The Role of the Public, Private and Nonprofit Sectors in a Theory of Governance

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Public administration is moving toward theories of cooperation, networking, governance, and institution building. Today, the work of public administrators may touch on, not only the public sector, but on the private and nonprofit sectors as well. The historical development of the three sectors: public, private, and nonprofit, is a part of US state development and, as such, reflects the various state visions of US history. (Stillman, 1998) While this history moves the sections apart, contemporary international forces embodied in new public management push the sectors closer together.

In many instances the term "governance" is being used interchangeably with public administration or public management , (Kettl 2000) (Salamon 1989), (Garvey 1992) (Peters and Pierre 1998). Frederickson and Smith (2003) refer to the search for a theory of governance as repositioning of public administration and states that at a minimum, the definition of public must now include a broad variety of institutions and organizations traditionally considered outside the realm of government, as well as the relationships these organization have with each other and with policy making authorities.

In Texas, the state legislature is working to privatize the state’s child welfare services by moving traditional government services to nonprofit child care providers. The author has conducted a two year study to test the proposition that the relationships between the state agency funder and the contract provider would be characterized by the administrator of the contract agency either as supplementary, complementary, or adversarial (Young, 1998) based on 1) child care provider agency characteristics, 2) child care provider agency financial characteristics, 3) child care provider agency administrator demographics, 4) child care provider agency administrator’s opinion on the role of government, and 5) child care provider agency administrator’s views on management. The study also tested the proposition that the relationship between the state agency and the contract provider has an influence on the provider agency’s achievement of the policy goals of the state, as evidenced by their level of compliance with state minimum standards for child care.

The study found that structural elements including: 1) child care provider agency characteristics, 2) child care provider agency financial characteristics, 3) child care provider agency administrator demographics, 4) child care provider agency administrator’s opinion on the role of government, and 5) child care provider agency administrator’s views on management were not predictors of the agency’s relationship with the state agency, and the relationship was not a predictor of policy outcomes. The study found that the social context or the relationship is more important than the structural factors. Implications for practice and theory development are discussed.

This presentation will be relevant to an international audience because it examines the impact of new public management (NPM) approaches on governance theory development. The two major models of NPM are the Westminster model and the reinventing government model. The Westminster model began in New Zealand in the 1970s and then spread to Australia, Canada and the United Kingdom. (Frederickson & Smith, 2003, p.216) Reinventing government (REGO), the American version of NPM, has had the most dramatic impact on government functioning and public administration in the United States. The study has implications for relationships between governments, businesses and NGOs.

References


