one time affairs' than a consistent and comprehensive process of reforms that could reach a certain degree of sustainability (Condrey et al., 2001). This period of reforms is characterized by an active legislative adjustment as 139 documents were passed related to the reform of public management and civil service. Nevertheless, these changes are claimed to have a limited effect on enhancing the capacity of public agencies and the administrative system as a whole (Wise & Brown, 1996). Among other problems, a lack of professional managers who are trained in public administration become a serious issue as public management was not established as a discipline in the universities, and no education institutions prepared professional public servants. The situations deteriorated because of difficult economic circumstances and drastic inflation, which affected the ability to sufficiently fund public agencies and ensure a decent level of salaries for professionals employed in the public sector (Condrey et al., 2001). Therefore, the job in state structures was considered to be unattractive for well-educated and talented employees.

Overall, despite many years of reforms, public sector organizations have still been widely criticized as they do not meet standards of good governance and best Western practices of management. Specifically, Radyszewska (2017) defines the following issues: 1) unclear separation of competences and power between president and government; 2) ministries are overloaded with administrative functions and have a limited capacity of policies management; 3) the executive power is highly centralized with many organizations having overlapping functions and poor horizontal coordination; 4) inefficient civil services caused by lack of professional skills, low salaries for public servants and prevalence of subjectivism in service provision; 5) formalism, bureaucracy, corruption, lack of transparency and limited access to information for the public (Radyszewska, 2017). Similarly, the drawbacks of the existing system are reflected in the low positions of the country in the global governance rankings such as Global Competitiveness Index of World Economic Forum (2019). According to the report, Ukraine is positioned as 87th country out of 141 analysed within the research.

Specifically, it is on the 72th position in public sector performance, 104th in transparency and as low as 98th in government's responsiveness to changes. The last update of the Index demonstrated a significant decrease in economic indicators such as stability putting Ukraine at the last positions together with overall poor results of the financial system where Ukraine is ranked 136th of all countries (World Economic Forum, 2019)

Since 2014 the process of reforms was significantly driven by the intention of the government to make progress in European integration of Ukraine and signing Association Agreement, which is an important step for a country in the process of becoming EU member state (Radyszewska, 2017). As European integration was defined to be a strategic priority for Ukraine, the requirements which have to be fulfilled in order to move in this process were determined by EU institutions. These requirements include the need to implement reforms in diverse sectors, among which the reform of public management plays a crucial role. In particular, the necessary precondition for further integration requires adjustment of the legislation to EU standards and modernization of the public management system (Radyszewska, 2017). Therefore, the new wave of reforms was launched, and a strategy for public administration reform in Ukraine was developed in coordination with the European Commission. The strategy relies on the principles of good governance determined in a common document of EU and OECD 'Principles of Public Administration' (OECD, 2017), which serves as a framework for the reform. The following areas of reform were defined in the strategy (OECD, 2017):

- Policy planning and coordination: improvement of policies planning in order to ensure a sufficient level of consistency, efficiency and financial suitability as well as establishing a practice of consultations with external stakeholders and their involvement in policies development.
- Public service modernization and human resource management: the need to separate between political and administrative matters as well as a clear distinction between public and private spheres. The change of recruitment and promotion process to a merit-based system with an increase of salaries for civil servants. A principle of individual responsibility has to be achieved with a clear definition of the rights and obligations of employees;
- Achievement of accountability in public organizations' functions and operations, which includes fulfilment of such principles as 1) rationality to ensure efficiency and avoiding overlaps in competences of different agencies; 2) transparency to make the information about regulations and decisions of government organizations available for public; 3) accountability of public officials for the decisions and their outcomes; 4) affordability of government structures in terms of its size and resources needed to support their operations;

- Service delivery has to be based on the principle of equal treatment of citizens to enable the fair, unbiased and timely provision of services requested. The standards of public administration organization include reliability and predictability ensured by legal certainty. The elements such as transparency, efficiency and customer-orientation have to be in place to fulfil the rising expectation of the citizens;
- Public financial management requires establishment or improvement of existing procedures of budget planning and control, administration of taxes, development of transparent monitoring system of budget execution, regular external audits, and other activities aimed at increasing the quality of public finances management (OECD, 2017).

Although the reform of public management is a long-term transformation, according to Sigma baseline report, which outlines the mid-term result of ongoing reform, the progress has been achieved in several areas. Specifically, the following outcomes have been positively evaluated: the adoption of new legislation aimed at transforming civil service projects related to modernization of services delivery and initiatives intended to restructure public organizations. At the same time, it is pointed out that undertaken projects have not brought yet expected results, and the initiatives are mainly criticized for poor planning and lack of coordination between different agencies. Therefore, the recommendations are focused on the achievement of a certain level of consistency and improvement of the reform implementation strategy. Also, a crucial role of civil service and development of human resources management is highlighted as an important aspect of the reform (SIGMA, 2018).

As mentioned above, the strategy addresses an issue of people management and transformation of civil service as one of the priorities which have to be fulfilled in order to achieve success in overall public management reform. It is contended that such change could happen only if the cultural transformations take place in public organizations, thus the development of a new culture of civil service is determined to be one of the strategic goals. The vision of new organizational culture for civil services is based on the following principles (Cabinet of Ministers of Ukraine, 2016):

- open internal communication and collaboration between employees and external communication with stakeholders;
- acknowledgement and encouragement of innovativeness and initiative among public servants;
- responsible leadership with effective and competent managers oriented on the achievement of results;
- the environment with respect for human rights and non-discrimination (Cabinet of Ministers of Ukraine, 2016);

At the same time, the current situation with administrative culture in public agencies is significantly different from the desired vision. The cultural arrangements and values that prevail in the public sector are considered to be a serious issue and a barrier of the public management reform. It is claimed that characteristics such as process-orientation, strict hierarchical subordination, lack of initiative, risk-aversion and limited autonomy of individual employees hinder the process of transformation and introduction of new management principles that comply with the circumstances of the changing environment (Kyiv School of Economics, 2019). To better understand these challenges, it is worth outlining the overall cultural context in which public organizations operate.

As emphasized by Hofstede (2010), the organizations do not exist in isolation and are always affected by the environment; thus, the broader picture is needed to analyze organizational culture in a particular institution. The results of Hofstede's national culture research on Ukraine could shed light on the shortcomings and barriers of administrative culture in public organizations. For instance, the country scored 92 points in the power distance dimension, which reflects the gap between powerful and powerless people in society (Hofstede Insights, 2020). It means that statuses and privileges are acknowledged to play an important role in relations and could be observed through interactions and behaviours. Such arrangements have a significant influence on the work style of companies and other organizations, including public administration, where relations between top managers and other employees are based on principles of strict subordination and respect of formal statuses. When it comes to the dimension of individualism, Ukraine is ranked relatively low with only 25 scores (Hofstede Insights, 2020), so it could be claimed that the collectivist mindset prevails in society. In practice, it means that the establishment of personal contact and trust between people are the necessary preconditions for the development of work relations. Another dimension that determines culture is uncertainty avoidance, which characterizes attitude toward unpredictable conditions of the future and uncertainty. Ukraine scored 95 (Hofstede Insights, 2020), demonstrates intolerance to the ambiguity and fear of the changes, which is reflected in keeping distance and following a very formal style of communication with strangers and newcomers. The country has strong long-term orientation elements as a feature of the national culture, which is intrinsic for pragmatic societies and is represented in the 'ability to adapt traditions easily to changed conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results' (Hofstede Insights, 2020) It is also worth outlining the dimensions which indicate how the country is positioned on indulgence and restraint pole, which in case of Ukraine shows that national culture is restraint, characterized by the spread of pessimism and social norms imposing significant restrictions on people's behaviour in society.

More insights on the cultural context of Ukraine could be gained from the findings of World Values Survey (WVS). Inglehart and Welzel (2005) located countries based on the results of the research using a scatter plot with traditional vs secular-rational values positioned as the vertical axis and survival and self-expression positioned on the horizontal axis. In this process, a pattern was revealed, which shows a correlation between values and socio-economic development and political system. The conclusions derived from the cultural map imply that societies which are positioned at the secular-rational part of the map hold a high position in socio-economic development and are mainly represented by an economically prosperous post-industrial group of countries. It is also proved that societies with dominant values of self-expression (on the contrary to survival) tend to demand freedom and human rights, thus typically have a tradition of democratic politico-administrative system and governance (Inglehart & Welzel, 2005). Ukraine revealed to be positioned rather as a country with prevailing survival values and a low score of secular-rational values, which means that cultural preconditions for the establishment of a democratic public management system are not favourable. The main values of Ukrainian society are security, stability, preservation of traditions and belonging to the social group (Inglehart & Welzel, 2005). Therefore, to achieve a change in the principles of governance and build new public management, the shift in cultural values is required, and the cultural aspects have to be addressed, in particular, as a component of the reform.

When it comes specifically to the cultural issues in public organizations, the results of recent research on administrative culture in Ukrainian public agencies could be of value to outline the main barriers and hindrances of the reform (Kyiv School of Economics, 2019). In particular, the following culture-related problems were detected, which impede a transformation of public management practices:

- lack of horizontal communication between different public agencies which stems from a poor culture of cooperation and underdeveloped skills of establishing personal contact, and ability to negotiate;
- the clash between an old and new generation of civil servants which represent significantly different mindsets and attitudes toward work;
- fear of changes and resistance to adjust to the new conditions of work, sceptical perception of the reform;
- lack of initiative between public servants and avoidance of responsibility if the proposed idea/solution does not bring desired results, fear of punishment;
- low level of autonomy, employees are used to ‘be managed’ and follow instructions rather than proceed on the goals individually;
- poor internal communication between different departments and employees; reluctance to collaborate and develop networks;

- strong focus on the processes rather than on the goals and results; it is common that employees are oriented on following the procedures without understanding expected results and broader goals of the organization; the widespread behaviour is to ‘imitate the work’ instead of delivering the results;
- a significant gap between top management and other employees; formalized style of communications and subordination, lack of ‘human-oriented’ management (Kyiv School of Economics, 2019).

In consideration of the national culture and values as well as the historical precondition of public administration development in Ukraine, it could be claimed that cultural arrangement in the country imposes a restriction on the rapid implementation of public management reform. Notably, no previous experience of democratic governance, lack of professionally educated civil servants, poor organizational and legislative foundation of administration together with instability are the issues that are expected to be addressed within reform. The achievement of the goal becomes even more challenging because of the cultural context of the country. The features of national culture such as power distance, uncertainty avoidance, indulgence are reflected in the administrative culture of public organizations. As a result, the values and taken-for-granted practices of public agencies create undesirable burdens for the transformation of the public sector and the achievement of the goals defined in the strategy.

6.2 Administrative culture as barrier and driver of public management reform: the analysis of cultural dimensions

The administrative culture of Ukrainian public organizations is defined to be a serious issue in the development of public management reform. Based on the values of statuses, hierarchical subordination, closed communication and intolerance to risks and diversity, the organizational culture does not fit a new vision of public management. The gap between new principles of public management and the dominant cultural norms of government agencies is evident and requires attention to reduce the divide between the current and desired state of administrative culture. For this reason, the transformation of human resource management and organizational culture are highlighted to be priorities within the strategy of public management reform. The main role in this process is assigned to The National Agency of Ukraine for Civil Service (NAUCS), which is the executive government institution intended to establish and develop professional and effective public service in Ukraine. Within a broader context of public management reform, transformation and modernization of public service are considered to be a foundation which lays the ground for other reforms. Likewise, it is argued that fulfilment of objectives of public management reform is not possible without changing the

administrative culture of public servants. Oleksandr Starodubtsev, ex-head of NAUCS points it out to be one of the main priorities addressed by top management: 'Every reform starts with people. If we want to transform public service, we have to transform people's attitudes and mindsets' (Starodubtsev, 2020).

