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Service in and by Public Sector Organizations

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Traditionally, public service was to the crown or to the nation-state. In this model there is no public service element as such; rather, the service is provided to the authority figures within the state and to the areas under their control. In recent years public service has undergone a shift in emphasis, with a stronger focus on efficiency of processes leading to mechanisms to deliver good service. In the early 1990s the book *Reinventing Government* described and exemplified a framework designated new public management (NPM).¹ Authors David Osborne and Ted Gaebler reconsidered structures and processes employed in private sector organizations and formulated these with a view to transforming public organizations “into a business-like identity.”² In essence, NPM envisaged a radical refocusing of public service delivery from bureaucratic rigidity to cost-effectiveness. Although there are exceptions, conventional environments of public sector work tend to be within rule-based processes intended to standardize service throughputs and outputs. This is to help ensure that standardized public services are provided to end users who are mostly (but not exclusively) the country’s citizens and taxpayers. The NPM framework envisages a separation between policy making and service delivery.³ Since its inception, the NPM model has benefitted from a number of improvised developments, particularly at the moments of truth.⁴ However, the jury is still out on whether NPM represents a real paradigm shift or is an incremental development of past practices.⁵ What is noticeable is that the NPM model of public services has shifted toward a more sensitive awareness of user needs. This can be seen in the decentralization of administrative functions and market-driven approaches to procurement, supply, and delivery of some public services.⁶ Inherent in public management reforms envisaged by NPM are issues of development of employees’ competencies, especially of officials and bureaucrats at senior levels in governmental organizations.⁷ Private sector organizations have seen similar developments stretching back over the past several decades. However,

private sector environments need to meet external drivers of change, such as increased competitive pressure from globalization, the need for business continuity and survival, and the quest for sustainable profitability. Within these pressures and parameters, organizations in the private sector have comparatively greater freedom to choose what goods and services they will supply to whom and at what price. The decision of what to produce and supply is “not premised on the client’s capacity or willingness to pay.”⁸ Different motives and perspectives influence public sector enterprises. Stringent regulations govern public sector work, and the increased focus on cost efficiency gives public service a different operational framework from private sector organizations.

Moments of Truth in Public Service Delivery

For Ernest Hemingway, the moment of truth provides satisfaction for the audience of the bullfighting spectacle. In the public sector, defining the client is less straightforward.⁹ In the provision of public services, satisfaction includes taxpayers whether or not they are actual users of the proffered services; not all citizens and taxpayers use maternity services, for example. Delivery of effective service in the public sector also involves stakeholders outside the immediate service transaction. These include, for example, public policy makers, ombudsmen, and pressure and public interest groups. Public sector services are provided either universally or to specific subsections of the population.¹⁰ Services such as taxation, policing, and judicial services are provided to the whole population. Some elements of these activities are focused on specific individuals (such as suspected lawbreakers). The aged, the sick, and the young are provided services such as state pensions, medical care, and education. Outsourcing of specific services and privatization of previously publicly owned enterprises are options. However, this is tempered by the overarching need for quality in an environment where public accountability matters.¹¹

It is helpful to have a clearer idea of the composition and completion of the moment of truth—especially as the various participants are likely to have differing perceptions of the process and outcome. This issue is highly relevant for public sector work in which organizations are tasked to deliver quality service at a manageable (justifiable) cost, e.g., within set budgets. In public sector work there can be a paradox of service focus. This gives rise to a conflict between two sides of service. On the one side is the need to provide good service to consumers. This gives opportunities for moments of truth. As discussed earlier in this book, consumers contribute to good service in a symbiotic relationship with the service provider. On the obverse side is the need to deliver key functions of the public administration; obvious examples

relate to community care, law enforcement, and the judiciary. And, again, key functions can also provide moments of truth. However, the target for this moment of truth might be the benefit of society at large and not solely the individuals immediately exposed to the service provision (i.e., the needy, the criminal, law enforcement officers). Here, a service such as apprehending suspected lawbreakers and subjecting them to the judicial processes is carried out in absentia (but on behalf) of the receivers of the service, the society at large. We note a direct link with Hemingway's description of the moment of truth in which satisfaction is felt by both the matador (in killing the bull) and the audience viewing the spectacle. As the object of the tragedy, the bull is presumably less satisfied with the eventual turn of events. From this perspective, the metaphor of the moment of truth is closer to Ernest Hemingway's description than the traditional way of using the concept in service management. We note also the symbiosis between matador and animal and also the role of the wider audience at the *corrida de toros* as observers and assessors of performance quality (*¡Olé!*). Delivery of public services incorporates a number of stakeholders. Stakeholders play various roles, including predicting what public services are required and what will be the acceptable levels of quality, although this can invariably be a factor of resource availability and allocation. This role is traditionally undertaken by government departments that may or may not also engage in specific service delivery. Monitoring and assessing service quality may be assigned to another government department. Dealing with complaints about quality may be the role of an ombudsman, if the civil bureaucracy has such an official within its public services structure.

