

NPM, Administrative Reforms and Public Service Motivation: Improving the Dialogue between Research Agendas

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Abstract

This article makes use of the Italian case of administrative reform to investigate the changes in the Public Service Motivation (PSM) of public employees and managers after two decades of NPM-inspired reforms. It emerges that NPM reforms may be associated with a reduction of the stock of PSM; however, important qualifications apply. By providing so far entirely unavailable evidence about PSM in both the public and the private/commercial sectors in Italy, the article also contributes the empirical bases for the development of comparative research on the interrelation between trajectories of administrative reform and changes in the drivers of motivation of public servants.

Keywords

Public Service Motivation, New Public Management, Administrative Reform Trajectory, Public Managers, Italy

Points for practitioners

Public management reforms may have an effect in terms of accretion or depletion of Public Service Motivation (PSM), in its turn likely to be conducive to improved performance of the public sector. Policymakers should include in the design and evaluation of public sector reforms the potential impacts on the drivers of the motivation of public servants. PSM is also a factor that may be profoundly influential on the dynamics of reform processes, to be systematically considered by reformers in different jurisdictions.

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Bio

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Introduction

This paper represents an attempt to build a bridge between two areas of research that seem so far to have developed in parallel in the field of public management, without any real dialogue: the stream of research on the drivers of the motivation of public servants – and we here make reference in particular to the Public Service Motivation (PSM) theory (Perry and Wise, 1990; Perry and Hondeghem, 2008; Perry, Hondeghem and Wise, 2010) – and the research on the 'trajectories of reform' in public management and the differentiated responses by individual countries to the global pressures of New Public Management (NPM), a stream of research typified by the work of Pollitt and Bouckaert (2011).

One reason why the gap between these two streams of research seems to have been quite large may lie in their respective focus: the micro-level of individual public employees in the case of PSM as opposed to the macro-level of the public sector as a whole in the case of the reform trajectories analysis³. Research methods employed may be another cause: quantitative

³ Pollitt and Bouckaert (2011) define public management reform as deliberate attempts to change the processes and structures of the public sector to make them, in some sense, run better; Barzelay (2001) refers to public management policy change as changes to institutional rules and organisational routines in areas like budget, audit and evaluation, organisation and methods. Both definitions refer to public management as (change occurring) at the level of 'institutions', be they conceived of as rules, or as structures and processes, rather than at the level of individuals' values and traits. This is the focus of the PSM research, which is centred

methods – mostly observational (Wright and Grant, 2010) – have been usually preferred by scholars in the PSM stream, also given the nature of the research questions addressed; qualitative, longitudinal case studies are the main research tool for scholars in the latter group.

Research in public management has much to benefit from bridging these two streams (Moynihan, 2010). In this article we make use of the Italian case of administrative reform and PSM to address two issues that interrelate the two dimensions. We first ask how the Italian case can be characterised in terms of the PSM of its public personnel and managers – following one decade of intense NPM reforms (the 1990s) and one decade of more piecemeal reforms (the 2000s) that have mixed provisions reversing previous NPM-inspired interventions with provisions further emphasising NPM components. We have formulated the first research question as follows: What is the motivational profile of Italian public servants? In other words, “what is Italy a case of” in terms of the PSM of its public personnel and managers? This question, although ultimately descriptive in nature, is relevant for comparative studies: by adding a so-far overlooked profile to the social scientific knowledge of the Italian public sector, it allows us to characterise it along an important dimension of analysis. The survey-based research we conducted (see section ‘Methodology’) aims at filling this gap in international public management studies.

We then investigate what may have been the consequences of NPM reforms on the Italian public servants’ PSM: have NPM reforms led to a depletion of PSM? Has the civil service in Italy become more akin to the private/commercial sector? In other words, we query whether the NPM does have a ‘normalising effect’ on the civil sector, making government ‘business-like’, at least in terms of public employees’ motives and values. We have elaborated a twofold formulation for the second research question: Have NPM reforms in Italy made the civil service, in terms of its workers’ motivational profile, akin to the commercial sector? And what may be conjectured more generally about the impact of NPM reforms on the accretion or depletion of PSM of public servants in a given jurisdiction?