The problem partially stems from characteristics of national culture, which are significantly reflected in the administrative culture of public organizations. Specifically, the interviewees repetitively highlighted such features as the inability to develop horizontal relations, power of statuses and ranks, destructive competition, intolerance to diversity, fear of making mistakes and lack of trust. The experts emphasize that understanding the origins of the problem is an important step in the transformation and allows to develop a comprehensive approach to address the issues. It is argued that administrative culture is always a 'product' of broader cultural environment and when a new vision of culture at civil service is developed, it has to rely on basic cultural principles of the nation. Hence, the new concept of culture has to include and reflect unique elements of national culture, using its strengths and eliminating weaknesses in order to build strong civil service. Rozhdestvensky (2020) points out that effective administrative culture is a foundation and a necessary precondition of effective bureaucracy, thus is a crucial component of public management reform. As administrative culture was defined to be a serious barrier of reform, NAUCS engaged experts and public servants to develop a vision of new culture, which could enhance the transformation of public organizations and at the same time incorporate specific features of national culture. Although some elements of national culture hinder effective bureaucracy, it is crucial to align it with administrative culture and ensure that social and political values are reflected in the culture of public organizations. For this reason, the norms which should guide the transformation of public organizations were elaborated and are represented in the values which should unite all public servants. Specifically, the new vision of culture is based on the following values: 1) human centrality where citizens, their rights and needs are at the heart of public organizations; 2) responsibility as compliance with ethical norms and priority of common interest over personal; 3) professionalism which is reflected in a proactive and innovative approach to work; 4) accountability in internal and external communication, the involvement of stakeholders to decision-making; 5) development as a permanent process of learning and professional growth. These values are expected to lay a ground for reform of public management and facilitate the transformation of public organizations based on principles which suit the changing social, economic and political environment. The need to adjust public organizations to the new challenges and develop capabilities to effectively respond to the upcoming issues is evident. It is argued that modern reforms are culture-oriented, thus structural, financial and organizational changes could not fulfil desired results if cultural components are not addressed and aligned with

other transformations. To understand what the role of culture in the process of reform is, and which elements have to be changed, it is necessary to take a close look at different dimensions of organizational culture in public agencies. For this reason, Hofstede's (2011) framework is applied to investigate the case of civil service reform developed by NAUCS. The dimensions are analysed, and it is determined how they should be addressed as components of public management reform to enhance the process of transformation.

6.2.1 Power distance

The system of public service which Ukraine inherited from the Soviet Union is based on the authoritarian models of people management with restricted freedom and rights of individuals. The principles which underlined old system are still applied in the public sector where formal statuses and hierarchies determine relations between managers and their subordinates. In this system, the role of employees is often limited to executing tasks and decrees pushed by upper-level managers, who do not always rely on the power of facts, arguments and evidence but rather use a formal status to achieve the goals. Starodubtsev (2020) claims that to modernize public service, it is necessary to move from 'push' principles where the role of employees lies in the execution of decisions made by superiors to 'pull' principle, where all employees regardless of their ranks are motivated and interested in achieving common goals and creating value. The current cultural arrangements create a system where statuses and positions replace professional competences and skills. There is no need for leaders to convince employees to follow their vision as the power of authority is used instead. Hence, it demonstrates that professional achievements and talents are not acknowledged in public organizations, while formal statuses and ranks are the real attributes of power (Rozhdestvensky, 2020). Since the role of statuses and the gap between powerful and powerless play a crucial role in the organization, the employees are not motivated to demonstrate initiative, offer their ideas and step out of routines as such behaviour is not encouraged. In this system, employees are not motivated to strive for better results and propose suggestions to improve work processes as their function is limited to the execution of plans made 'on the top' (Ogryzko, 2020). On the contrary, modern civil service requires open-minded employees who feel free to discuss organizational issues, propose their ideas and express disagreement if needed (Starodubtsev, 2020).

To keep employees motivated, it is crucial to build a dialogue with employees and be responsive to their inputs and ideas when new projects are discussed. The leaders are interested in looking for the most suitable solutions, which could emerge as a result of debates and consultations. While top managers have a general picture of a particular situation or issue, middle-level employees could be aware of more factors and nuances,

which are important in developing a solution. Consequently, involving a wide range of internal stakeholders could bring value for the whole organization and lead to a better quality of work. However, in the established situation of a great distance between managers and employees, the barrier of expressing disagreement with superiors could hinder honest conversation (Ogryzko, 2020). The best way to encourage open discussions and involve employees of different levels is to introduce a practice of informal activities and communication in the team. To create an environment of safety where people can share their honest opinions and thoughts, NAUC established a tradition of Friday informal meetings, where everyone is encouraged to come and discuss together the main projects, outcomes, issues and ideas (Starodubtsev, 2020). It is claimed that the informal atmosphere is favourable for building personal relations and overcoming barriers of statuses and grades which exist in a typical public organization. Starodubtsev (2020) points out that for leaders, it is also essential to demonstrate their vulnerability, meaning that superiors are not necessarily always right. For employees at the top position recognizing mistakes and accepting them is an ability which allows to build trust and receive feedback from other team members (Rozhdestvensky, 2020). Before the reform has started, the direct communication between top management and employees in NAUCS was an uncommon practice. Middle-level managers recognized such contacts to be a violation of the subordination, as in their opinion, all issues have to be discussed with the direct supervisors and communicating with a top manager is not acceptable. The contact with the higher level of managers or even with the head of the agency is considered as 'going over their heads' and is labelled as serious misbehaviour and violation of cultural norms in the organization. On the contrary, the desired culture should eliminate the role of formal statuses and artificial rules of communication to develop honest dialogue in the organization and improve both horizontal and vertical communication. Every employee in the agency should feel comfortable enough to share their ideas or discuss decisions, even if it requires communication with top management. It is personal talents and knowledge, not formal statuses and positions which should be taken into account when the decisions are made, and ideas discussed (Starodubtsev, 2020). Therefore, to create such cultural environment in the organization where everyone can speak up, the leader has to build a feeling of safety for employees, so they are not afraid of expressing disagreement with their superiors. Also, it requires managers to show that they could be 'vulnerable' and could hear the voices of other employees regardless of their position if they have valuable ideas and propositions (Aliushyna, 2020). While today it is common that leaders in their decisions rely mostly on their power and status, a new cultural landscape requires from leaders to use the power of arguments and conviction to make people believe in their vision, share and follow it.

The management style which relies on statuses has another drawback related to the image of public service as a work environment lacking a merit-based promotion system. While career development in public organizations is associated with loyalty and support of superiors, personal relations are considered to play a major role in employee's promotion. Thus, personal abilities and skills of public servants are underappreciated and not considered to be decisive indicators for professional growth (Aliushyna, 2020). For this reason, employees are discouraged from investing in self-development and educations as it does not guarantee acknowledgement and appreciation. To eliminate these drawbacks, the system built on principles of loyalty and power of statuses should be replaced by 'culture of knowledge'. Starodubtsev (2020) emphasizes that power has to be assigned to the person who can demonstrate that he/she deserved it because of professional skills or achievements. Moreover, when the decisions are made, it is a responsibility of the manager to explain what the reasons behind it are, so the rational arguments should always be in place and communicated to the subordinates.

6.2.2 Uncertainty avoidance

The public service is characterized by a high level of predictability and stability compared to private companies. The work routines are determined by organizational rules and legal acts, so public servants rarely have to deal with situations of uncertainty, make decisions and take risks. These characteristics are reflected in the administrative culture, which is typically intolerant to ambiguity and unpredictability. At the same time, the ever-changing conditions of political, economic and social life require from all organizations, including public agencies, to be flexible and susceptible to the external environment. In these circumstances, an ability to adapt and deal with uncertainty becomes necessary for modern organizations.

One of the features which is highly appreciated among public servants is protected employment and benefits related to the special status of civil service. A procedure of firing employees in public organizations is a complicated process and could happen only in certain circumstances. For this reason, it is typical for public servants to be employed in the organization for a long period with a low possibility of being fired. As a result, the work environment becomes conserved with not enough new talents being recruited and fresh ideas circulating in the organization (Aliushyna, 2020). Likewise, the protection of employment impacts motivation of public servants to do their work better and deliver greater results as their position is defended by contract and organizational rules. Such rules have a significant influence on the culture of the organizations, where predictability is recognized to be a value, and people feel anxious in unknown situations. Starodubtsev (2020) argues that the process of firing as well as hiring employees has to be simplified,

so managers have the opportunity to change team members if they are not able to deliver expected outcomes or demonstrate poor performance. Similarly to the private sector, employees could hold their positions and be promoted as long as they have competences and skills necessary for the implementation of their tasks. These mechanisms prevent long-life employment for public servants who do not show enthusiasm and abilities for delivering results and professional development. Hence, moving away from the protection of employment is a step in cultivating a more flexible environment and developing adaptability to the changing circumstances (Rozhdestvensky, 2020).

Further, the development of reform requires organizations to revise plans and projects permanently, so they can make the necessary adjustments and adapt to the changing environment. The external influences and unpredictable factors put organizations under pressure to be more resilient and flexible. While in public organizations it is usually the case when the plans and tasks are clearly defined for each department and duties are assigned to each employee, it is not always the most efficient way to organize a work process (Loziuk, 2020). Within such a system, the main responsibility of an individual employee is limited to implementing a personal task without considering its connection to the broader goal of the organization and other team members. These borders between tasks and clear allocation of responsibilities do not suit the needs of innovative projects and organizational transformations. Starodubtsev (2020) highlights that when going through the process of reforms, organizations could be in the state when no clear distinction is made between tasks of individual employees and ‘everyone does everything’ until the processes, and organizational structures are established, and desired outcomes are fulfilled. It seems impossible in modern organizations to ‘mechanize’ employees and consider them just as executors of tasks defined by their superiors. While in the classical theory of administration this ‘pure’ approach to delivering tasks and following organizational rules was recognized to be the most suitable for public servants, today public agencies require new models of work distribution. Starodubtsev claims that: ‘It is impossible to allocate tasks once and expect that everything will work smoothly. The decisions and plans you made yesterday might not work tomorrow because the environment is unstable, and it requires continuous adjustments and changes’ (Starodubtsev, 2020).

In addition, unique ideas and the most effective solutions are produced not by individuals focused on their limited area of responsibility, neither in a single department of the organization. The best results are usually achieved when different internal stakeholders are united around a common problem (Loziuk, 2020). Consequently, blurring the borders between organizational units, different agencies and sometimes even representatives of other spheres such as politics could be of value in fulfilment of strategic goals. Although such cooperation brings a certain level of chaos and increases the

complexity of management, it could lead to the development of new projects, generation of innovative ideas and improvement of overall performance (Ogryzko, 2020). Nevertheless, it requires from employees a mindset which is not restricted to individual responsibilities but incorporates elements of a broader picture and ability to take action without clear decrees from manager and algorithms of behaviour. Therefore, cultivating a culture where employees feel comfortable with uncertainty and are curious about new tasks and challenges is a crucial aspect of developing an administrative culture that suits a changing environment (Rozhdestvensky, 2020).

