The Choice-Architecture behind Policy Designs

From Policy Design to Policy Practice in the European Integration Context

AceeNISA NISPAceeNISA AceeNISPAceeNISA NISPAceeNISPAceeNI NISPAceeNISPACEENISP

AceeNISPAceeNISPAceeNISPAcee.

NISPAceeNISPACEENISPAC

Edited by: Michiel S. de Vries Juraj Nemec Veronica Junjan PAceeNISPACEENISPACEEN





The Choice-Architecture behind Policy Designs

From Policy Design to Policy Practice in the European Integration Context

Edited by:

Michiel S. de Vries Radboud University Nijmegen, The Netherlands

Juraj Nemec

Masaryk University Brno, Czech Republic

Veronica Junjan

University of Twente, The Netherlands

Bratislava: NISPAcee, 2020



Copyright © 2020 by NISPAcee

The Network of Institutes and Schools of Public Administration in Central and Eastern Europe

The Choice-Architecture behind Policy Designs

From Policy Design to Policy Practice in the European Integration Context

Main Editors:

Michiel S. de Vries, Radboud University Nijmegen, The Netherlands Juraj Nemec, Masaryk University Brno, Czech Republic Veronica Junjan, University of Twente, The Netherlands

Editors of Chapter 1. and Chapter 2.:

Michiel S. de Vries, Radboud University Nijmegen, The Netherlands Juraj Nemec, Masaryk University Brno, Czech Republic Veronica Junjan, University of Twente, The Netherlands

Editors of Chapter 3.:

Juraj Nemec, Masaryk University Brno, Czech Republic Martin Klus, National Council of the Slovak Republic, Bratislava, Slovak Republic

Editors of Chapter 4.:

Lesya Ilchenko-Syuyva, National University of "Kyiv-Mohyla Academy", Ukraine Jaroslav Dvorak, Klaipeda University, Lithuania

Mihaela Victorita Carausan, National University of Political Studies and Public Administration, Romania

Language Editor: Jane Finlay

Managing Editor: Elena Žáková, NISPAcee, Slovak Republic

Published by NISPAcee Press

Polianky 5 841 01 Bratislava 42 Slovak Republic IČO 31 752 926

e-mail: nispa@nispa.org http://www.nispa.org

Printed in Slovakia

ISBN 978-80-99939-01-2

The book contains selected revised papers from the 27th NISPAcee Annual Conference "From Policy Design to Policy Practice", May 24-26, 2019, Prague, Czech Republic organized in co-operation with Charles University, Prague and Masaryk University, Brno, Czech Republic, co-funded by the Erasmus+ Programme of the European Union under the Jean Monnet Action – Jean Monnet Project No. 599737-EPP-1-2018-1-SK-EPPJMO-PROJECT "PRACTIC - From Policy Design to Policy Practice in the European Integration Context".

This publication was funded by the Erasmus+ Programme of the European Union under the Jean Monnet Action – Jean Monnet Project No. 599737-EPP-1-2018-1-SK-EPPJMO-PROJECT "PRACTIC - From Policy Design to Policy Practice in the European Integration Context".

Table of Contents

-	T .	1 . •
	Intro	duction
1.	mu	uucuon

The Choice-Architecture behind Policy Designs: An Introduction to this Volume Michiel S. de Vries, Juraj Nemec, Veronica Junjan	11
Policy Design: Just a Fad or a Fundamental Concept? (Or How to Deal with Policy Design in Interesting Times) Veronica Junjan	
2. Empirical Research Papers on Policy Design and Policy Practice	21
Editors: Michiel S. de Vries, Juraj Nemec, Veronica Junjan	33
Policy Design and its Relevance for Practice in Public Administration B. Guy Peters	35
Redesigning Policy Cycles and their Design Geert Bouckaert	45
Public Policy in Troubled Waters Martin Potůček	. 51
The Rule of Law in CEE Public Administration through the Content Analysis of Selected Articles Polonca Kovač	. 57
3. Case Studies Editors: Juraj Nemec, Martin Klus	. 79
A Framework for Political Leadership to Build Sustainable Public Institutions: Addressing Wicked Problems *Richard F. Callahan	01
Co-creation and Co-production on the Local Level: The Case Study of the "Citizens' Initiatives" Service in the City of Ljubljana Mitja Dečman	
Performance Appraisal of Civil Servants – as Introduced by the New Law of Civil Service in the Georgian Public Sector Nino Dolidze	
Increasing Democratic Legitimacy of Elections and Referendums in Slovakia	
Martin Klus, Juraj Nemec 1	l 17