There are a number of reasons why the Italian case may be useful for addressing the theoretical research question about the impact of NPM – and specifically its alleged normalising effect – on the motivational structure of the civil service. An interesting feature of the Italian case is its starting point. Although we do not have any measures of Italian

on attitudes of individuals, even when these are studied at the level of aggregates at the country (or other jurisdiction) level.

public servants' PSM that date back in time, a range of features that have historically characterised the public sector of this country – such as the distinctiveness of the civil service from labour regulation in the private sector; the ubiquitous influence of administrative law (a separate body of law regulating the public sector only) and the values embodied in it; the status acknowledged to public officials; the very conception of the state as a guiding force of society, distinct from it (see Borgonovi, 1984; Borgonovi and Ongaro, 2011; Capano, 2003; Cassese 1993 and 1999; Gualmini and Capano, 2006; Ongaro, 2008, 2010 and 2012) - all seem to operate in the direction of making working for the public sector quite distinctive from working in the private sector. Hence, they make it sensible to make the assumption that *before* the successive waves of managerial reforms started at the beginning of the 1990s (Mele, 2010; Mele and Ongaro, forthcoming; Ongaro, 2009 and 2011) there was a significant difference in the level of PSM between the public and the private sector in Italy. This (assumed) starting point is interesting because it allows 'testing' the consequences of NPM reforms on PSM.

In Italy, NPM-inspired reforms have been quite intense (successive reforms occurred over short time spans), radical in the contents, and wide in scope during the 1990s, whilst less so during the 2000s, although the end of the first decade of the third millennium was also characterised by interventions that included some NPM measures, like performance-related pay provisions based on a forced-distribution rating system (Belle 2010). A qualification of the changes that occurred as a consequence of managerial reforms – not all of them ascribable to NPM – and a more nuanced picture is developed in a subsequent section. Changes have been manifold and sweeping at the level of rhetoric, definitely less radical and substantive at the level of authoritative decisions in the form of new regulation of the public sector, and much less substantial at the level of the *actual* effects (Ongaro and Valotti, 2008). For the purposes of the argument, suffice here to say that a significant amount of NPM-inspired change did occur in Italy during the last two decades, allowing for this case to be a proper one for 'testing' an alleged normalising effect of NPM on PSM.

A further feature makes the case worth investigating for the purposes of probing into the impacts of NPM: reforms have impacted in a differential way across policy sectors: thus, e.g., the healthcare sector has undergone a massive NPM treatment, that has left the sector marketised, corporatised, managerialised in both the rhetoric and the practice of the systems in place for running hospitals and local healthcare units; on the other side, sectors like law enforcement or education have indeed seen some NPM-inspired measures, like forms of

corporatisation and managerialisation, but to a limited extent, and without a massive recourse to other mechanisms, like market-type mechanisms. It is thus possible to ‘control’ for the impact of NPM on PSM by measuring PSM on a sector-by-sector basis (under the assumption of an initial state of affairs of higher PSM throughout all fields of the public sector contrasted with the private/commercial sector, as discussed in the following section).

Framing the argument

Two assumptions underlie any claim that can be made, on the basis of the empirical investigation on PSM in Italy reported in this paper and based on a one-shot large-scale survey administered in 2011, about the ‘effects’ of NPM-inspired reforms on the levels of PSM. The first assumption is that the initial state of affairs – the public sector before the wave of NPM reforms – was characterised by a level of PSM in the public sector higher than in the private/commercial sector. This assumption is coherent with the attraction-selection-attrition framework put forward by Perry and Wise (1990) and supported by empirical research suggesting that “public sector workers do show greater PSM” (Steijn 2008, p. 21) and tend to value meaningful public service more highly than private sector employees (for a review, see Perry, Hondeghem, and Wise, 2010). This is to some extent part and parcel of PSM theorisations (see a section below); nonetheless, it should be explicitly acknowledged that researchers engaged in the investigation of PSM cannot rely on long-term series about its levels over the time: we do not have data dating back in time. The ‘when’ of PSM theory (that, together with the ‘who and the ‘where’, determines what Whetten refers to as ‘the temporal and contextual factors [that] set the boundaries of generalizability’s of any theory, Whetten, 1989, p.492) still represents an important limitation for studies of PSM, since what is available is only surveys all conducted in a relatively recent time span.

The second assumption is that the level of PSM was broadly the same across the different fields within the public sector, and specifically that it was the same or similar in the healthcare field - that is, the sector that was swept by a spate of NPM reforms -and in the other fields, like law-enforcement or general government, that were less dramatically affected by NPM reforms. This is disputable (although we do not see any decisive counter-argument about why this assumption should *a priori* be rejected), and we underline this limitation in the discussion of the findings.

The two assumptions combined provide the depiction of a public sector before the wave of NPM reforms – the *ancien régime*, paraphrasing Pollitt and Bouckaert (2011) discussion of continuity and change in public management after the reforms started in the 1980s – which is distinctive (i.e., diverse from the private/commercial sector) and relatively uniform in the terms of PSM.