6.2.3 Normative vs Pragmatic

Public organizations in Ukraine are claimed to be significantly bureaucratized with many inconsistent procedures and overwhelming rules which are reflected in both internal organization of work processes and delivery of services for citizens. This orientation on rules compliance and regulation of the processes is deeply rooted in public agencies and is a part of its cultural environment. Following the rules is at a core of public organizations and could confront with organizational effectiveness and performance (Loziuk, 2020). It is argued that the application of formal procedures leads to the development of a rigid organizational environment where rules prevail over pragmatism and could even be in opposition to common sense (Ogryzko, 2020). While some operations require strict compliance with norms, in other cases, time- and efforts-consuming procedures are unreasonable. Rozhdestvensky (2020) illustrates it with an example of the Ministry of Defense, which decided to follow six months procedure to make procurement of necessary equipment in circumstances of emergency situation which required a rapid answer and flexibility. The situations when rules are applied although they are not suitable for a particular situation and could lead to serious negative consequences are common among public agencies (Aliushyna, 2020). The dominance of normative approach is reflected in the organization's inability to deal with the untypical situation. While employees are used to effectively deal with routine tasks and follow some patterns in their work, when it comes to adapting to the changing circumstances and responding to the crisis, this could be an extreme challenge for public servants. Since the role of employees is restricted to the implementation of decisions made by management, they feel uncomfortable in situations without a predetermined plan for action. Thus, although the strict application of rules could be effective in delivering daily routine tasks, it does not seem to be of value in unusual situations and leads to the incapacity of public organization to deal with crises which require unusual solutions and thinking 'out of a box' (Rozhdestvensky, 2020).

The problem of normative approach partially stems from a poor understanding of the 'client' that the organization works for. It is a common belief among the public servants that they 'work for the state', which raises the following concerns: 1) the state is an abstract construct, and when used in such context it is not clear whose needs are addressed; 2) the feeling of 'serving the state' is impersonal and state is considered to be a value itself, this does not really reflect the idea of serving citizens and bringing value to people which should be at the heart of civil service in the democratic system. It is argued that these cultural peculiarities are the heritage of the Soviet Union authoritarian regimes where the interest of the state was recognized to be superior over the interest of individual citizens (Aliushyna, 2020). Moreover, the state which was often equal to the interests of the governing elite could have sacrificed human rights and citizens to achieve 'bigger goals' in return. Therefore, these features are reflected in the administrative culture of public agencies which are claimed to be non-customer-oriented organizations (Starodubtsev, 2020). While executing their operations and providing services to the citizens, public agencies do not consider clients' convenience to be a priority. For this reason, many services and processes are designed in the way which makes them time- and effort-consuming for the citizens, who have to follow procedural rules of public organizations. Although some of the processes could be simplified, and customers' experience could be improved, it is not usually the case as the needs of citizens are not recognized to be an important aspect for public agencies.

While some of the rules are overwhelming and functions of different departments overlap, there is usually no enthusiasm in reorganizing the tasks or optimizing the processes. These arrangements are widely accepted and taken for granted in public organizations, which lack a pragmatic view on delivering services and meeting the expectation of the customers. It is also argued that the monopoly of public organizations in providing some services has an adverse impact on the quality of work. While there is no competition and agencies have an exclusive power in delivering some services, the forces pushing public servants to meet clients' needs are limited (Rozhdestvensky, 2020). The practices of collecting feedback from citizens and improving processes taking into account clients' point of view are rare cases in public agencies. On the contrary, the principles of modern public management put citizens as customers in the centre of processes design. Starodubtsev highlights it as an important shift which is necessary for successful reform development: 'We need to provide a better quality of services, to know who is our client, who are other stakeholders... It is necessary to understand what is the value that we create, how we can maximize it and develop better products. Public agencies need to establish a practice of feedback collection and use it to deliver high-quality services' (Starodubtsev, 2020).

6.2.4 Process-oriented vs results-oriented

The cultural environment in public organizations in Ukraine is characterized by the lack of personal responsibility and initiative of individual employees. While in the private sector, the ability to offer new solutions, produce innovations and improve organizational processes is acknowledged and rewarded, in public agencies such features are not always encouraged and appreciated (Aliushyna, 2020). It is argued that individual performance which is used as one of the main indicators for employee evaluation in the private sector, does not play a decisive role in the employment of public servants (Rozhdestvensky, 2020). Specifically, it is a common case when public servants do not demonstrate high-performance indicators but still keep working at their positions for a long period as no formal rules are violated, thus there are no reasons to fire them. The protection of employment is one of the factors which has an adverse influence on the personal motivation of public servants. The connection between performance and consequences for a person's career development is not so obvious as punishments such as downgrading or firing are rarely determined by individual results (Rozhdestvensky, 2020). The recent research confirms that widespread practice among public servants is 'imitating work' while being permanently focused on executing endless formal processes instead of delivering real results (Kyiv School of Economics, 2019). Moreover, the strict subordination and 'power of ranks' makes employees feel that their main role is limited to following the rules and executing decrees of their supervisor leaving no space for experiments and developing an innovative solution to improve organizational performance.

Another cultural barrier which adversely influences results orientation in public agencies is linked to the leaders' inability to accept mistakes. As relations are built around ranks, and hierarchical subordination is at the heart of the system, the managers put much efforts to protect their statuses. For the reason that formal ranks serve as a main source of power, leaders are not able to accept critics as it is considered to be a threat to their power. In this situation, it is the team results and common goals which could be sacrificed to avoid loss of authority by a leader. Therefore, the teams are not always driven by a common concern for outcomes as it is typical to reject challenges which could damage the reputation of managers even if the achievement of shared goals is expected in return. The reluctance to take risks in order to fulfil objectives is also deteriorated by legal responsibility employees of public agencies could face if not all procedures are followed (Starodubtsev, 2020). The public sector is recognized to be governed more by rules than by humans, which leads to the development of process-oriented environment. Rozhdestvensky (2020) points out that public servants in Ukraine for many years were trained to follow the rules and execute decrees rather than thinking, producing ideas and making suggestions to improve the work process in the organization. Consequently, it led

to the emergence of cultural environment where employees ‘do not need to think’, and the main criteria for evaluation is a successful implementation of routines tasks which could be useless and inefficient (Rozhdestvensky, 2020). Such norms dominating in public agencies result in the replacement of real goals and delivering of outcomes by orientation on processes which become goals themselves. This shortcoming is deteriorated as employees put their personal interests over organizational goals and choose ‘the path of least resistance’ even if it could not be suitable for a particular situation or leads to poor results for the organization.

Moreover, it is argued that individual employees do not always demonstrate an understanding of their work and goals they are expected to achieve (Loziuk, 2020). While executing daily tasks, public servants, especially at the lower level of organization, have limited knowledge about their role in the fulfilment of strategic goals of their department or the whole organization (Ogryzko, 2020). Thus, the crucial aspect of changing focus from orientation on processes to results-orientation lies in providing a broader picture of the organization’s mission, its priorities and values it creates for every employee in the organizations. It is crucial to communicate how processes executed by individuals are embedded in the frame of common objectives and how the tasks delivered by individual employees move the organization toward successful achievement of its goals. To overcome the process-oriented mindset and inspire employees to deliver better results, the public servants have to realize they ‘do not lay the bricks but build the cathedral’ (Starodubtsev, 2020). The feeling of personal responsibility at a workplace is a necessary precondition for moving toward an organizational environment which is driven by a common concern for achieving objectives and producing value for society. Only when employees could clearly see their place in the organization, they become proud of their job and strive to be efficient.

6.2.5 Job-oriented vs Employee-oriented

The employer’s responsibility for employees’ social and psychological well-being is widely discussed as an essential aspect of modern organizations. While previously the relations between colleagues had a formal character and were limited mainly to work-related communication, nowadays development of informal connections within a team is becoming a feature which plays a role in organizations’ ability to attract and maintain talents. However, as mentioned earlier, the relations between public servants and their supervisors are usually hierarchical, built on the power of status and the authority of managers (Loziuk, 2020). It is a typical case when the main expectation from the subordinates is to follow the rules and deliver outcomes defined by the chiefs. The reform of public management has to address this issue and transform the focus toward the more

employee-oriented environment. Although the drawback of employment in the public sector is a lower average salary compared to the similar positions on the market, it is the leader's mission to provide other opportunities for employees which make public agencies attractive and development-oriented workplace (Ogryzko, 2020). Starodubtsev (2020) highlights that because of limited financial resources, it is especially important for public organizations to find non-financial motivation for public servants. In this situation, one of the main goals of public organizations reform is to foster an environment where employees can be in the permanent process of learning and self-development, thus can feel they are growing together with the organization (Aliushyna, 2020). While most managers are focused on performance indicators and put employees under pressure to achieve results, the new organizations require the achievement of a balance between organizational goals and personal goals of employees. To fulfil it, each manager has to build a system of competences development, which could align organizational needs with employees' interests and ambitions (Starodubtsev, 2020). Likewise, to engage employees in the work process, it is crucial to demonstrate and further communicate what the personal role of each employee in achievements of organizational objectives is, and how they can benefit from its fulfilment is (Aliushyna, 2020). The interviewees point out that finding this balance and understanding a professional needs and interests of individual employees is first of all the tasks of direct supervisors (Starodubtsev, 2020). The managers are expected to build close relations with the subordinates and determine their prospects within the organization, showing what their professional opportunities are and how their potential could be realized. It is discussed that supervisors should know both strengths and weaknesses of the employees and allocate tasks and responsibilities respectively. Rozhdestvensky (2020) argues that in a system which is oriented on the processes and tasks implementation, there is limited space for 'human' aspects at a workplace. In such arrangements, employees' well-being and job satisfaction fade into the background of performance and outcomes. On the contrary, modern organizations are expected to demonstrate care for employees, their psychological well-being and provide support if needed.

Although the lack of competent professionals in the public sector in Ukraine is highlighted to be a serious issue, it is also claimed that for talented employees, public agencies could offer many opportunities to realize ambitious projects. Aliushyna (Aliushyna, 2020) argues that the main benefit of working in public agencies is a great social impact that employees could make. Since many of these projects are aimed at improving public services or quality of life, it is a feeling of professional acknowledgement which keeps employees motivated. Likewise, working in the public sector could be related to the implementation of large-scale projects which influence a wide range of stakeholders and is not that common in the private sector. Consequently, it

could be a factor of attractiveness for employees who have ambitions of making a great social impact but have no chance to realize it in private companies. Therefore, working with these expectations and articulating the importance of social impact delivered by the public organization is an essential task for leaders in public organizations to keep employees involved and foster a feeling of personal contribution. Additionally, it is argued that career growth and promotion happen in public organizations more rapidly compared to private companies, which are characterized by a higher level of competition. Likewise, to identify employees' abilities, the supervisors are expected to establish direct contact with the employees and see their opportunities within the organization and help to develop necessary competencies for further promotion (Loziuk, 2020). The role of managers is crucial in providing mentorship and support to the employees, so they feel comfortable at a workplace and can ask for help if needed (Starodubtsev, 2020). The public servants should feel their work is socially valuable, and the employer is interested not only in organizational results but also in employee's development (Ogryzko, 2020). It has to be ensured that public servants have sufficient opportunities for growth in the workplace and could achieve a certain level of social and psychological well-being. The balance between orientation on performance, on the one side, and personal safety and satisfaction of employees at a workplace, on another side, has to be found and fulfilled.

6.2.6 Open system vs Closed system

The special legal status of public servants, as well as their exclusive power and competences to execute decisions on behalf of the state, make employees of public agencies a unique class of society. In Ukraine, this distinctiveness of public servants as a separate group of professionals is especially evident because of historical preconditions when acceptance to the public service was possible only through personal connections and loyalty to the top managers of the organization. Since the recruitment was not based on merit-based principles and was characterized by the lack of transparency, the image of public servants as a closed group of society with its privileges has emerged. Moreover, this group was also associated with access to the power and opportunities to influence important decisions, which made it a superior class of employees. As a result, public service still has the image of a closed group which is difficult to enter, and which accepts only loyal employees. Starodubtsev (2020) argues that it is a serious issue, and this barrier has to be eliminated, so civil service has to become the usual profession with clear and transparent 'entry' mechanisms.