E-government and Digitalisation of Core Administrative Services for	
Citizens in Selected CEE Countries David Špaček, Mihály Csótó, Nicolae Urs	27
Davia Spacek, Minaly Csolo, Nicolae Ors	21
4. Policy papers Editors: Lesya Ilchenko-Syuyva, Jaroslav Dvorak, Mihaela Victorita Carausan	47
4.1. Use of Evidence in Public Policy Design and Implementation	
Increasing Reliance on Wood Energy? A Case Study on Policy-Practice Interface in Selected European Countries Francesca Ferranti	49
Re-thinking the Importance of Equity Principles in Carbon Emissions Policy for the Future: A Policy Driven Empirical Narration for India vs. European Union Sovik Mukherjee	61
The Development of Foreign Language Professional Competencies of Public Administration Students Guliya K. Nurlybaeva	79
Building a Cybersecurity Ecosystem in a Hungarian City – The Potential for Innovative Growth Judit Szakos, Tamas Szadeczky	95
Towards More Evidence-Based Policy Making in Montenegro in the Context of the Advanced Stage of EU Accession Negotiations **Almedina Vukić*** 2	209
4.2. Citizens' Participation	
Civil Participation by Means of Participatory Budgeting: Checking of Possibilities for Decentralised Cooperation in Belarus Yuri Krivorotko	225
Networked Individualism: A New Narrative for Citizens' Participation in the Decision-Making Process in Latvia Lilita Seimuskane, Eduards Lielpeters	239
4.3. Reforms and Change	
Changes in the Organisational-Legal Form of Hospitals Olga Angelovská	259

Open Information, Contract Management, Transparency and Ethical	
Standards: In Local Government Units Contracting Out for Case	
Management Service Delivery	
Esien Eddy Bruno	267
Improving Public Services in the Post-Soviet Settings: The Potential for	
Optimisation of Public Services in Kazakhstan	
Bakhytzhan Kurmanov	283
Potential for Improvements in the Reporting and Financing of Museums	
in the Czech Republic	
Milan Jan Půček	299
The Reform of Territorial Public Administration in Hungary	
Edit Soós	315

Appendix

Methodology, Methods, and Data

This text is structured as a policy paper and further subdivided according to a prescribed format. That is why space for methodology, methods, and data is only in the appendix. With respect to methods, this text applies a mix of normative and positive methodology. **Positive methodology** was used in the description and analysis of the subject, i.e. to outline the subject both on a theoretical and a practical level (data analysis, analysis of interviews, etc). Positive methodology was also used in desk research of available sources, legislative framework of the subject, and other useful sources. When applying positive methodology, the following were viewed as the core criteria questions: 'What actually took place in relation to our subject, i.e. in relation to museum statistics?' or 'What is the current state of affairs with respect to the main subject of this contribution?' Once these questions were answered, a solution was formulated which could, given certain selected criteria, be considered optimal. That process took place on a **normative level**, since it could be viewed as answering the question: 'What would be the desirable state of affairs with respect to museum statistics within the areas of our interest?' In his research, the author used a combination of methods, whereby of crucial importance was analysis, which was applied to the investigation of legislation currently in force in the Czech Republic, of literature and other available sources relevant to museum statistics or formulation of alternatives and recommendations. The author also used deduction, for instance when drawing conclusions from existing approaches to the subject of this paper, but also analogy and induction (for instance when drawing conclusions from analysis of particular primary and secondary sources and data).

The paper relies on statistical **data** of the Ministry of Culture of the Czech Republic (especially the NIPOS statistics), data on research and development results in the RIV and ANV databases, financial data from the MONITOR database (information portal of the Ministry of Finance of the Czech Republic, which enables access to budgetary and accounting data on all levels of state administration and lower administrative levels), and internal data of the National Museum of Agriculture.

The text was prepared as part of the institutional support provided by the Ministry of Agriculture of the Czech Republic to the National Museum of Agriculture, a research organisation (decision registration code MZE-RO0818 on provision of institutional support).

The Reform of Territorial Public Administration in Hungary¹

Edit Soós²

Abstract

The study examines the most significant structural changes affecting territorial public administration in Hungary (2010–2019). The aim of the Hungarian government is the creation of a 'Good State' which serves the needs of individuals, communities and the enterprises and protects values and interests and which promotes competitiveness and development. The study examines the ongoing processes in public administration as political processes, making and accomplishing decisions and programmes that are closely connected to the characteristics of the political system.