The development of our argument then considers two core doctrinal elements of the NPM, namely the transfer of private sector techniques *and logics* to the public sector (‘business-like government’), and public choice models rooted in a utility-maximising interpretation of human behaviour (for a critical discussion, see inter alia Christensen and Laegreid, 2007). Both sets of doctrines – whilst profoundly diverse in terms of their premises, origins, roots in the academia, and substantive claims – share an emphasis on the pre-eminence of self-regarding behaviours rather than the other-regarding behaviour associated to a higher level of PSM. To the extent that the NPM has a transformative influence – rather than just an incremental one - over the public sector (Ferlie et al., 1996), it may then be attributed an effect in the direction of making the public sector ultimately more akin to a place dominated by self-regarding behaviours; in the terms of our theorisation, a place with a level of PSM similar to the one that may be detected in the commercial sector (e.g., Steijn, 2008). In other words, reforms inspired by NPM doctrines may have a ‘normalising’ effect on the public sector, making it more alike the commercial sector (a claim that seems to some extent to have been suggested by certain contributions – e.g. Bordogna, 2008; Le Grand, 2003 –, but to our knowledge it has never been directly elaborated through the theoretical lens of PSM).

Having made the underlying rationale explicit (), the next two sections examine the two key components of our argument, namely the NPM and NPM-driven reforms in Italy, on one hand, and PSM (constructs, concepts and variables), on the other hand. We then turn to illustrate methodology and survey results. Findings are then discussed in order to address the two research questions, and revisit the argument drafted in this section.

Public management reforms and NPM in Italy

We will consider different levels in outlining NPM ‘in action’ (Ferlie et al., 1996) in the Italian case, ranging from the public sector as a whole to individual policy sectors. It is received wisdom that NPM is far from being a coherent set of doctrines about how the public sector should be run, and the reader will surely not be stricken by the consideration that not

all that has gone on in Italy over the past two decades concerning the re-organisation of the public sector has been implementation of NPM, or can be re-conducted to NPM pressures. For example, some trends to devolution to regional and local governments may partly be attributed to global trends to decentralisation that may perhaps to a certain extent be ascribed to NPM doctrines, but for another part they have endogenous causes – the electoral success of the previously inexistent Northern League party being one of them.

A synthetic overview of the public management reform trajectory in Italy between 1992 and 2010 may be outlined as follows (see Ongaro, 2009, pp. 65-79; Pollitt and Bouckaert, 2011, chapter 4 and appendix on Italy; see also Fedele and Ongaro, 2008):

- Financial management trajectory: from input-oriented spending responsibility to limited forms of responsibility budgeting system; patchy diffusion of accrual accounting and cost-calculation systems (mainly in the healthcare sector).
- Audit and performance measurement: ex post controls have been introduced and partly replaced ex ante controls; spread of performance indicators, though mostly used for monitoring rather than decision-making – the notable exception being the healthcare sector;
- Organisation of the public sector: from homogeneity to differentiation in the organisational schemes adopted by public sector organisations; use of divisional, next to functional, organisational models for ministries; massive employment of purchaser-provider split in the healthcare sector; use of Market-Type Mechanisms – MTMs – in certain areas of welfare (mainly healthcare);
- Personnel management: a succession of three reforms has profoundly changed the way public personnel is regulated and managed – given the significance of this ‘component’ of public management reform for PSM, these reforms are illustrated in closer detail in the remainder of this section.

Before delving into personnel management reforms, it is useful to further qualify change in relation to the policy sectors. Zooming in on the level of policy sectors, one can be singled out for the extent of change that occurred, and the radical NPM character of the reforms that were implemented: healthcare. In this sector a process of systematic deployment of MTMs – e.g., through the introduction of diagnosis-related groups (DRGs) and the split of the purchasing and providing function of health services – combined with the massive corporatisation of hospitals and local healthcare units has taken place (Cantù, 2011). The extent to which NPM-inspired reforms were introduced in the healthcare system has no

parallel in other areas of the public sector, like government administration, or education, or law enforcement (which has remained largely untouched by massive NPM reforms).