The public servants in these circumstances became an extremely homogenous group which is characterized by a lack of diverse positions, views and values. While this unity could have a positive impact such as high effectiveness and high performance, it

brings even more drawbacks and threats. Rozhdestvensky (2020) highlights that when the team reaches a state of 'over cohesion', it becomes rigid and demonstrates an inability to react to changes in the environment. The closed community is also hostile to the newcomers and especially to the professionals with no background in public service. Starodubtsev (2020), who himself came to the public sector after many years working in the stock market, has experienced a lack of trust and even unfriendly atmosphere as 'outsider'. He highlights that public servants were trained for many years to follow the certain pattern of behaviour and were treated as a special caste of employees; thus they are reluctant to open their group to experts with alternative experience and system of values. The employees are sceptical when it comes to the new methods of organizing work processes and demonstrate a lack of enthusiasm when transformations are pushed by the newcomers at top positions. The common attitude among public servants is that professionals from other spheres have no idea about 'how things work here' which cause distrust and could adversely influence the organization's performance and relations in the team (Aliushyna, 2020). The recent research of organizational culture in the public sector in Ukraine revealed the serious issue related to discrimination based on ranks and work experience in public organizations (Kyiv School of Economics, 2019). The less experienced and low-level employees feel under the pressure of their colleagues who express superiority in their relationships with newcomers and less privileged employees.

Ogryzko (2020) emphasizes that public organizations are closed not only in communication with external partners such as business or non-profit organizations but also in inter-department communication. The typical characteristic observed in the public sector is the reluctance to cooperate and share information with colleagues which are supported by a counterproductive atmosphere of competition. On the behavioural level, it is reflected in a lack of commitment to engage actors with different expertise and consider the issue from several perspectives. Public agencies have no tradition of consultations with non-governments stakeholders as well as sharing ideas and information within their own organization between different units. The closed system which does not tolerate diversity of approaches and views is especially adverse when it comes to problems which require efforts of different actors and their coordinated actions (Ogryzko, 2020). The inability to unite internal and external stakeholders leads to a narrow picture of the situation and poor-quality decisions. Oppositely, the new vision of public management is focused on fostering horizontal communication both within and among public agencies to ensure smooth coordination of efforts and to avoid overlaps in their functions. The idea of network-based policy development and partnership is at the core of public management reform and includes consultations with a wide range of stakeholders who could contribute to policy development and implementation. For this reason, the cultural shift from closed system behaviour to open communication and

tolerance to diversity is a necessary precondition for the establishment of new principles of public management.

The establishment of public service as a closed system and its privileged status as a professional group is in contradiction with the democratic principles of modern public management. The accountability is becoming more important with the development of new technologies which enable better communication with citizens and provide more opportunities to improve transparency in public organizations. Likewise, the need to make a system open is also related to the rising expectation of the citizens and spread of participative democracy mechanisms. In these new circumstances, the role of citizens is significantly transforming, and public agencies have to respond to these changes and move toward the more open organizational environment. Within the new vision of administrative culture, accountability is defined to be one of the priorities which include both increasing transparency of internal processes within organization as well as the development of tools to involve citizens in decision-making and policy development process. These relations require a change of mindset and skills of collaboration where different stakeholders are recognized to be valuable in their attempts to improve public policies (Ogryzko, 2020). It is necessary to overcome the image of public servants as a superior group of society and instead move to the idea of serving society and creating value for a wide range of citizens (Starodubtsev, 2020). For this reason, public organizations need to foster the practices of collecting feedback and work with ideas and suggestions as well as critics which come from the external environment. Rozhdestvensky (2020) points out that when the organizational environment is self-focused, and the group is homogenous, the organization loses its ability to hear the alternative positions and ideas, which in turn hinders its ability to develop. When the organization is non-responsive to the feedback, and the visions of limited groups are represented, the threat of organizational degradation arises, which leads to the inability to fit the changing context and needs. At the same time, the reform of public management includes improvement of coordination efforts between different agencies and stakeholders which take part in policies development. For this reason, the organizational commitment to collaborate, build a dialogue with diverse partners and develop relations with actors outside the organization become especially useful principles which should be fostered within agencies (Aliushyna, 2020). The values which enable the introduction of network-based process of decision-making and management of different interests and expectations is possible through opening of public agencies to 'outsiders' and tolerance to diversity.

6.2.7 Loose vs tight control

Public agencies are considered to be significantly regulated organizations with strong systems of control. It is explained mainly by the nature of public organizations and

the fact they operate using public funds and thus, should represent interests of the public. However, the tight control mechanisms of public agencies which are aimed at ensuring transparency could have an adverse influence on the organization's performance and effectiveness. The complicated control procedures together with hierarchical management practices, create an environment where employees are under the pressure and fear of making a mistake. Although in some cases, the tight control could be justified, in other situations it leads to uncomfortable work conditions where employees put efforts on compliance with control systems rather than focusing on effective implementation of the tasks. Oryzhko (2020) considers the tight system of control to be a 'skeleton' of public service in Ukraine. Specifically, it is represented in the authoritarian style of management, which is based on hierarchical subordination instead of building horizontal collaborative relations among employees. Well-coordinated teamwork and effective coordination rely not on control mechanisms and punishment but on trust and good personal relations between colleagues. It is challenging to ensure the atmosphere of trust and teamwork when employees permanently find themselves to be under the control of the managers and experience a fear of making 'a wrong step'.

The principles such as cost-consciousness and punctuality are highlighted to be positive sides of administrative culture, which are also reflected in a responsible attitude among public servants toward the execution of the tasks. Starodubtsev (2020) claims that regardless of drawbacks related to process-oriented culture and strict compliance with rules, the feeling of duty is an important value of public organizations' employees. In practice, it means that behaviour of public servants never goes in opposition to the rules and managers can always rely on their subordinates in timely and diligent execution of the commands. This discipline could be a benefit when it comes to routine tasks which do not require unusual solutions and could be solved based on predefined procedures. Nevertheless, in the situations of emergency or crisis, the strict application of control mechanisms could be a serious burden which hinders rapid response to the challenging circumstances. The tight control results in organizational rigidity and lack of flexibility, which is one of the main point of critics of public agencies (Aliushyna, 2020). Since organization responsiveness and ability to adapt to changing context are important goals of public management reform, the issue of the control mechanism is addressed to eliminate unnecessary barriers in public organizations. Stabodubtsev (2020) says that overcoming these burdens is possible only if the rules which hinder organizational effectiveness and do not add value for the agency are ignored. Although in his opinion, discipline is an important aspect of public organizations, many procedures are overwhelming and do not allow employees to focus on the achievement of real results. For this reason, in NAUCS the practice of violating minor rules and using informal channels of communication was tolerated if the organization could fulfil better goals in

return. Aliushyna (2020) points out that organizational culture could be transformed only through a change of behaviour and the managers at top positions play a decisive role in this process. Thus, it is crucial for leaders to demonstrate that outdated and time-consuming practices have to be eliminated and initiate changes of the useless procedure and report systems. Then, employees have to realize that if the existing procedures of control are overwhelming or overlapping, it is their responsibility not to follow these rules and waste resources but to speak up and make necessary changes which could improve work processes.

The tight control system determines the administrative culture of public agencies, which is over-formalized and replaces trust with control (Ogryzko, 2020). The official style of communication and bureaucratic procedures of decision-making leave limited space for collaboration and creativity, thus have a negative impact on the organization's ability to innovate and achieve better results. While all interactions have formal character, it is challenging to develop personal relations which could foster trust and development of high-performance teams. Rozhdestvensky (2020) highlights that to minimize bureaucratic procedures which are aimed at ensuring control, organization have to digitize mechanisms of control, eliminating human factor and formalism associated with traditional reports and approvals. These changes are necessary not only to improve the organization's efficiency but also to get rid of the culture of control which is enhanced by formal communication and has an adverse influence on work dynamic. On the contrary, modern organizations require the environment of teamwork and collaboration, which could emerge only in circumstances of trust and concern for common achievements (Ogryzko, 2020). Thus, the system of control is an intrinsic characteristic of public agencies, and public servants are expected to be driven by public interest and rely on principles of cost-consciousness in their work. However, every mechanism of control needs to be justified and applied only if necessary to ensure that principles of accountability and transparency are achieved.

6.3 Summary: cultural determinants of public management reform

The transformation of organizational culture is recognized to play a crucial role in public management reform. Although the need to adjust the cultural environment to the broader goals of public management changes is evident, it is not uneasy matter when it comes to practice. The experts claim culture to be a foundation and a necessary precondition for further transformations in public agencies. To fulfil the goals of reform, cultural dimensions have to be aligned with the new principles of public management and enhance the process of organizational changes. Although the findings of the case study show that all of the dimensions need to be addressed, the role of some elements is especially important and could be a trigger for the transformation of other elements. As

analysis reveals, different components of culture are closely interrelated, and changes in one dimension could have a significant impact on other aspects of culture. Specifically, the main findings of a case study could be summarized in the following table:

Power distance	<p>Could be considered as a central dimension which determines relations in the organization and plays a crucial role in the development of the overall cultural environment. In the case of NAUCS the current state of relationships between managers and middle-level employees is considered to be a serious barrier in the process of modernization. In particular, it is claimed that large gap in power leads to issues such as lack of initiative among employees, loyalty-based appointments and promotion, poor internal accountability and closed process of decision-making as well as underdeveloped capabilities of responding to the challenges and changes. The implications related to significant power distance are incompatible with the new principles and priorities of public management reform. Specifically, the cultural environment which relies on ranks and statutes is not favourable for collaboration and effective teamwork; it is a serious barrier for organizational flexibility as well as an issue for fostering initiative and creativity among employees who experience a fear of punishment as a result of disagreement with superiors.</p>
Uncertainty avoidance	<p>The public sector is characterized by a high level of predictability, which makes public servants intolerant to ambiguous situations. Well-defined processes and rules compliance limit employees' tasks to the application of procedures, leaving no space to personal initiative. Thus, it leads to the establishment of uncertainty avoidance mindset where employees feel uncomfortable in unpredictable circumstances. As a result, public servants are reluctant to introduce work methodologies which could lead to better performance but are characterized by less predictable outcomes and require flexibility from employees. On the contrary, it is preferred that all tasks are allocated beforehand, and each employee has an area of responsibility. Hence, it impedes smooth horizontal cooperation and exchange of ideas within organizations. Likewise, many projects require organizational flexibility, continuous revision and adjustments to the changing conditions, which does not work well in a cultural environment that rejects uncertainty and risks. The dimension is especially strong in public organization because of long-life employment and complicated procedures of firing public servants, leads to organizational rigidity. Therefore, although public organizations are expected to ensure a certain level of predictability, it is necessary to bring more flexibility and commitment to permanently adapt to changing factors of the environment.</p>
Process-oriented vs result-oriented Normative vs. pragmatic	<p>Pragmatism and results-orientation are interrelated characteristics which should be addressed comprehensively. The overwhelming rules and norms could constitute serious barriers for results achievements and deteriorate organizational effectiveness. The system of complicated procedures and red tape shift employees' focus from the tasks and goals of the organization to the processes execution with no sense of broader objectives they are aimed to fulfil. Both, normative attitude as well as process-orientation not only adversely influence organizational performance but also its ability to think 'outside the box' and offer innovative solutions as public servants are expected to follow routines instead of figuring out the best way of delivering results. Hence, these arrangements are in contradiction with the priorities of public management reform and require revision and adjustment. At the same time, because of the scope and functions, public organizations are intended to deliver, they require a well-defined system of rules and processes which could be more complex than in other types of organization. However, it is necessary to simplify the work processes</p>