The anticipated trends of territorial administration development until 2020 are included in public policy strategic documents with designated intervention areas, such as organisational development, public administration tasks, regulation of public administration procedures and human resources questions. Hungarian public administration should work in an organised, consistent and transparent structure which is highly professional, efficient and operate on modern information and communication technologies, thus creating a service-oriented state operation, enjoying the confidence of the public.

The study concludes that further efforts are required to modernise public administration and transform processes and workflows towards client-oriented, integrated and efficient territorial public administration which is simpler, more transparent and more accountable to citizens.

¹ This research was supported by the project nr. EFOP-3.6.2-16-2017-00007, titled *Aspects on the development of intelligent, sustainable and inclusive society: social, technological, innovation networks in employment and digital economy.* The project has been supported by the European Union, co-financed by the European Social Fund and the budget of Hungary.

² Faculty of Law, University of Szeged, Szeged, Hungary.

Goal

The objective of the study is to approach processes in public administration between 2010 and 2019 from a public policy point of view. The government's aim for 2020 is that Hungarian public administration should work in an organised, consistent and transparent structure, applying modern and customer-friendly procedures available for anyone with professional, national, ethical and motivated staffs.

The purpose of the reform programme is to improve trust in public administration by providing customer-focused services to citizens and business, and make government operations more efficient by accelerating procedures, reducing administrative burdens, time and cost, and more widely, computerise state-to-citizen relations.

The analysis is undertaken in order to provide an overview on the suitability and comprehensiveness of the reform in territorial public administration with special focus on administrative districts offices.

Policy Client

The worth of each organisational and procedural reform depends on the officials themselves. The study addresses the heads of district offices and administrators, presents practical recommendations to strengthen the method of the decision-making processes in district administration, including opportunities for co-ordination and collaboration between citizens, enterprises and public administration employees.

The client's point of view on the part of e-administration is that the clients become the actors of the administrative system. For this reason, e-administration will have more impact on clients and reduce bureaucracy by using specific ICT methods to obtain the best solution for creating a good client-administration relationship.

Policy Aims

After the significant simplification of the central organisation of public administration, mainly at the ministry level, government and public foundations, the modernisation of the organisational system of public administration, simplification of public administration procedures and regulations, and management of human resources in public administration are the challenging tasks to be achieved.

State bureaucracy must not be allowed to hinder economic growth. For this aim to be achieved, the rollout of public administration through the internet must be continuously and consistently developed, together with further reductions in

administrative burdens on citizens and businesses, and an increase in the number of government public service points and the services offered by them.

Physical and IT infrastructure is essential for effective organisational operation. In order to broaden and improve the quality of e-administration services, the conscious use of info-communication tools by the Hungarian population, as well as micro and small enterprises with the objective to replace paper-based administration with electronic administration, would make procedures and organisational processes simpler, faster and more efficient.

Background of the Problem

The reform of the territorial administration is part of the overall reform of public administration, which was primarily triggered by a diagnosis of the weaknesses, inefficiencies and bottlenecks in the structure of Hungarian public administration at all levels of government. In the Hungarian model of public policy making, the 'top-down' approach is dominant. Due to the traditional 'top-down' system, a general weakness of the public administration is caused by the lack of democratic control, accountability and transparency.

Regarding the stages in a policy cycle, through which a policy must pass before an authoritative decision is taken and carried out, there are some obstacles to overcome. The important condition for the effective operation of public administration is that task- and staff-based planning is not a general feature. The final phase of public policy is often missing, public policy processes begin, but they often do not arrive at completion. There is no evaluation phase and closure. Reconciliation of interests is too hasty and therefore often formal. There is a deficit in the course of the actual and interpretative social consultations. The institutional mechanisms of the involvement of interest protection organisations operate only formally, and are related to the traditional feature of Hungarian political culture – to paternalism.

The overwhelming organisational system of the state and the non-transparent, unclear roles and responsibilities not only result in low efficiency, but they are also a major cause of corruption. The reduction of bureaucracy is also vital to the improvement of national competitiveness. The state should be a facilitator and not an obstacle for citizens and economic players in their dealings with it.

Key elements of the public administration crises are: a proliferating system of state organisations, unclear state responsibilities, lack of quality legislation and proper feedback, low level of customer service, under-developed e-administration, lack of effective staff management and career, and the low level of commitment of officials.