Three successive waves of reform – i.e., the First Privatisation⁴, the Second Privatisation, and the Brunetta Reform – have reshaped the Italian public personnel administration over the last two decades (Ongaro and Bellé, 2010; Bordogna and Neri, 2011). The *First Privatisation* took place in 1993, when the ‘technical’ government led by Carlo Azeglio Ciampi adopted a comprehensive reform package: Legislative Decree 29/93, which had been initiated and promulgated by the previous Amato Government, followed the guidelines set out by Delegating Law 421/92, which primarily aimed at reducing government spending in order to meet the Maastricht criteria and overcome a serious financial crisis. With the First Privatisation, the former sovereign employer model, in which the government unilaterally determined staff regulations in the public sector, was replaced by a collective bargaining system similar to that in place in the private sector. National collective employment agreements came to be negotiated between public employees’ national unions and the *Agenzia per la Rappresentanza Negoziabile del Pubblico Impiego* (ARAN), a newly-created public agency representing government organisations. Based on the rules set out by national collective bargaining agreements, each government organization had to negotiate decentralized/integrative collective bargaining agreements with workplace representations comprising both workforce representatives elected by their fellow employees and local trade union representatives. Among other innovations, the 1993 reform abolished automatic salary increases and introduced performance-related pay (PRP) provisions for employees of all grades. The First Privatisation affected about eighty percent of public employees and left out only a few categories: the most senior state executives, judges, state attorneys, military personnel, the police, diplomats, prefects, and university professors. As public employment relations shifted from the administrative law to the civil code, jurisdiction over employment disputes wandered from administrative to ordinary tribunals.

The *Second Privatisation* took place in the late 1990s. In 1998, the centre-left government led by Romano Prodi adopted a new civil service reform package to follow through on the trajectory set out by the First Privatisation, which had been only partially implemented. The

⁴ The term “Privatization” does not indicate the privatisation of public services, but specifically refers to the contractualisation of employment relations, i.e. the adoption of a collective bargaining system in place of the previous “sovereign model” in which staff regulation in the public sector were unilaterally determined by the Government (see for instance Bordogna and Neri 2011), and the shift of the employment relationship from the administrative law to the civil code.

Second Privatisation, which was devised by then Minister for Public Administration Franco Bassanini, extended the contractualisation of employment relations to the some four hundred senior state executives who had not been affected by the First Privatisation. The 1998 reform significantly decentralized the public collective bargaining system, reducing the scope of national agreements in favor of integrative local contracts. The Second Privatization reduced controls by the Government and the Court of Auditors on collective bargaining both at the national and at the organisation levels, thus leaving more autonomy and leeway to the negotiating parties.

In 2009, the centre-right government led by Silvio Berlusconi adopted a new comprehensive reform of the Italian civil service. On the one hand, the *Brunetta Reform* – so dubbed after the Minister for Public Administration who devised it – revamped some of the NPM-inspired performance management provisions that had been introduced by the two previous reforms without having been fully implemented in practice. On the other hand, it regulated by law aspects of public personnel administration that were previously determined through collective bargaining agreements (e.g. criteria for within-grade salary steps) or autonomously decided by the management at the organization level (e.g. the distribution of performance ratings). Table 1 summarizes the impact of the three waves of reform on the main features of the Italian public personnel administration.

[Please see http://www.unibocconi.it/belle_ongaro_table1

The First Privatisation, the Second Privatisation, and the Brunetta Reform have significantly reshaped the role of Italian public managers. The *First Privatisation* had at its core the idea of ‘letting managers manage’ (Ongaro and Bellé, 2010). To pursue this goal, it attempted to draw a clearer line between politics and administration. On the one hand, elected officials were vested with the responsibility of setting strategic goals, allotting financial resources, and assessing results. Public managers, on the other hand, were granted broad operational autonomy (e.g., only civil servants were allowed to sign contracts with third parties that were legally binding on the organization). With the contractualisation of the public employment model, public managers were no longer appointed through administrative law acts but upon acceptance of individual private-like hiring proposals. The First Privatisation amended the traditional career-based system, introducing the possibility to hire a limited percentage of the management staff through fixed-term contracts. Before the First Privatisation, tenured public executives used to spend their entire career in the same position,

unless they were promoted. Now they could be periodically re-assigned to different positions, based on their competencies and previous performance. Each management position had to be filled either by a tenured civil servant temporarily assigned to it or by a non-tenured manager hired with a fixed-term contract. The First Privatisation granted public managers a greater autonomy in administering the personnel directly assigned to them.

The *Second Privatisation* had at its core the idea of ‘making managers manage’ (Ongaro and Bellé, 2010), by putting emphasis on managerial responsibility, by re-launching PRP schemes, and reducing seniority requirements for promotion; public managers were made also more accountable through an extensive reform of internal controls that was passed in 1999. The Second Privatisation increased the percentage of management staff that could be hired through fixed-term contracts and extended the contractualisation of the employment relations to the most senior public sector executives. On the one hand, the 1998 reform formally strengthened public managers’ autonomy beyond financial and human resource management to include micro-organization. On the other hand, as argued by scholars in the field (e.g., Carinci 2011; Rusciano 2008; Zoppoli 2009), the Second Privatization, *de facto*, strengthened the trade unions’ power in the bargaining process and their influence over micro-management issues.