In public service delivery local and national government organizations each play a role to a greater or lesser degree, and thereby provide a number of checks and balances on the delivery of public service. In terms of our current focus on moments of truth, the inclusion of government entities into the service models increases the potential for moments of truth, as there are now more entities (stakeholders) to satisfy (hence the increased number of moments of truth). For example, public service delivery is obligated to satisfy representatives of local and national elected officials *plus* the various mechanisms of state intended to ensure delivery of public services to a population. Public services make an easy target for politicians to demonstrate their own effectiveness in improving the quality of life of their constituents. There are a number of contact points for the customer (i.e., the interface between citizens and government officials). At these points the citizen (service user) has opportunities to experience public service and assess its quality. Unlike delivery of service by private sector organizations, in public service delivery the customer tends to have few, if any, choices of alternative service providers. There are, however, a number of avenues for customers to express their satisfaction or dissatisfaction with a service, such as writing or talking to members of parliament, joining a pressure group, and complaining

in person to the local office. As politicians know too well, in public sector service delivery dissatisfied customers can turn into dissenting voters.

In public sector services, service processes are more complex than in the private sector. Public sector organizations differ from those in the private sector through the means by which they close the gap between the front-end personnel and the moments of truth in relation to the organization's political structure. Of course, members of parliament and other elected representatives are also themselves consumers of public services. They will thus have direct experience of the moments of truth. However, for members of the central legislature, there will be a much greater distance between themselves and the consumer. This is because there will be many organizational levels between these officials and the consumer. This gap can be narrowed by decentralizing the government structure with elected local parliaments at regional and local community levels. In turn, this will make it easier for the elected representatives to internalize the service concept.

In the private sector there is a greater emphasis on the company's role in the society. For some years now, concepts like corporate social responsibility (CSR) have been introduced as part of this perspective and have become enshrined in consumer protection legislation. Here good service is in the vanguard. Such a focus is of equal importance in the public sector as in the private sector. We should expect CSR concepts to be well distributed throughout public sector departments and their work. In fact, concepts such as CSR are arguably of more relevance given that public services are funded by taxpayers (the public purse). Automation offers many possibilities here. Against this background there is a need for good service and also for sound management practices that ensure the delivery of good service to satisfy the differing needs of the various stakeholders. To the public mind, service by public sector organizations has been typically driven by internal production capacities rather than the needs of external stakeholders such as customers, i.e., services driven by what can be supplied rather than market demand of what is needed. In most cases, public service needs will be expressly stated (such as the need to distribute welfare benefit payments). In other cases, there will be an implicit need (such as the need to develop the nation and its public service infrastructure). In the public sector, there is a difficulty in achieving consistently good service. This is especially so when components of the public bureaucracy are concerned with, for example, tax assessment and collection, law enforcement, and health. In these instances, the need for good service is driven by the needs of the various stakeholders, of which (ideally) the consumer is of paramount concern. In the public sector too, where profit generation is not a leading concern insofar as it may be proscribed, good service may be difficult to produce. Budgetary factors and resource allocation, for example, may constrain optimum public service delivery. The measurement of outputs in terms of financial cost also constrains the application of concepts from the private sector.¹² However, when high levels of quality public service can be reached, budgets become easier to achieve and more

straightforward explanations can be used to satisfy concerns of taxpayers (e.g., about issues such as fairness, equity, and value for money).

Managing Moments of Truth in Public Service Delivery

There will always be a need for public sector work. And there will always be a need for managing moments of truth in the context of public service delivery. Revisiting the various attributes of these moments indicates features that need to be addressed by public service providers. The myriad moments of truth in service delivery show the complexity of preparation for consumer encounters. While each moment of truth is fundamentally unique, each has features in common. As described above, at each moment of truth a frontline employee provides service in a real-time situation—a situation wherein lie opportunities to satisfy consumers' wants and needs. For the consumer this moment affords the opportunity to evaluate service quality. The consumer's expectations (based on hearsay, recommendation, or prior experience) are a key feature of a moment of truth.