The relationship between the state and citizens is greatly influenced by the burdens that public administration procedures impose on clients. Some problems occurred with administrative burdens, customer orientation, time and cost, non-standardised service qualities, and with the non-interoperable operating and management systems. Customer service became unsustainable, operating in a fragmented and inefficient manner.

In administration, several e-interfaces are used. The use of e-interfaces requires different access codes; e-interfaces do not have a uniform datasheet; the filing system constantly changes and in many cases the lack of a proper technical background (computers) means they are outdated.

The situation analysis reveals, and interviews with civil servants in the district offices, underlines that the use of interactive technologies is still limited amongst the Hungarian population. They have no competitive knowledge. The same statement also applies to the employees and managers of enterprises and there is also some backlog in the digital competencies of public administration employees.

Customer distrust of electronic administration is still the consequence of digital illiteracy. The disadvantages arising from the social situation, the lack of awareness and intellectual knowledge, and the disadvantages of the level of education, make the process of fast and efficient administration difficult. This means that citizens frequently do not choose e-government services instead of the traditional ones. The electronic management of cases is a constraint and an unreasonable burden on customers who do not have the right competencies or sufficient background. The measure becomes customer-oriented when the concerned target groups i.e. citizens, and micro and small enterprises, have the appropriate IT skills.

Alternatives

Public policy focuses on the analysis and explanation of government responses to public problems and is also concerned with the evaluation and impact of these policies on citizens.

Different countries need different governance systems in terms of both principles and structure. Countries with different ideologies have and require different unique governance setups. However, the preferable redesigns of governance depend significantly on specific conditions and problems. Before identifying the tasks of governance and working out required redesigns, we need to look at the environments within which governance will have to operate in the foreseeable future and the problem domains with which it will have to cope.

Hungary is a unitary parliamentary republic, organised on a decentralised basis. There are three levels of governance: central, regional (county), and local. The government is the general body of executive power, and the primary director of public administration. It has a prominent role in shaping the work of the national parliament. With its act-preparing and act-proposing governmental activities, the

government greatly influences the issues to be debated in the national parliament. This means that it pursues the realisation of the goals laid out in the Government's programme.

In 2010 the Hungarian government set the aim of reorganising the Hungarian public administration and Hungarian state. A new approach was adopted – the Neo-Weberian philosophy of state advocated the reinforcement of the state's role, the requirement of the quality and the professional provision of services.

By adopting the Fundamental Law of Hungary (2011), the reform process has brought effectiveness of the central government's decision-making system to the forefront in European terms and, without this, it would have been impossible to implement changes in the public administration system. The Government created an unprecedented number of significant laws aiming at extensive changes in the political system and constitutional frame.

The key responsibilities for administrative reform are vested in the Prime Minister's Office, according to Article 18 (1) of the Fundamental Law 'The Prime Minister shall determine the government's general policy'. The head of government, as the leader of the executive power, embodies government policy, thus having significant influence on the functioning of the public administration.

The strengthening of the state requires strategic planning, prevision and risk-management. The directions of public administration development and the operating framework of Hungarian public administration were formulated in the public policy strategic documents. A coherent strategic planning and monitoring system has been established in order to implement the interdependent public policy programmes (National Cooperation Programme (2010); Magyary Programme (2011; 2012); National Info-Communication Strategy (2014–2020)). By establishing a unified, hierarchical system of strategic documents, the methodological expectations and the process of drafting and adopting strategies were approved.

Strategic planning is that the realisation of the 'Good State' concept is a 'top-down' process. At all levels, the government has reorganised the institutional system of public administration. The reform is consistently moving from the central to the local levels (central state administration, territorial level, and lower middle level). As part of the organisational renewal, the administrative county government offices (2011) and administrative district offices (2013) were established. The most important tool in the process was consolidation, reallocation of tasks and financial consolidation.

The Government's strategy is to build on the achievements of the Magyary Programme and its defined aim is to deepen the reform of public administration and to improve the quality and delivery of public services. In 2014, by the setting up of the State Reform Committee, the Government decided on the reform of state services, the reform of state administration services and the continuation of the

transformation of the territorial public administration. The goal is that the Magyary Programme should be a continuously updated action programme, adapted to the needs and aims of the times, which can make the development of public administration predictable.

Stakeholder Analysis

It is important to have customer-friendly communication with clients. The expected behaviour from civil servants for solving an emerging problem is professionalism, simplicity, and proper communication with customers by the agent after determining whether the client represents a direct, definite, distant, or uncertain style. On the other hand, it is an essential requirement for the client to verify the interview, check, and understanding.