The Brunetta Reform has had an ambivalent impact on the autonomy of Italian public managers. On the one hand, the 2009 reform has restated and extended executives’ autonomy in micro-organization matters vis-à-vis politicians and the unions. On the other hand, the Brunetta reform has introduced new legal constraints that have significantly reduced managerial discretion. For instance, the managers of most public organizations are now required by the law to apply a forced distribution of their employees’ performance ratings and this provision cannot be overruled by collective agreements. The third reform has also introduced a series of harsher punishments for managers who do not exert a diligent oversight over their employees.

Public Service Motivation

Since Perry and Wise (1990, 368) defined public service motivation (PSM) as “an individual’s predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations,” PSM research has blossomed into a vibrant field of study (Perry and Hondeghem, 2008). Over time, scholars have proposed three major variations on

the same theme (Perry, Hondeghem, and Wise, 2010). Brewer and Selden reframed the concept of PSM as “the motivational force that induces individuals to perform meaningful [...] public, community, and social service” (1998, 417). Along the same lines, Rainey and Steinbauer referred to PSM as a “general, altruistic motivation to serve the interests of a community of people, a state, a nation or humankind” (1999, 20). A more recent definition by Vandenabeele encompassed “belief, values and attitudes that go beyond self-interest and organisational interest, that concern the interest of a larger political entity” (2007, 547).

Since the Perry and Wise (1990) essay, some 150 studies on PSM have been published internationally (Perry, Hondeghem, and Wise, 2010). Scholarly effort has been primarily devoted to two issues: the conceptualization and measurement of the PSM construct and the investigation of the relationship between PSM and its antecedents and consequences (e.g., Coursey and Pandey, 2007; Kim, 2009b; Kim and Vandenabeele, 2010; Ritz, 2011; Vandenabeele, 2008; Wright and Christensen, 2009). Over time, PSM research has also spread from the United States to many countries in Europe, Asia, and Australasia allowing testing of theoretical predictions in a broad range of populations.

Methods

Our sampling frame covered the entire population of Italian workers. We used a multi-stage stratified cluster sampling design. At the first stage of sampling, we randomly selected twenty out of the one-hundred and ten provinces that constitute the Italian State. We used probability proportional to size sampling to choose these twenty primary sampling units, with the probability of selection into the survey sample for each province being proportional to its relative population as of 2010. In each province, we sampled a number of organizations and individual businesses (i.e. the elementary units) that was proportional to the province population. In doing this, we stratified by sector (i.e. private, public, and non-profit) using proportionate allocation, which required a sampling fraction in each of the strata that was proportional to that of the 2010 population of Italian workers as reported by the Italian National Institute for Statistics (ISTAT). Our final selection consisted of about 4,500 individuals. Sixteen research assistants personally contacted all of the workers in the sample – multiple times, when needed – and invited them to answer a short questionnaire that took between two and five minutes to complete. To maximize the response rate, the survey was administered both online and in paper format at the workplace. Of the around 3,200 workers

who had accepted our invitation to take the survey, 2,654 individuals answered all the questions.