The service provider can treat each moment as an opportunity for immediate consumer feedback. Innovations in service often emanate from encounters with consumers at the moment of truth.¹³ The notion that service provision is a social act (Richard Normann, 2000) indicates that training frontline staff in social skills is a minimum prerequisite for service providers. This is especially critical as the employee-customer interaction influences the consumer's perception of the organization. In this sense, and others, the customer-facing employee is the face of the organization and its ethos of service delivery. When a customer has no macro-level cues (such as brand identity), the sole representative of the organization is the person facing him or her who is delivering customer service at that time. When the customer is attracted to the service by a brand presence, the responsibility on the service-providing employee is more intense.

Training and motivating employees in the skills to manage the moment of truth is therefore a key task for executives and managers in organizations where service is a key feature of their transactions.¹⁴ The immediate (often unique) nature of service provision emphasizes the need for quality to be "right first time, every time." This goal, aligned to the need for social skills development of relevant employees, indicates key issues for human resources (HR) development toward providing customer satisfaction through service delivery. When, as in some services, there is simultaneity of production, provision, and consumption of service, this adds to the complexity of preparing employees to deliver quality service. Adding to this complexity is an often time-critical dimension. The fact that customers invariably contribute to the co-creation of the process of service delivery affords the opportunity

for immediate feedback. This is not to overlook that the underlying need is to ensure that each moment of truth provides customer satisfaction.

In public services, the delivery mechanisms are often monopolistic. This makes it difficult for the consumer to compare and evaluate quality. This is one feature of public service that is invariably more complex (and more difficult to manage) than service delivery by private sector organizations where dissatisfied customers can often migrate to competitors. One possible means to address this issue in the public sector is to create competitive systems within the public sector. Sometimes a government or industry regulator acts in ways resembling a competitor, for example, by setting regulatory requirements and benchmarks for quality standards. This is a fairly common approach when the public service relates to health and safety issues, such as the provision of clean water and sewerage services. In a more unconventional model, parallel service providers would be established within the public service network. The user/citizen thus has choices about which service to use based on publicly available data reporting quality and performance measurements. Local government agencies can allocate different benefits to the service providers according to performance and user/citizen preference (measured over time). Providers of what is judged to be good service might, for example, be rewarded by funding for training and development.

In general, there are valid rationales for shaping features of public sector organizations to be more like those in the private sector. However, as earlier discussed, the differing natures and perspectives of these two types of organizations bring different problems in service delivery. In many aspects of service delivery (whether in public or private sector organizations) there seem to be inherent difficulties in nurturing a creative climate and developing a sincere culture of service. This is especially so in the public service sector. There is a great need for creative thinking in the establishment of alternative models for public service provision. In some areas of public sector work, it is relatively straightforward to replicate service models from the private sector. In other areas, it is much more problematic. Parts of the difficulty arise from the politically charged nature of public services. It is relatively easy to privatize some public sector organizations if the nature of their work is similar to activities found in the private sector. A fundamental condition for this similarity should be that the organization is driven by similar types of incentives, such as there exists (or conceivably could exist) a natural competitive market for the service provided.

In other areas of public service, such a similarity is neither apparent nor obvious. Typical examples are the police force, the prison service, and national defense. Education, health services, and national infrastructure are also mainly in this category. There are private sector models for delivering some aspects of education, healthcare, and prison services (such as transportation and temporary holding facilities). And there are functioning private alternatives to national infrastructure and transport logistics. Using education as an example helps illustrate the complexity and managerial

difficulties. In an ordinary competitive market, the well-informed and rational consumer can (at least theoretically) choose between many alternatives by evaluating price-quality differentials. And before paying for the goods or service, a customer can often try out alternative offerings, or alternatively, listen to the experiences of friends. In education, this is not possible. The time lag between service delivery/use and subsequent benefit is often measured in lengthy time periods such as months, years, or even decades. As behavioral psychologist B.F. Skinner allegedly remarked, "Education is what remains after all that has been learned has been forgotten." An additional complexity is that payment for the education usually needs to be in advance of the services provided. At the macro-economic level funding is required, for example, to build and furnish schools, train and hire teachers, and pay for similar necessary support. At the micro-economic level a school needs to assess needs of potential students before purchasing equipment such as textbooks and other resources. Given the deferred benefits of education, it is difficult to experience education services beforehand. Obviously, there is still scope for private initiatives in education. The historical record shows that many innovations in education have occurred in the private sector. Similarly, privatization in the education sector must seek to stimulate new means of education practice.