	and give employees an opportunity to focus on important aspects of work and create some value for the organization instead of implementing mechanical tasks. The organizations should step out from mindset where the process is considered to be a goal and try to put more efforts in bringing better results and value for the society.
Job-oriented vs employee-oriented	Fostering employee-oriented environment is becoming more essential dimensions for modern organizations, including public agencies. It is especially relevant as financial rewards for public servants are on average lower compared to the private sector. Since public organizations have limited financial resources, it is crucial to provide other opportunities and benefits which make a job in public organizations attractive to talented employees. In this context developing employee-oriented environment could be a part of a solution aimed at involving and maintaining talented employees. In particular, the contribution of public servants and the social impact they deliver need to be recognized, and mission of civil service has to be communicated, so each employee could experience the feeling of acknowledgement and 'making a difference'. Providing opportunities for professional growth and determining prospects for each employee should be a common practice. Ensuring that employees can realize their potential at a workplace and have a comfortable work environment is an important factor in the establishment of new principles of public management.
Open system vs closed system	It is widely recognized that public organizations are internally oriented systems which are characterized by the homogenous environment. As the results of recent research of NAUCS confirm, public agencies are rather closed communities which are hostile to 'outsiders' such as managers coming from other spheres than the public sector (Kyiv School of Economics, 2019). It is an issue that public servants are reluctant to develop network relations with other organizations such as private companies, non-profit organizations and international partners. While the reform of public management is aimed at developing horizontal collaboration between a wide range of stakeholders, the reluctance to establish relationships with partners is a serious burden hindering this process. To overcome this barrier, it is necessary to make public organizations more tolerable to external actors, who could add value and positively influence policy development and implementation. Transforming toward openness and acceptance of diversity could make organizations more susceptible to inputs from the external environment. The representation of diverse interests in policy development is one of the objectives of the reform; hence one of the steps in this process is fostering more open culture in public organizations.
Loose vs. tight control	Public organizations are claimed to suffer from tight control systems. Although public agencies operate using public funds and are supposed to be accountable for their actions, the excessive control mechanisms could bring issues to the organization and its ability to deliver outcomes. In particular, it leads to inflexibility and lack of adaptability, which are serious drawbacks in case the organization has to deal with an unpredictable or emergency situation. The strict compliance with control mechanisms results in poor work dynamic and slow pace of work processes. Another culture-related issue is that tight control system leaves no space for trust-based relations, which prevents collaboration and effective teamwork. Likewise, this dimension is connected to uncertainty avoidance and fosters risks-aversion mindset among civil servants who experience fear of making mistakes and taking risks as they are permanently under the pressure of control and punishments.

Table 2: role of cultural dimensions in public management reform: summary

Besides the cultural dimension, other human-related aspects were revealed to play a major role in the cultural transformation of public organizations. For instance, leadership is repetitively emphasized to be closely related to administrative culture and organizational transformation. Leadership and culture could be considered as ‘two parts of the same coin’ (Schein, 2004) since leaders have significant power in changing established norms and values. Likewise, ‘leadership by example’ is claimed to be one of the decisive factors in changing organizational culture. The cultural dimensions could transform through the change of behaviour, and leaders in this process could show example and engage employees to follow new patterns of behaviour. In particular, NAUCS is a successful case of such changes which were driven by new managers at the top positions who started new practices to reflect values through visible artifacts. For instance, the physical environment was changed in the way to ensure better cooperation between employees, the practice of informal meetings was introduced to bridge the gap between top- and middle-level employees, as well as new rules of dress code, were initiated by managers to get rid of unnecessary formalism. These steps taken by leaders could serve as a signal for the employees to understand what are new values that the organization is intended to develop.

In addition, the public service in a particular country could operate based on some general values which reflect national culture elements as well as norms intrinsic to public agencies. Although some uniting values could be defined for all organizations, it is also necessary that each organization develops its own values and determines acceptable behaviour engaging all employees working for the organization. Unless employees do not agree on the ‘rules of the game’ and define what values are at the heart of the organization, these values could not be transformed into actions and decisions. For this reason, it is recommended for public agencies to highlight organizational culture as an essential topic for the organization and make sure that values are not only formally defined and imposed but really reflect assumptions and beliefs of employees. Thus, to make culture ‘work’, employees have to take part in determining what organization’s values are and how they could be reflected on the behavioural level. To develop effective culture, it is crucial to achieve commitment from employees to follow the organization’s norms which is possible only if these norms are understood and reflect employees’ values and beliefs.

All in all, the administrative culture of public organizations could be both driver and a barrier for public management reform. If culture-related aspects of reform are not properly addressed, the issues could arise and slow down the process of transformation in public organizations. To successfully fulfil new principles of public management, the administrative culture should be adjusted, so it lays the ground for further transformations. As the case study demonstrates, some cultural dimensions play an especially important role and could be triggers for change of other dimensions.

Specifically, the power distance needs to be reduced, so it could also lead to mitigation of control systems, fostering the trust and providing more opportunities for employees to speak up and share their ideas. Likewise, putting employees in the centre of the organization is another step which could facilitate the development of employee-oriented work environment, that enhances the engagement of the professionals, fosters self-development culture and aligns personal motivation of employees with organizational goals. In addition, transforming public agencies into open system organizations is another cultural change which could be of value in the process of public management reform. Moving from internally oriented systems and image of public servants as a special caste of employees is a necessary precondition to establishing network-based policy development and involvement of diverse stakeholders.

To conclude, the transformation requires a comprehensive approach and engagement of employees, permanent communication on the delivered changes as well as the commitment of leaders who have significant power in the cultural transformation of public organizations.

7 Discussion

The thesis is built upon the existing body of literature on cultural aspects of public sector organizations and is intended to contribute to the research by reducing the theoretical gap and providing some practical insights on the process of cultural transformations. Although the issues of public management reforms are widely discussed, in practice the cultural aspects of public management reform are often neglected, which results in the reform failure or significant obstacles in the process of organizational change (Koci, 2007).

The literature on the administrative culture and its change in the context of public management reform is rather fragmented. Pollitt and Bouckaert (2011) consider culture as a key component of politico-administrative system and apply it in a comparative study to explain the difference in administrative systems across Europe. Christensen (2012) points out the complexity of cultural arrangements in post-NPM, emphasizing that the modern public organizations do not rely on the one particular model of management but are guided by diverse approaches, which make it challenging for leaders to determine the vision of administrative culture in the process of organizational transformation. The theories of post-NPM approaches, such as Dunleavy (2005), Bovaird (2009) and Osborne (2006) heavily criticize the negative implications of NPM and offer new models of management which are based on shift to 'soft' components, however, do not elaborate a coherent vision of administrative culture in the modern organization. Likewise, the analysis of the literature showed that public management reform and administrative culture are usually addressed as separate issues. Thus, the thesis is aimed to embed the topic of administrative culture in the discussion about public management reform and determine the cultural dimensions which have to be adjusted as a part of the transformation process. With this purpose, it relies not only on the concept of organizational culture but on politico-administrative culture as a unique phenomenon with its distinctive characteristics which are often overlooked in the studies of public organizations. While the studies of organizational culture are criticized for the lack of clarity in the use of the terms and a theoretical vagueness (Thompson, 2007), in the thesis the dimensional approach is applied to clearly define the elements of the culture and avoid ambiguity. Following the framework of Hofstede (2010), the thesis sheds light on each dimension of organizational culture and its role in the process of public management reform, which are summarized in table 2. The methodological approach applied allows to capture practical aspects related to the issue of administrative culture in public organizations and built conclusion based on the real-life situations.

The results of the study indicate that administrative culture plays a major role in organizational change and could be both a barrier and a driver of the public management reform. When the cultural aspects are addressed as an essential element of the

transformation process, it could serve as a foundation for further organizational changes. On the contrary, underestimation of administrative culture as a significant force within the organization could result in the reform failure. The case study revealed that some of the cultural dimensions play a central role as factors influencing the development of public management reform, while other dimensions have a limited impact on the achievement of expected outcomes. Specifically, the dimension of power distance is most widely recognized to be essential for developing horizontal communication, network-based decision-making, encourage a generation of the ideas and personal initiative of the employees. It could be argued that it is closely connected with other aspects of culture and reducing the power distance in the organization could push the transformation of other dimensions. Similarly, fostering employee-oriented climate is a necessary precondition for introducing new principles of management and improving the organizational environment. Public servants who are motivated to deliver valuable outcomes are essential for moving toward the development of the effective, innovative and customer-oriented organization. For this reason, providing opportunities for personal development in a workplace and ensuring that employees could realize their potential is a factor which could significantly enhance the process of management reform. Building strong personal relationships in the team and developing trust is another aspect of the employee-centred organization, which could lead to positive results such as effective teamwork and collaborative inter-sectional projects. On the contrary, the dimension of uncertainty avoidance has relatively insignificant influence on the process of reform. Although the barriers related to risk-aversion and fear of unpredictable situations exist in the public service, it does not seem to be a serious issue. Moreover, it could be adjusted through a change of other dimensions such as orientation on results or development of employee-oriented environment. Similarly, the system of tight control which is at the heart of public agencies is partially justified by the nature, scope and functions of public sector organizations, thus does not require a radical change compared to other dimensions. Even though it influences work dynamic and could contradict the establishment of relationships based on trust, it is not defined to be an essential aspect which could hinder the development of the reform.

All in all, the thesis summarizes the main findings which are derived from the empirical data and are based on the real examples of organizational transformation in the process of public management reform. It could be of value to better understand what cultural dimensions need to be addressed in order to overcome cultural barriers in the development of new principles of public management. While the analysis of the literature revealed lack of clarity in the discussion regarding particular elements of administrative culture which influence the transformation processes in the public sector, these findings could be considered as a step in extending the knowledge of the topic.

8 Conclusion

This thesis addresses the issue of administrative culture in the context of public management reform and is aimed at determining cultural dimensions which could enhance the transformation of public management. In line with the current discussion on the culture-oriented changes in the public sector, this study was intended to contribute to the research of administrative culture and its role in the implementation of new principles of public management. Based on the analysis of the literature, the research gap in the field was identified, and the direction of the study was determined, which could have both theoretical as well as practical implications. In order to address the problem, the case of NAUCS, the organization which is in charge of the transformation of administrative culture as a component of public management reform in Ukraine was investigated to gain insights on the topic.

In order to answer the research question, the objectives were defined, and the corresponding structure of the thesis was determined. In particular, the literature review provides the theoretical background of the research with an overview of the main approaches to the culture, including the models, which are applied to operationalize the phenomenon of the culture (multi-layer models and dimensional approach), defines the role of national values and culture in the development of the politico-administrative system of the country (Hofstede, Inglehart, Welzel) and outlines the administrative culture as a unique system of norms and values of public organizations (*objective 1*). Then, the problem was analyzed precisely, providing investigation of the main cultural barriers which hinder the process of public management reform together with an overview of the main principles which are at the core of modern public organizations and should be introduced as a part of the reform. It reveals how the models of management, which were previously dominant, established cultural norms which go in the contradiction with the new vision of administrative culture (*objective 2*). In order to address the defined problem, the research design was determined that is developed according to the research goal and aims at answering the research question. Specifically, the study is designed as qualitative research where the exploratory case study is determined to be a suitable method to investigate the phenomenon of administrative culture (*objective 3*). In order to answer the research question, the case study of NAUCS as an organization, which delivers cultural transformation in the public sector, was conducted to investigate cultural aspects of public management reform. The main *objective* (4) of the case was to define what dimensions of administrative culture have to be addressed in order to enhance the development of the public management reform. In this process, the data was collected, that includes ideas, conclusions, thoughts and insights which are based on practical examples of cultural transformation from the experts involved in the reform. It was further

categorized, analyzed, and generalized and main findings are presented in summary and discussed below.