Please see http://www.unibocconi.it/belle_ongaro_table2

Measures

Public Service Motivation

In the design of the survey, we proceeded as follows. First, absent strong evidence of the external validity of any of the revised versions of the PSM scale proposed by Perry (1996), we included all of Perry's 24 original items in the survey. All items used 5-point Likert-type scales with anchors of 1 (*disagree strongly*) to 5 (*agree strongly*). We applied confirmatory factor analysis (CFA) to test whether the four-correlated-factor model proposed by Perry (1996) was a good fit to our survey data. Both inferential χ^2 statistics and descriptive goodness-of-fit indices (GFIs) suggested that the Perry's 24-item scale was a poor fit to our data. The χ^2 (a lower χ^2 indicates a better fit) turned out to be large enough to reject the hypothesis that the 24-item model reproduced sample covariance ($\chi^2(df=246)=736.9$; $p<.001$). Root Mean Square Error of Approximation (RMSEA), Comparative Fit Index (CFI) and the Tucker-Lewis Index (TLI) also disconfirmed the 24-item model. RMSEA values close to .08 or below and CFI and TLI values close to .90 or above suggest a reasonably good fit (Byrne, 2001; Kline, 2005; Vandenberg and Lance, 2000). The RMSEA was too large (.13) and the two fit indexes were too small (CFI=.74; TLI=.72). Given the disconfirmation of the 24-item model, we estimated an alternative model. Drawing on Kim (2009b), we removed the items with the lowest factor loadings in each subscale, and CFA models with the remaining scale items were repeatedly tested until we achieved an acceptable fit to our data with a 13-item scale of four factors (Appendix 1 Please see http://www.unibocconi.it/belle_ongaro_appendix1). The Cronbach's alpha for the 13-item PSM scale was .81, and the coefficients for the four subscales ranged from .73 to .78. GFIs indicated a reasonably good fit (CFI=.92; TLI= .91; RMSEA=.06). The CFA showed convergent validity because all of the scale items were found to have statistically significant factor loadings ($p < .01$) for their respective latent constructs (lambda values ranged from .57 to .79). The CFA also indicated discriminant validity because, on average, the proportion of shared variance between any two measures was low (= .12), and no measure shared more than 39 percent variance with any other measure. In our regression analyses we therefore used the 13-item version of the original Perry scale that is reported in Appendix 1.

Control variables

We controlled for factors that have been investigated as potential antecedents or consequences of PSM in previous research: sector of employment, field of employment, age, gender, region of birth, years of education, job tenure, number of subordinates, annual income, intrinsic motivation, and religiosity. Concerning operationalisation of the last two factors, we measured intrinsic motivation with a four-item scale adapted from Grant (2008). We asked respondents to indicate their agreement with the following four statements: "I am

motivated to do my job because I enjoy the work itself,” “My job is fun,” “I find my work engaging,” and “My job is also my hobby.” All items used 5-point Likert-type scales with anchors of 1 (*disagree strongly*) to 5 (*agree strongly*). Cronbach’s alpha was .91. We controlled for religiosity in light of literature showing that religiosity may be a relevant antecedent of PSM (Perry 1997, Perry et al. 2008). We measured religiosity with one item adapted from the Duke University Religion Index, “My religious beliefs are what really lie behind my whole approach to life.” This item used a 5-point Likert-type scale with anchors of 1 (*disagree strongly*) to 5 (*agree strongly*).

Findings

Italian public employees⁵ tend to self-report higher levels of public service motivation (PSM) relative to Italian workers in the private sector

(http://www.unibocconi.it/belle_ongaro_table3)

Similarly, self-reported levels of three of the four PSM dimension – i.e., commitment to the public interest (CPI), compassion (COM), and self-sacrifice (SS) – are on average higher for public employees relative to private sector workers. Instead, we did not find any public-private difference with regard to the attraction to policy making (APM) dimension. This last finding is not surprising because APM is “a rational or self-interested motive that is less value or mission specific” (Wright, Moynihan, and Pandey, 2012, p. 210). Indeed, previous research has found a weak correlation between APM and a popular five-item version of Perry’s (1996) original scale (Alonso and Lewis 2001; Belle, 2013, 2014; Brewer and Selden 2000; Kim 2005; Pandey, Wright, and Moynihan 2008; Wright and Pandey 2008; Wright, Moynihan, and Pandey 2012; Wright, Christensen, and Pandey forthcoming) has recently been validated as a multi-item unidimensional measure of public service motivation (Wright, Christensen, and Pandey forthcoming).

The public-private difference in PSM holds true after controlling for economic sector of employment (i.e., primary, manufacturing or services), age, job tenure, gender, seniority, area of birth (i.e., northern, central or southern Italy), years of education, type of job contract (i.e., open-term, fixed-term or self-employed), annual income, intrinsic motivation, and religiosity. Table 4 reports the estimates from a series of ordinary least squares regressions that include these controls. We selected our regression model specification based on a goodness-of-fit analysis. In particular, both the Akaike information criterion (AIC) and the Bayesian

⁵ In the course of the analyses presented in this article we did not merge public and non-profit workers into a single category. Therefore, whenever we talk about public sector workers, these do not include respondents working for non-profit organizations.

information criterion (BIC) indicated that the model predicting PSM in Table 4 (Please see http://www.unibocconi.it/belle_ongaro_table4)

is superior to any other – more restricted or less restricted – model specifications. Holding constant the other variables in the model, self-reported levels of PSM tend to be higher for individuals working in public and non-profit organizations compared to workers in the private for-profit sector, which are the reference category. Our data also suggest that self-reported levels of PSM tend to be higher for respondents coming from central or southern Italy relative to workers from the northern regions of the country, for respondents with more education, for those who are not self-employed and for those reporting higher levels of intrinsic motivation or religiosity.