Management decisions require the use of tools and methodology that help to achieve organisational objectives, so that employees can perform their tasks in a dedicated, completely professional and cooperative manner.

Leadership responsibility is essential in the detection of workplace conflicts, eliminating the root causes, and the role of management communication tools is paramount to the method of intervention and treatment. It is important to have continuous (written and oral) consultations with employees. The good executive promotes positive thinking in order to have officials who consider their work not only as a source of livelihood, but as a profession.

Consultation

A professional, cost-effective, service-oriented and career-based public service needs to be underpinned by human resource management. The government offices should offer horizontal actions and initiatives, innovative practices, exchanges of experience, including seminars, workshops, short-term joint staff training events, blended learning, supporting civil servants in acquiring and developing basic skills and key competences.

The role of professional training, effective information transfer, good communication, and organisation of team-building events are important, but leadership self-awareness, self-development, self-training, and continuous development of leadership skills and competences are of similar significance.

E-administration and e-public services to be developed which come closer to international levels are necessary to increase cooperation with international organisations, and to work with the Council of Europe and European Committee of the Regions on different thematic issues and discuss further professional activities.

Collaborating with professional, civic or academic organisations to exchange information and knowledge, to establish projects, and upgrade the efficacy of local activities and public service management promote the implementation of joint initiatives.

Policy Recomandation

The implementation of the public sector reform depends on the skills, knowledge, motivation and commitment of the public sector workforce. Ensuring the efficient, customer-oriented professional performance of the public administration is a major challenge for administrators and executives in the decision-making process. Improvements should be made in the development of interoperability capabilities in order to improve the efficiency of the procedures of individual professional organisations and the interaction between citizens and businesses.

Public service communication requires preparedness for public administration as a whole, but there is no single good communication strategy, it is necessary to select the right one for each organisational unit. The authority cannot expand beyond its sphere of competence, so problem-solving must be the most important aspect of decision-making.

In many cases, it is necessary to find the methods of performance enhancement at local level, which are needed for retaining skilled, experienced labour force. In addition, a leader can also contribute to effective decisions with unique incentives (such as recognition, or engaging in challenging tasks).

There are many circumstances which are independent on local decisions (wage-related benefits, improvement of workplace conditions, etc.), but, at the same time, there are factors determined locally. In adapting to the needs of employees in a more flexible way, the role of the head of the district office is decisive in ensuring that the office environment is customer-friendly, flexible, offers development, public service careers, does not raise wage tension, and engages employees in the decision-making process. It is important for a good executive to promote positive thinking in order to have civil servants who consider their work, not only as a source of livelihood, but as a profession.

Conclusion

The Hungarian Government (2010–2019) fundamentally reconstructed the central state system. The reform was launched in 2010, aiming at the central state administration, resulting in centralisation, further strengthening the role of the Prime Minister and further broadening the competence of its apparatus, organisational integration and a reduction in the number of central authorities.

The public sector was characterised by declining stability and predictability and strategic planning is therefore essential. After the 2010 change of government, a complex public administration development programme was introduced, which is aimed at the renewal of public administration on an entirely new basis.

The state territorial administrative reform, triggered by the public policy programmes in the process of administrative decentralisation, resulted in a centralised territorial model of the state administration within the terms of the European Administrative Space. When building a strong, centralised state with a strong public administration it became necessary to redefine the balance between the organisational principles of centralisation and decentralisation, and in that process the EU principle "close to the citizens" must be taken into account.

The anticipated trends of territorial administration development until 2020 are included in public policy strategic documents with designated intervention areas, which intend to create a public administration that is highly professional and efficient, with short administrative deadlines, thus creating a service-oriented state operation enjoying the public's confidence.

The new regulatory environment has defined a new e-administration model with regulated electronic administration services. Since 2010, the state administration and IT legislation has expanded and changed with the objective of replacing the paper-based administration with electronic administration.

There are more than 300 professional systems in Hungary that are not compatible with each other. The ongoing projects aim to create an IT connection between them, making the administration simpler and faster, becoming more customer-friendly. During the 2014–2020 budget programming period, particular attention will be paid to the implementation of e-government projects co-financed by the European Union.

There is a need for more evidence-based policy-making, regulatory impact assessment and giving more consideration to a range of policy options. Hungary can only perform well if the obstacles blocking the further upswing of the sector are considerately and consistently dismantled.