Giving the answer to the research question, which is ‘*What are the dimensions of administrative culture which could enhance public management reform?*’, it could be stated that all dimensions require adjustment to the new principles of public management. However, the dimensions could be divided into two categories, where the first group of dimensions is essential for the reform development and could be a trigger for a change of other cultural elements. The second category consists of the dimensions that do not require a radical transformation, what is partially justified by a unique character, functions and role of public organizations in the society. Specifically, *the dimensions of administrative culture which could enhance public management reform are the following:*

- 1) *power distance* is a central element which determines relations between top management and employees leading to formalism as a prevailing style of communication, lack of trust which is replaced by control systems and organizational rigidity. Hence, reducing the power distance is one of the necessary steps, which could encourage the collaborative mindset, orientation on results achievement, the better quality of decisions through discussions and more space for the personal initiative of employees;
- 2) fostering *employee-oriented* climate on the opposition to the job-oriented environment could result in employees’ commitment to delivering greater outcomes, better involvement of employees, encourages ‘pull’ attitude to work among public servants as well as strengthens organization’s ability to attract and maintain talented employees;
- 3) the dimensions of process orientation and normativism are defined to be closely related and should be addressed comprehensively through the movement toward *pragmatic and results-oriented mindset* in public organizations. Although management of complex systems requires application of procedures and rules, the goals and strategic priorities of the organization should not suffer from overwhelming procedures which hinder organizational effectiveness, create barriers for horizontal and vertical collaboration and adversely influence organization’s ability to produce innovative ideas.

Then, the dimensions, which have to be adjusted to the new principles of public management but are considered to have less impact on the process of reform development (or which could be changed as a result of the transformation of other dimensions) are the following: 4) the *tight control* systems have to be eliminated and applied only if necessary to avoid abuse of power or violation of law instead of being a central dimension of administrative culture which leads to risks aversion and fear of making mistakes. On the contrary, developing trust instead of overwhelming control tools could enhance collaboration, exchange of information and ideas and improve organizational flexibility. However, the strict control is partially justified by the nature, scope and functions of public organizations; thus, could exist to a certain extent to ensure accountability and

transparency of processes of public agencies. In addition, it is expected that shift toward pragmatic and result-oriented dimension will reduce the overwhelming principle of control in public organizations; 5) the uncertainty avoidance could be an obstacle of organizational change, however, could be eliminated through adjustment of organizational rules such as protected employment and change of isolated organizational structures; 6) transforming public organizations into *open systems* which are responsive to external inputs and foster diversity within an organization is an important cultural change which facilitates the reform process. At the same time, distinguishing public servants as a unique group of professionals could also have a positive side if this self-identification is based on the idea of serving citizens and respective ethic of public service. In addition, the problems related to closed systems, such as intolerance to the 'outsiders', could be solved by fostering the dimension of the employee-oriented organizational environment.

Although the cultural aspects of public management reforms are both theoretically and practically neglected compared to other elements of reform, a deliberate and comprehensive approach to its transformation is required. The cultural changes are claimed to be more time- and effort- consuming than structural or legislative adjustments, therefore should be addressed as one of the priorities of the reform. The findings of the study demonstrate that the transformation of administrative culture could be successful in the achievement of its goals if leaders show commitment to change cultural dimensions which hinder effective development of reform and become the 'carriers' of the new values showing examples of new behaviour to employees. Likewise, the new 'rules of the game' and cultural norms have better chances to be established in the organization if employees are actively involved in discussions on cultural issues and participate in developing the new vision of the administrative culture of the organization. The transformation is possible if the new values and beliefs do not contradict with employees' basic assumptions, and public servants share the idea of a new culture and behave according to commonly defined values.

All in all, the thesis has limitations and shortcomings; therefore, the findings and conclusions have to be interpreted carefully. First of all, the study is based on one case study, which provides a limited amount of data and, thus, is not exhaustive. Likewise, the case study as a qualitative method is based on analytical generalization, which is not as accurate as a statistical generalization in quantitative methods. Another weakness is contextual limitations as the case is focused on empirical evidence from one particular institution in Ukraine which operates in its unique cultural and political context as well as has a heritage of previous administrative and political regimes that determine its distinctive culture. In this sense, context plays a significant role since it constitutes the forces which shape the administrative culture of a particular organization. Thus, the

conclusions could not be applicable for the organization, which operate in the environment which is significantly different. It could also be argued that the case study requires involving employees at the lowest level of the organization as interviewees to represent a wide range of perspectives and cover positions of both top managers and subordinates, while this case is based on interviews with top- and middle-level managers. Consequently, although the findings of the thesis contribute to the field of research by shedding light on the role of cultural dimensions in public management reform, the study has limitations and results should be interpreted carefully and with consideration of outlined shortcomings.

Based on these limitations, future research could be focused on extending the empirical data and investigating more cases from a cultural perspective. Further research could include analysis of more organizations which operate in a different context, so it is possible to compare how environmental factors could determine the organizational culture of public sector organizations. In addition, the thesis is focused mainly on dimensions of administrative culture, which has to be addressed as a component of public management reform to align it with the new principles of public management. However, it does not go into the detail of how the transformation should be delivered, leaving more opportunities for future studies on change management and cultural transformations in public organizations. Specifically, one of the major shortcomings in the current state of research is lack of framework which could comprehensively describe the phenomenon of administrative culture as a unique type of culture as well as lack of practical guideline which could enhance management of organizational culture in the public sector.

All in all, the thesis is aimed to reduce the research gap and provide a practical value in the field of administrative culture and its role in public management reform, however, more questions remain unanswered which lay the ground for the further studies.

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Appendix

Appendix 1: Literature review concept-centric table

	National culture as determinant of subcultures	Role of values in socio-political system	Organizational culture	Culture as independent variable in organizations	Administrative culture as a unique type of culture	Culture as a component of public management	Cultural barriers in PSOs	Organizational culture as an element of PMRs	Post-NPM reforms	Administrative culture in post-NMP reforms
1 Anechiarico (1998)	x			x	x	x	x	x		
2 Colgan et al. (2014)		x				x	x	x	x	x
3 Bardach (1998)		x				x	x	x		
4 Barney (1986)			x	x						
5 Bolivar (2015)				x	x	x	x	x	x	x
6 Bovaird (2009)			x	x	x	x	x	x	x	x
7 Boukamel & Emery (2019)	x		x	x		x	x			
8 Cameron (2007)			x	x						
9 Cameron & Quinn (2006)			x	x						
10 Christensen (2007)			x	x	x	x	x	x	x	x
11 Christensen (2008)			x		x	x	x		x	x
12 Christensen (2012)	x	x			x	x	x	x	x	x
13 Denison & Mishra (1995)			x	x						
14 Dunleavy (2005)			x	x		x	x	x	x	
15 Dunsire (1988)	x	x				x				
16 Dwivedi (2005)	x	x			x	x	x	x		
17 Dwivedi et al. (1999)	x	x	x	x	x	x		x		
18 European Commission (2018)	x	x					x			
19 Gordon (1991)			x	x						
20 Gregg (1965)	x	x	x							
21 Hofstede et al. (1990)	x		x	x						
22 Hofstede et al. (2010)	x	x	x	x						
23 Johnson et al. (2005)	x		x	x						
24 Heeks (2006)			x	x		x	x	x		
25 Hofstede (1998)	x		x	x						
26 Hofstede (2001)	x	x	x	x						
27 Hofstede (2011)	x		x	x						
28 Hood (1991)		x				x	x	x		
29 Hughes 2003			x			x	x	x		
30 Huntington (1997)	x	x								
31 Inglehart (2005)	x	x						x		
32 Jamil et al. (2009)	x	x		x	x	x				
33 Jamil et al. (2013)				x	x	x	x	x		x
34 Jamil (2002)	x	x		x	x	x	x			
35 Killian (2008)			x	x		x	x	x		
36 Koci (2007)	x	x	x	x	x	x	x	x		
37 Lawson (1992)			x	x		x		x		

Appendix 2: Interview Questionnaire

Introduction questions

- Could you please introduce yourself? What is your positions? How are you/have you been involved in the public management reform? What are your main functions and responsibilities?

General questions & background

- What are the main goals of current public management reform? What is the place of public service transformation?
- What are the main challenges of the reform?
- Which elements of national culture are reflected in the administrative culture of public organizations?
- How would you characterize administrative culture of public sector organizations in Ukraine? What are the main factors/forces influencing development of this culture?
- What are the main cultural challenges you can outline which hinder the process of transformation?

Dimensional questions

(adapted from Hofstede, G., Neuijen, B., Ohayv, D. D., & Sanders, G. (1990). Measuring Organizational Cultures: A Qualitative and Quantitative Study Across Twenty Cases. *Administrative Science Quarterly*, 35(2) and Wu, M., Taylor, M., & Chen, M. (2001). Exploring societal and cultural influences on Taiwanese public relations. *Public Relations Review*, 27(3), 317-336.)

Power distance

- How would you characterize the relations between top managers and middle- low-level managers in public organizations? (How these relations are transforming in the process of reform? Can you illustrate with an example?)
- Do subordinates have an opportunity to express disagreement with their superiors? Do employees experience fear to express their own opinion? (How these relations are transforming in the process of reform? Can you illustrate with an example?)
- How does the process of decision-making look like? Do managers involve employees affected by decisions to the discussion, so they can express their positions? (How these practices are transforming in the process of reform? Can you illustrate with an example?)
- If a strategic decision is made by the top management, are the reasons staying behind these decisions explained and communicated to other team members?

(How these practices are transforming in the process of reform? Can you illustrate with an example?)

Uncertainty avoidance

- How do civil servants typically deal with the situations of ambiguity? Do they feel comfortable/uncomfortable in unknown or changing circumstances? (Can you illustrate with an example?)
- Do employees prefer following the rules even when they consider the rules to be inappropriate for the situation? Or do they prefer to discuss the situation and find a better solution? (How these practices are transforming in the process of reform? Can you illustrate with an example?)
- Are the responsibilities clearly divided among the employees, so the ‘borders’ of each task are defined for the employee and strictly followed? Or the tasks could be periodically adjusted and reallocated if needed to achieve better results? (How does it change in the process of transformation? Can you illustrate with an example?)
- Is the security of employment ensured for civil servants? What role does it play in civil service employment? Should this principle be kept further? Why? (How does it change in the process of transformation? Can you illustrate with an example?)

Process-oriented vs results-oriented

- Would you characterize public service work environment as dominated by technical and bureaucratic routines or rather results-oriented are driven by a common concern for outcomes? (How does it change in the process of transformation? Can you illustrate with an example?)
- How do employees interact with each other? Is the formal way of communication preferred or more informal style of dealing with each other prevails? (How does it change in the process of transformation? Can you illustrate with an example?)
- Are the mistakes tolerated at the workplace? Do employees have a comfortable environment to experiment and take risks to achieve better outcomes? (How does it change in the process of transformation? Can you illustrate with an example?)
- Is the initiative rewarded in the organization? Are the employees encouraged to speak up and offer innovative ideas? (How does it change in the process of transformation? Can you illustrate with an example?)

Normative vs Pragmatic

- Does the compliance with procedures and strict application of rules is recognized to be superior over achieving outcomes and meeting customers' needs? Are there any situations when violation of formal procedure could be justified? (How does it change in the process of transformation? Can you illustrate with an example?)
- How are the needs of customers addressed? Does a practice of evaluating processes and services from citizens' perspective exist (in order to gain insights about user experience)? (How does it change in the process of transformation? Can you illustrate with an example?)
- Does the professional ethic of public service play an important role in practice? Could any ethical principles be violated if needed to achieve an expected result? What are the consequences of such behaviour? (How does it change in the process of transformation? Can you illustrate with an example?)