Whilst in the private sector PSM levels do not appear to be related to job seniority, senior public managers tend to self-report stronger PSM relative to the rest of employees. The coefficient on the interaction between the dummy variable indicating that the respondent supervises more than twenty staff (senior) and the dummy variable indicating that the respondent works for a public organization (public) is in fact positive ($\beta = .12$, $p < .001$). The opposite is true in the non-profit sector ($\beta = -.05$, $p < .001$). We reached similar conclusions for three of the four PSM dimensions (i.e., APM, CPI, and SS). The only exception is COM, which tends to be higher for senior managers relative to the rest of the staff also in the private for-profit sector, although the difference in PSM between senior management and the rest of the workers is smaller than in the public sector.

We then focused on public employees only, in order to explore possible motivational differences related to the job field. Table 5 (Please see http://www.unibocconi.it/belle_ongaro_table5) reports the estimates from regression analyses predicting PSM and each of its four dimensions among Italian public employees. Controlling for the other variables in the model, self-reported PSM tends to be the highest for those working in law enforcement⁶ and the lowest for healthcare practitioners. Educators (the reference category) and government employees lie somewhere in between. Other things being equal, self-reported PSM tends to be higher for public employees with longer job tenure, for senior managers, for public employees coming from central Italy, for respondents with more education, for those with an annual income between thirty and one hundred thousand Euros per year, as well as for individuals reporting higher levels of intrinsic motivation or religiosity.

⁶ The law enforcement category includes the police, the military, fire-fighters, judges and the like. The fact that these categories have not been contractualized makes particularly interesting the comparison of their levels of PSM relative to those of contractualized workers.

Discussion

A first finding is the evidence about PSM being higher in the public sector than in the private/commercial sector in Italy. A first consideration we may draw from this is that, in comparative terms, Italy as of 2011 does represent a case in which the public sector is distinctive and cannot be equalled to the private sector in terms of the motivational structure of the people working in it.

A second consideration is more theoretical rather than empirical and it is related to the first of the three propositions originally put forward by Perry and Wise (1990), who posited that “[The] greater an individual’s public service motivation, the more likely the individual will seek membership in a public organization” (p. 370). As of today, a number of studies have provided circumstantial evidence that PSM may be a factor in attracting and retaining public employees (Crewson, 1997; Lewis and Frank, 2002; Rainey, 1982; Vandenabeele, 2008). Due to the cross-sectional nature of our data, we were only able to test for associations between PSM levels and sector of employment, while holding constant the other variables in our multivariate regression model. In other words, our correlational design was not suited for testing Perry and Wise (1990)’s proposition directly. Nevertheless, our data provide further international evidence that is coherent with the attraction-selection framework put forward by Perry and Wise, “namely that public sector workers do show greater PSM” (Steijn 2008, p. 21).

A third consideration is that, if our assumption that PSM was higher in the public sector also before the season of managerial reforms that began at the debut of the 1990s is true, NPM has *not* normalised the public sector, in terms of making the motives of public employees akin to those of their commercial sector counterparts. This is amenable to a variety of interpretations. It may be conjectured that NPM-inspired reforms do not have any normalising effect, thus leading to the outright rejection of the argument that its core doctrinal elements – making the government more business-like, and emphasising economic incentives as the lever to steer individual behaviour, conceived of as utility-maximising – should make the public sector more akin to the commercial sector. Alternatively, it may be conjectured that NPM reforms do have an effect, but this will show up only in the long term; two decades may be a short period for an institution like the public administrative system of a country that took centuries to acquire its current form (perhaps this manifests itself as a sort of ‘resilience’, the capacity of the public sector to ‘absorb’ a certain degree of NPM reforms without ultimately changing, or changing dramatically, its motivational structure), thus

preserving the argument but introducing in it a strong temporal dimension. The velocity of this normalisation process, in any case, would heavily depend on whether PSM is a stable trait or a dynamic one. If the former were the case, levels of PSM among a country's public employees at any given time would be mainly due to attraction-selection-attrition mechanisms and any normalisation process would take longer. Instead, if PSM were a dynamic state similar to other PSM-related values (Cable and Parsons, 2001), the normalization could be quicker because current employees' PSM could be modified through socialization and adaptation processes. Unfortunately, to date the lack of experimental work leaves the question unanswered of whether PSM is a stable trait or a dynamic state (Brewer, 2003; Crewson, 1997; Houston, 2006; Posner and Schmidt, 1996; Rainey, 1982; Karl and Peat, 2004; Wright and Grant, 2010).