Reforming public sector infrastructure is an area where a government must take initiative and provide initial funding. This done, the work of design, construction, management, and quality assurance can be carried out by private sector organizations. This situation is not dissimilar to other parts of the public sector. Each part of the sector needs its own model. It is inappropriate to merely replicate the infrastructure from one part of the system and expect this to work effectively in other situations. From this perspective, it is especially difficult to find acceptable solutions for such public services as law enforcement, prisons, and national defense. Key issues here include the need for all members of society to benefit from the system of each of these public services, while a smaller subset of the community is directly affected by the services provided.

The Future of the Public Sector Work and the Potential of Automation

The moment of truth also has relevance in an automated version of service provision. While the majority of moments of truth continue to be face-to-face encounters, encounters facilitated by technology can bypass the personal encounter. As mentioned, usability is a key concept in the design of a technology interface to people.¹⁵ Incorporating the moment of truth into technology

design would help obviate this. In e-government, where a large proportion of the total population of a nation should be able to access the automated government services, high usability becomes even more critical. If not, the users may become disheartened with the public services. Most people know from personal experience that obtaining service from a technological provider instead of a human service provider can bring many frustrations. Whether it's the self-service auto-mat that doesn't deliver the product or doesn't deliver the expected money in change or the automated customer inquiry service at the bank that puts the caller on hold for many minutes, the technology-driven moment of truth falls short of satisfying the customer. In Chapter 4 we mentioned the 3-7-11 rule for service (if the service provider allows eleven minutes to elapse, the customer will leave and won't return).

There are many examples where public service delivery utilizes technology for self-service. In many countries, a marked success story has been the electronic provision of revenue services via the Internet to access relevant information, guidance, and documents.¹⁶ In a developing economy such as Thailand, the e-revenue service has been lauded as a successful transition toward delivering service to citizens. Another example is in the administration of labor markets, where a key function is the placement service for job seekers. In some countries this function consumes a very large proportion of public service resources, including work time by relevant officers. In many countries, and very early in countries such as Canada and Sweden, face-to-face contact was transferred to Internet self-service.¹⁷ In the past, when the manual service in this respect was excessively time-consuming, it was difficult for personnel to focus on more important and critical tasks, such as giving advice and support to people with special needs, such as the long-term unemployed and the handicapped. The introduction of e-service, with its high component of self-service, has freed up time for officers to focus on special needs where consumers benefit from face-to-face advice, which includes empathy. Instead of more routine types of work, personnel can be engaged in moments of truth of high complexity, and the service thereby provided fulfills important social and caring functions. This is a very good example of how automation in the delivery of service can change the characteristics of the moment of truth, and how the moment of truth can change the quality of service. This exemplifies how a new emphasis on the service provision at the moment of truth brings added social value for the consumer and society. The cost-benefit of this focus on service delivery will be enormous.

Other areas of automation are related to what is often called e-citizen, or efforts to improve and facilitate the process of democracy in the society. Local direct participation in decision making can become an everyday reality and bring the citizen closer to the processes of public service provision.¹⁸ This means a creation of a new type of moment of truth that, until now, has been unavailable in the traditional representative parliamentary democratic system. Instead of elaborate time-consuming representative processes, the citizen can access online and be a part of real-time decision processes.¹⁹

Another area where technology is applied to public service is e-learning.²⁰ The phenomenon of e-learning is a complex application of the moment of truth. The phenomenon has two distinct levels. At the one level is the online provision of training to public sector officers and employees. Here the focus is development, training, upgrading of skills, and development of new skills. At the second level is the interface between the citizen and the public provision of education, advice, and support for citizens.

In concluding, we note that management educators are advised to internalize good service. Management educators whose work incorporates educating business professionals need to learn from the teachings of their own classrooms. In order to fulfill their role as management educators, they need “to develop a customer orientation and must also become expert generalists.”²¹

Endnotes

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