Job-oriented vs Employee-oriented

- Does the responsibility of organization/ management in relation to individual employees lay in achieving personal expected results and performance indicators or it also includes caring about employees' psychological and emotional well-being? (How does it change in the process of transformation? Can you illustrate with an example?)
- Does a culture of providing a feedback from middle- and low-level management exist? Are their suggestions taken into account? How does this process happen? (How does it change in the process of transformation? Can you illustrate with an example?)
- Do supervisors care about employees' personal problem? Is any help provided/ the workload reduced if needed? (How does it change in the process of transformation? Can you illustrate with an example?)

Open system vs Closed system

- Would you consider public organizations to be open to outsiders or the process of integrating new people is efforts- and time-consuming? (How does it change in the process of transformation? Can you illustrate with an example?)
- Does it take a lot of time and efforts for newcomers to fit in the organizational environment? (How does it change in the process of transformation? Can you illustrate with an example?)
- Is the diversity welcomed in the public organization or it is considered to be an environment where only very special category of people could fit? (How does it change in the process of transformation? Can you illustrate with an example?)

Loose vs tight control

- Could you consider employees in public organizations to be cost-conscious in tasks execution? Does the fact that public agencies are funded by public funds affect the attitude toward use of costs? How is it reflected in the behaviour? (How does it change in the process of transformation? Can you illustrate with an example?)
- Is the punctuality kept and is it considered to be an important for public organizations? Is it categorized as a serious misbehaviour if employees do not follow the schedule/ do not respect the deadlines? How is it punished? (How does it change in the process of transformation? Can you illustrate with an example?)
- Is a formal style of communication always followed in the work environment of public organizations? Do all meetings have a formal character and happen according to the protocol or informal gathering and discussion have place? (How does it change in the process of transformation? Can you illustrate with an example?)

Appendix 3: Interview Minutes

Interview 1

Name of the interviewee	Expert 1
Position	Top manager, The National Agency of Ukraine for Civil Service
Duration of the interview	75 minutes
Date and time	27/04/2020

Context & background

- The previous experience of public sector reforms in Ukraine demonstrated that the desired goals could be achieved only when there is a high-performance team that is characterized by cohesion and shared values. The success of reforms is directly dependent on the success of the team which is motivated to deliver results;
- The old system of public management had its roots in the Soviet Union and is based on principles of authoritarian governance. In such arrangements, there is no space for personal initiative, innovations, and discussions. The main incentive applied to employees in this system is a fear to be punished or fired. The first step in the transformation is to move from authoritarian management to the management of free people. The new system of management has to foster an environment of development and growth for employees and for the organization;
- The organizational culture in public organizations has to be addressed as a separate issue, which requires consistent and permanent efforts and strategy from top management and leaders;
- The public service in Ukraine has no developed HR functions since HR departments are mainly focused on administrative tasks. On the contrary, to reform the public management system, it is necessary to establish practices of human management. The new tools of management could not work properly without the development of HR functions in public organizations;

Power distance

- The relations between top management and employees are determined by official ranks with prevailing formalized style of communication and subordination. This

fosters a culture of statuses instead of a culture of knowledge and a merit-based system of career development. The decisions have to be justified not by formal privileges and power but by rational arguments and clear communication with subordinates;

- In current systems, employees are obliged to follow superiors' decrees and execute their decisions with limited opportunities to disagree and discuss their ideas. The huge power distance results in numerous drawbacks such as lack of initiative, poor quality of decisions and low performance;
- The leaders have to be open to discussions and encourage employees to speak up and disagree. It is crucial to build a safe environment where employees feel free to offer their ideas and demonstrate initiative with no fear of being punished. The direct contract between management and employees has to be established, which could be reached through informal events and gatherings where all issues could be discussed by any team member;

Uncertainty avoidance

- When it comes to the reforms, not all the tasks could be clearly defined, and responsibilities allocated, the change management projects require organizational flexibility and an agile approach to project management. Thus, it is necessary to foster this resilience as an element of organizational culture, leaving space for adjustments and continuous changes;

Process-oriented vs results-oriented

- The process of hiring and firing public servants has to be simplified to avoid long-life employment of people who do not demonstrate sufficient results of work and enthusiasm to deliver expected outcomes. The merit-based system had to be established instead, and personal knowledge and achievements have to be acknowledged and lead to promotion;
- The value of collaboration plays a central role in the reform. It is crucial to unit different organizational departments to address the problems and engage the expertise and power of diverse stakeholders. The competition between organizational units has to be eliminated and replaced by the commitment to achieve shared goals.
- While in the old system the main expectation to employees was to follow the instruction and execute tasks pushed from the top, the new public service requires

the ability to understand the role of each employee in the achievement of organizational goals and its place in broader missions of public service;

Normative vs Pragmatic

- The public service is characterized by a poor understanding of the customer and the added value that the organization creates for him. In order to improve the situation, the practice of defining 'clients', stakeholders and their interests needs to be introduced. Putting the citizens in the centre of services design is a necessary precondition for effective performance. The idea of serving people is a major element of public service which has to be embedded in the culture of public organizations;
- The effective collaboration between policy-makers and public servants is needed to achieve synergy and well-coordinated development of decisions and policies;

Job-oriented vs Employee-oriented

- The management system should not be limited to management of organizational goals, but also include competences management. The opportunities for employees' development have to be clearly articulated and communicated; the supervisors have to know the strengths and weaknesses of employees and guide them in their professional development.
- The role of a leader is to show employees how the tasks he/she executes are embedded in broader organizational goals and how these tasks move the organization to the achievement of its strategic goals.
- Although public service has on the average lower level of financial rewards compared to private companies, the public service has its benefits, which need to be realized by the managers and used to attract and retain talented employees;
- Within the reform of public management, it is crucial to change an image of public service as a workplace with no opportunities for professional growth and develop mechanisms that allow aligning personal goals of employees with organizational goals.

Open system vs Closed system

- The openness to diverse ideas and thoughts is important for managers, so they are able to collect feedback and adjust their actions and decisions based on information from employees. When mistakes are made, the leaders should admit

them and discuss, showing employees that even supervisors are vulnerable and could accept ideas that have values from any employee.

- The profession of a public servant is distinctive and considered to be a closed system with unique privileges and special status. Public service is a system with limited access, and it is hostile to 'outsiders' and diversity of ideas and approaches to management.

Loose vs tight control

- The overwhelming organizational rules and systems of control lead to an orientation on the process and procedure rather than results achievement. Although public organizations because of their scope and nature need to be accountable and ensure transparency of their actions and decisions, these mechanisms could not prevent organizational effectiveness;

Final remarks

- To transform the organizational culture, it is important to reflect the new values in different ways. In particular, through the change of behavior and through the visual elements such as a physical arrangement of the workspace;
- The culture could be changed through the 'carriers' of the new values which can by their example demonstrate the commitment to introduce new principles and new patterns of behavior in the organization;
- In the process of cultural transformation the key aspect is a permanent communication of the new values and active employees involvement in the organizational changes;

Interview 2

Name of the interviewee	Expert 2
Position	External consultant in organizational culture, researcher
Duration of the interview	45 minutes
Date and time	29/04/2020

Context & background

- National culture plays a central role in the development of the organizational culture of all institutions which operate in the country. It is always necessary to understand national features and context in the process of organizational change;
- In the case of Ukraine, the elements of national culture, which significantly determine the administrative culture of public organizations is the lack of accountability and humility;
- Underdeveloped value of accountability leads to a high level of corruption and prioritizing of personal interests over the public in the decision-making process;
- Humility in this context means that top managers feel no responsibility to negotiate and collaborate with stakeholders and contractors. The leaders feel no need to collect feedback and consider different perspectives especially those which contradict their own views;

Power distance

- The role of employees is limited to the execution of tasks that come from the top of the organizational hierarchy. Such arrangements leave no space for public servants to make decisions and push their own ideas and proposals;
- The main underlying principles of employees' management are not incentives and rewards but fear of punishment;
- The public servants working in the strict top-down hierarchical systems do not see their own place in delivering the results as they are focused on implementing the decisions made on the top;
- To overcome the barriers of huge power distance, the development of a new collaborative mindset is needed to demonstrate that the common goals of the team are the real priority for the organization. The challenges require from the

organization an ability to effectively collaborate both horizontally as well as vertically in order to deal with the problems and achieve outcomes;

Uncertainty avoidance

- The prevailing authoritarian system of management could be effective in execution of routine tasks, however, is not suitable for dealing with challenges and crisis, which require more flexible work environment and ability to adapt to the changing circumstances;

Process-oriented vs results-oriented

- In public organizations, employees feel a less personal responsibility for the results of their own work. While in the private sector poor performance leads to punishment or firing, in the public sector it is unlikely to lose a job because of protected employment;
- The role of the employee is limited to the execution of tasks that come from the top of the organizational hierarchy. Such arrangements leave no space for public servants to make decisions and push their own ideas and proposals;

Normative vs Pragmatic

- The complicated procedures and control mechanisms impose limitations on organizations' ability to innovate and offer timely responses to the changing situations. It is reflected in employee's behavior when they follow the processes even if they are not suitable for a particular situation and could lead to adverse implications;

Job-oriented vs Employee-oriented

- The current system of public service is developed on the values of process-orientation, where rules and procedures are more important than people. On the contrary, the work environment should be oriented on the employees, their social and psychological well-being, and integration to the team.
- The employees' involvement is a key step in changing the work environment of public organizations. Public servants have to understand their role in delivering results and how their efforts move organizations to the achievement of its strategic

goals and priorities. The contribution of each employee has to be acknowledged and rewarded by the superiors.

- The public servants working in the strict top-down hierarchical systems do not see their own place in delivering the results as they are focused on implementing the decisions made on the top;

Open system vs Closed system

- The public service is rather a closed system that is characterized by a lack of responsiveness to the external environment. The internal orientation impedes organizational evolution and ability to innovate;
- The work environment of public organizations is often characterized by employees' over- cohesion when they distinguish themselves from other professional groups and demonstrate a reluctance to accept or work with professionals coming from other spheres. It results in a lack of trust to 'outsiders' and poor communications with external stakeholders.

Loose vs tight control

- The overwhelming systems of control are significantly reflected in the administrative culture. The need to comply with numerous procedures and prepare reports influence the organizational dynamics and shift focus from the achievement of the goals to reports preparation.
- The complicated procedures and control mechanisms impose limitations on organizations' ability to innovate and offer timely responses to the changing situations. It is reflected in employee's behavior when they follow the processes even if they are not suitable for a particular situation and could lead to adverse implications;

Final remarks

- The public service could not be effective if it is built on an inefficient and destructive organizational culture. The culture serves as a foundation for the establishment and introduction of the new principles of management. The reform is not possible without a respective change of the culture.