Whatever the interpretations of the alleged impact of NPM reforms on public employees' motivation, we should recall that a number of qualifications apply. First, we recall the assumption that we do not have any measure of the level of PSM before the last two decades of NPM-inspired reforms, hence we cannot control for trends. It might well be that reforms have substantively reduced the level of PSM in the Italian public sector, although not up to the point to have entirely depleted it. Second, Italy has undergone a relatively significant amount of NPM-inspired reforms, but not at the level nor the intensity of other countries (like Australia, New Zealand, United Kingdom in certain periods), hence a counter-argument could be that NPM does have a normalising effect, but magnitude matters, and it is only because of the relatively limited accumulation of NPM interventions in Italy that normalisation is not apparent. This consideration leads to pondering over our second finding.

The second element of evidence that emerged concerns the different degree of PSM that we found across policy sectors. Indeed, it appears that sectors characterised by a high concentration and intensity of imposition of NPM measures do have a significantly lower level of PSM than sectors that have been touched much more limitedly by such reforms - at least in one sector of doubtless importance this is the case: healthcare, when contrasted with sectors like education or law enforcement. To re-state, univocal attribution of causality cannot be demonstrated: we do not have measures of the level of PSM before the wave of NPM interventions, nor can we rule out other explanations, not least the one that PSM might have already been lower in the health sector, when contrasted to other job fields within the public sector, *before* the two decades of NPM reforms recounted. But the statistically significant difference in PSM between sectors that have undergone significant

transformations in structures and processes in line with NPM doctrines (like healthcare) and those which seem to have remained at the margin of the wave (like law enforcement) may add confidence to the thesis that interprets NPM as having a negative effect on PSM; ‘negative’ both in the factual sense that it actually reduces the stock of PSM (depletion effect), and in the evaluative sense that theorists of PSM usually associate higher PSM with potentially higher performance (Perry and Wise, 1990), hence it may be detrimental to public service organisations performance. This thesis, however, is here only put forward in the form of a tentative statement. It is amenable to future testing through replication across sectors and polities, and over time: a kind of research work that we advocate, for its potential contribution to both theory and practice, as discussed (in reverse order) in the remainder of this concluding section.

Implications may be drawn for practitioners: starting from those pertaining to the specific intrinsic case about which this research provides empirical evidence, Italian would-be reformers do have to take into account that the public sector in their country is different in its motivational structure from the private/commercial sector. As a minimum for this reason, assuming that managerial recipes that have proved to work well in the private sector will produce equally positive results in the public sector is a flawed assumption. But what we have found is perhaps of more general significance: would-be reformers in other countries fond of NPM recipes will have to take care of a potential side effect that such reforms might engender: the depletion of PSM. This consideration requires qualifications; when talking of NPM-inspired reform a range of different and disparate provisions are lumped together: certain reform provisions are much more likely than others to produce such an effect, and ultimately it is research on the determinants of PSM that may underpin warranted statements about the impact of managerial reform on PSM. Such research would benefit, we would argue, from the systematic inclusion of measures of PSM in the analyses, diagnoses, and evaluations of public management reforms.

Turning to the academic side of the use of the findings presented here, future research may benefit from these findings in a number of ways. First, scholars exploring the topic of the drivers of the motivation of public employees may use the Italian case of PSM to control for a set of factors in attempting to determine the drivers of PSM (Tables 4 and 5). Second, the stream of research in public management interested in the analysis of reform trajectories and explaining convergence vs. idiosyncrasies in public sector reform may consider including PSM both on the independent variable side and on the dependent variable side of the

equation. As an independent variable, PSM may be used to qualify the ‘context’ of a given country case, as a key component of the ‘cultural dimension’ that powerfully contributes to constituting the ‘institutional arrangements’ that differentiate and set each country on ‘its own path’ (thus offering a potential way forward for the investigation of the differentiated responses of individual countries to global pressures to reform). It may also help in case selection when comparative studies are conducted: similarity and dissimilarity between cases is usually gauged by considering historical-institutional dimensions (we thus have ‘Napoleonic’ administrative systems, or Anglo-American ones, or post-soviet systems), almost always overlooking other profiles, like PSM. A reason why this has been the case is that only recently ‘large-scale’ surveys on PSM in different countries are on the way, and this article aims to contribute by providing evidence about the case of Italy. As a dependent variable, the accretion or depletion of PSM may well be included in the range of the effects of a public management reform (Pollitt and Bouckaert, 2011, chapter 5), thus providing another angle from which to look at the impact of managerial reforms.

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