Interview 3

Name of the interviewee	Expert 3
Position	External consultant, expert in public service reform
Duration of the interview	40 minutes
Date	05/05/2020

Context & background

- Among features of national culture that significantly determine the administrative culture of public organizations, the reluctance to collaborate and focus on personal goals play a major role. It could be reflected in a lack of coordination between organizational units and unwillingness to share information and ideas even within one organization;
- Collaboration is also an issue when it comes to network-based decision-making process and development of partnership relations with different actors, which are considered to be unnecessary;

Power distance

- Hierarchy and strict subordination are the key cultural elements of public organizations in Ukraine. It results in negative consequences such as replacement of a merit-based system of promotion by a system where rewards are based on personal loyalty and subordination to top managers;
- The system of public service lacks a horizontal collaboration as it relies on overwhelming systems of control and vertical subordination. The inability to effectively work in a team is one of the main issues among public servants and should be addressed as a serious problem. As most of the tasks public agencies deal with require the engagement of different organizations, the collaboration is becoming a necessary precondition for the successful achievement of common goals;
- The process of changing organizational culture should be based on defining ‘the rules of the game’ for each organization. All employees have to be engaged in determining what the crucial values for organization are and how they should be reflected on the behavioral level, what is encouraged and rewarded, and what is forbidden and unacceptable;

- The transformations could happen only when employees agree upon the basic principles which guide the relations and decision in the organizations. Otherwise, if the new cultural norms are imposed from the top, they might not comply with assumptions shared by employees; thus, they could not be introduced in practice;

Uncertainty avoidance

- Public servants are used to follow the defined procedures and execute routine tasks. The hierarchical management system makes them small ‘cogs’ in the huge machinery of public governance. As a result, the ambiguity and unpredictable situations are not tolerated in public organizations and make the employees feel uncomfortable. For this reason, the innovations and reforms which require a certain level of unpredictability are often rejected by the public servants;

Process-oriented vs results-oriented

- It is usually the case that public servants are focused on the execution of the tasks without understanding the goal they work on and how their own work contributes to the achievement of organizational results. The gap between the global mission of the public agency and the part an individual employee delivers is huge. It is important to demonstrate public servants how their tasks are linked with organizational goals, so they can step out from the focus on processes and move to a more results-oriented mindset where they play a role in realizing the global mission of public service and goals of a particular agency;

Normative vs Pragmatic

- The nature and scope of public organizations require the implementation of numerous procedural norms that are supposed to ensure transparency and accountability of the processes. However, these rules often are overlapping or incompatible, which adversely influences both the work dynamic as well as organizational performance. Even though the norms could not be suitable for tackling a particular situation, the public servants are used to follow a certain pattern of behavior and demonstrate a reluctance to change it even when it is needed for the sake of organization or ‘client’;

Job-oriented vs Employee-oriented

- The employees could be motivated if they understand how their work influences global results of the organization. It is crucial to communicate what is the mission they work on and what social value it brings. The feeling of contribution is an aspect that could keep employees motivated and committed to their organization. The idea of serving people is at the heart of the public service and acknowledgement of public servants as a professional group which work with socially important projects makes public service an attractive workplace;

Open system vs Closed system

- In order to deliver effective results on public issues, the analysis of diverse perspectives and representation of different interests has to be ensured. Thus, the reluctance to consider positions of stakeholders and build partnership relations with the external actors is a serious cultural barrier for public agencies;
- The recent research revealed a problem of discrimination and bullying at public service on the ground of professional achievements, statuses, age and work experience. These findings point out a serious problem that work environment in public organizations is hostile to the newcomers and especially people coming from other sphere than public service. It demonstrates that public organizations are closed systems, which are intolerant to diversity. Similarly, they are uncomfortable workplace for the employees with other background than public service;

Loose vs tight control

- The system of public service lacks a horizontal collaboration as it relies on overwhelming systems of control and vertical subordination. The inability to effectively work in a team is one of the main issues among public servants and should be addressed as a serious problem. It is also reflected in the lack of trust between employees within the organization and unwillingness to collaborate and share information between different organizational units and departments;

Other insights

- The transformation of administrative culture could happen in three steps, namely: 1) new leaders and top managers who can by their example demonstrate the new

- values; 2) the establishment of effective HR function oriented on employees' development and personal well-being; 3) new processes, which could eliminate the drawbacks such as complicated procedures and overwhelming report systems;
- The success of reforms depends on the motivation and commitment of the team and leaders. Hence, it is crucial for top managers to keep employees motivated and satisfied with their work environment as well as demonstrate their contribution to common organizational results.

Interview 4

Name of the interviewee	Expert 4
Position	Middle-level manager, The National Agency of Ukraine for Civil Service
Duration of the interview	70 minutes
Date	07/05/2020

Power distance

- The gap in statuses and positions of top managers and employees is significant and could be easily observed through the formal style of interactions and communication between employees. These rules are also partially determined by the fact that managers at the top positions have a long-term experience working in public organizations, including during the Soviet Union period;
- The strict hierarchical relations are determined, in particular, by the scope and size of public organizations that impede direct communication between management and middle-level employees. However, this communication should happen through deputies and heads of departments in order to overcome the distance gap. In practice, this access is usually limited, and communication has a formal character which significantly influences the dynamic of work in public organizations;
- Communication is a major factor in change management, especially when it comes to topics such as organizational culture. The leaders have to actively involve employees in the discussion and explain the goals and needs for the change to ensure a certain level of acceptance;

Uncertainty avoidance

- The public servants are very ‘traditional’ in their approaches to work as they are used to implement the same tasks based on clearly defined instructions and norms;
- Thus, when it comes to organizational reforms or change of processes, the employees demonstrate resistance to adjust and claim that there is only one way to deliver their tasks. It is especially evident when the new managers come to the organization who are intended to introduce innovations or

improve work process but face the obstacles as employees are reluctant to go through the changes which might bring some chaos or ambiguity to their work routine;

Process-oriented vs results-oriented

- The numerous procedures and standards public servants have to comply with make their work focused mainly on processes than the outcomes. The problem has its roots in the lack of understanding what is the personal role of the employee in the organization. For the reason that public organizations usually have complex structures that involve a high number of public servants, the processes play an important role in ensuring the smooth functioning of the system.
- It leads to time-consuming decision-making processes and limited rights of employees to make immediate decisions, which could result in the organizational inability to tackle issues that require an immediate response. The balance between processes as a tool which enables proper operation of the organization and its flexibility as well as adaptability needs to be achieved;

Job-oriented vs Employee-oriented

- The organizational culture is built on personal relations between employees; hence, it is crucial for the employer to take care of developing favorable organizational climate and comfortable work conditions for the public servants. The employee-oriented environment and smooth communication within the organization are reflected in the external relations with stakeholders. The approach to work inside the organization develops a particular attitude that determines employees' approach to communication outside the organization.
- Developing personal relations within a team could result in performance improvement and the ability to focus on common results. However, the balance between job-orientation and employee-orientation has to be achieved, so the workplace is an attractive and comfortable environment for public servants, though personal relations cannot contradict the organizational rules;
- Although public service has a low level of financial rewards, the employees see more opportunities for professional growth and learning in public organizations. These opportunities for employees have to be determined and

communicated to maintain and engage the best employees into public agencies;

Open system vs Closed system

- Public servants identify themselves with the department they work in, but have no feeling of unity with other public servants who are supposed to share the same values of public service;
- The system of public service is closed when it comes to the integration of professionals who have no experience working in public organizations. The process of integration for newcomers is challenging and time-consuming. The new employees often quit the job because of the difficulties of being accepted in the organization as team members (over 60%). Overall, the system is closed to the experts coming from other spheres and demonstrate the reluctance to collaborate with 'outsiders';

Loose vs tight control

- The systems of control in public organizations could be justified by its functions and the fact they are publicly funded. However, in many cases, the control replaces personal relations and trust, which makes the collaboration between employees challenging. The accountability should be a major principle of public agencies, but the systems of control do not have to go in contradiction with organizational effectiveness and impede collaboration between employees.

Other remarks

- The reform of public service and development of HR function in public organizations are dependent and could be changed only through corresponding transformations in organizational culture. The reform has to start from the analysis of 'as-is' situation and determination of cultural barriers which could hinder organizational transformations;
- The issues of administrative culture are rather neglected, and it is argued that values of public service in Ukraine, which could unit public servants working in different agencies, have not yet emerged. On the contrary, the administrative culture is represented in numerous fragmented subcultures which are not explicitly defined and discussed;

- There is no clear self-identification of the public servants as a professional group which has obligations and duties to serve the public and persuade the best interest of citizens in everyday work;
- The organizational culture and its transformation are significantly dependent on leadership and commitment among top managers to implement transformations in the organization;
- The leaders play a decisive role in showing examples of organizational values and accepted behavior through the style of communication with the subordinates, openness to discussions, sharing experience, and accessibility. It is usually the case that subordinates start to adjust to the new practices which are demonstrated by the leaders;

Interview 5

Name of the interviewee	Expert 5
Position	Top manager, The National Agency of Ukraine for Civil Service
Duration of the interview	45 minutes
Date	07/05/2020

Context & background

- The current state of public service in Ukraine is characterized by the cultural gap between experienced employees with their background working in authoritarian Soviet Union system of bureaucracy and a new generation of employees who have a significantly different mindset;
- This division is also reflected in management and leadership style of public servants: while the employees who have a long story working in bureaucratic institutions prefer hierarchical and authoritarian management, the newcomers are more inclined to apply the democratic and team-oriented approach to management;

Power distance

- The involvement of employees in the process of decision-making or goal setting is important to ensure that everyone has the power to speak up and be heard. The contribution and ideas of each employee have to be acknowledged, so they can feel appreciated and rewarded as a valuable team member;
- The goal of a leader is not to determine only one correct way of achieving the outcomes but to make employees think about possible solutions; the manager should take a role of facilitator of this process giving opportunity for the employees to discuss and offer new ideas;
- In order to establish new values in the organization, it is necessary to start with the discussion about what the basic norms and rules as well as behaviour are acceptable and what is not tolerable in the organization. The success could be achieved only through the involvement of all employees, so the organization could agree on common values and norms and then start to introduce them in practice;

Process-oriented vs results-oriented

- Protected employment is a serious issue that influences organizational performance and the ability to innovate. Since employees feel no personal responsibility for results and the chance to be fired is low, the public servants often demonstrate no enthusiasm and commitment to deliver the best outcomes and demonstrate initiative;
- It is a widespread case that employees of pre-retirement age just wait to achieve a certain age to receive bonuses and statuses related to public service employment. This category of public servants does not show interest in organizational life and improvement of their work; they are focused on the execution of processes and routines instead of achieving results;

Normative vs Pragmatic

- The role of supervisors is not limited to the functions of control on results accomplishment. It also includes ensuring that employees feel comfortable at the workplace and can enjoy their tasks. While working on long-term goals employees need to be permanently motivated and see the broader picture of the organizational mission to understand how they contribute to the implementation of socially important projects;
- Motivation is an important aspect of human management, which should always be in the focus of top managers and leaders. Different practices could be introduced to make employees feel their role in delivering organizational mission and see the acknowledgment from the supervisors and colleagues;
- Similarly, the culture of continuous self-development has to be encouraged, so public servants have incentives to grow professionally and gain new knowledge and skills which are beneficial for both employees as well as the organizations;
- To make the organization a comfortable and inspiring work environment, it is necessary to provide every employee with the opportunity to realize the potential and make a contribution to overall organizational achievement. The supervisors should play the role of mentors who can identify employee's strengths and encourage their further development;

Open system vs Closed system

- The problem of building relations with stakeholders such as business does not lay only in organizational reluctance to develop partnerships with external actors but also in the image of public organizations as closed and process-oriented institutions. These characteristics make public agencies unattractive partner for business which leads to poor external collaboration and impedes network-based decision-making;

Loose vs tight control

- The overwhelming control results in the common fear among employees to make a mistake and offer untraditional approaches to work. On the contrary, supervisors have to demonstrate openness and encourage employees to propose all ideas which could be valuable for the organization and develop a culture of creativity and innovations. It is essential in this sense to make employees feel comfortable in pushing their proposals and know they will gain support;
- The permanent control, which is not only a formal requirement but also an essential part of the culture, puts employees under pressure and hindrances the emergence of trust as a basis for the development of relations in the organization.

Declaration of Authorship

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Tallinn, 02 June 2020

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