1. Introduction

In 2010, the Hungarian government set the aim of reorganising the Hungarian public administration and Hungarian state and to create a 'Good State' which is willing to reform the previous structure. A response to the distortions of public management in order to strengthen the state resulted in the introduction of the Neo-Weberian state paradigm. The Neo-Weberian state model gives an excellent role for the national governmental level in providing the common good, but on the other hand it greatly affects the strengthening of various levels of representative democracy (central, regional, local) whilst emphasising the importance of the unity of the

executive power of the state.³ The 'Good State' concept emphasised the strengthening of the role of the state in ensuring professional and high-quality services for all.⁴

The development of the state requires strategic planning, prevision and risk management. The directions of public administration development and the operating framework of the Hungarian public administration were formalised in strategic documents. The goal of these documents is to improve the efficiency of the operation of the state and the quality of administrative services, and to create an effective national public administration.

Public administration is concerned with the organisation, activities, and behaviour of administrative agencies and officials in the conduct of governance. It is an important strategic goal for Hungary to modernise its public administration and to increase the use of modern information and communication technologies (ITC) in the interactions between state institutions as well as between state institutions and citizens.

2. Methodology

In methodological terms, besides the traditional legal-normative approach, the empirical work is based on information obtained from three sources: interviews with civil servants in districts, documentation and statistical data. The research focuses on the collection of information relating to the operation of the Hungarian public administration system. The study provides an evidence-based evaluation of the current situation of the reform of district offices and identifies the steps that can be taken to improve service delivery in districts.

3. The 'Good State' Concept in Hungary

In 2010 two processes had the most significant influence on the governmental structure: the European integration (Hungary joined the EU in 2004) and the governmental philosophy of the ruling coalition of Fidesz – Hungarian Civic Alliance (Fidesz) and Christian Democratic People's Party (KDNP), the concept of the Neo-Weberian State.

The development process of European integration prioritises answering the question on how public administration can be understood in the European standardisation process, especially at organisational-institutional level and with regard to the activities and operations of public administration. The deepening European integration brings forward the institutional harmonisation of government systems of the EU Member States, particularly from a functional and value-oriented point

³ Stumpf István: Szakmai alapú közigazgatás – a neoweberiánus állam. {Professional public administration – the Neo-Weberian state} Gazdasági és Szociális Tanács, Budapest, 2009, p. 97.

⁴ The Government began three major administrative programmes in 2011, in line with the state's constitutional organisation: judicial and local government reform, and the Magyary Zoltán Public Administration Development Programme.

of view. This process is about the unification of the member states' administrative authorities and their administrative procedures. With all these taken into account, development of the European Administrative Space, as an informal entity, is a harmonised synthesis of values realised by EU institutions and Member States' administrative authorities through creating and applying EU law. This effort will result in the approximation of the national administrations of the Member States, bringing closer administrative cultures and models of national administrations. These states have to take into consideration the common values and administrative principles, such as reliability and predictability, accountability, openness and transparency, effectiveness and efficacy.

After the reform attempts to consolidate the role of the state, the neoliberal state concept and the New Public Management derived from it the second Orbán government (2010–2014) and reconsidered the role of the state in government decisions in order to make it serve the common good. A response to the distortions of public management, in order to strengthen the state, resulted in the introduction of the Neo-Weberian state paradigm in Hungary.

The Neo-Weberian state model provides an excellent role for the national governmental level in providing the common good, but on the other hand it greatly affects the strengthening of various levels of representative democracy (central, regional, local) whilst emphasising the importance of the unity of the executive power of the state. The modern, public-law and public-authority attitude of state-centred governance has a serious influence on exercising local public affairs and public authority. Moreover, it also affects the regulation of the renewing system of municipalities. (Annex 1)

4. Reform of the Territorial Public Administration (2011–2020)

4.1. Establishment of administrative county government offices (2011)

The territorial administration reform is part of the overall reform of public administration, which was primarily triggered by a diagnosis of the weaknesses, inefficiencies and bottlenecks in the structure of Hungarian public administration at all levels of government. As a result, the public administration lacked stability, predictability, certainty and uniformity of process across the country and among the administra-

⁵ Torma, András: The European Administrative Space (EAS). European Integration Studies, 2011. Volume 9. Number 1. p. 156.

⁶ Stumpf István: Szakmai alapú közigazgatás – a neoweberiánus állam. {Professional public administration – the Neo-Weberian state} Gazdasági és Szociális Tanács, Budapest, 2009, p. 97.

tive actors involved in policy formulation, regulatory decision-making and administrative service delivery.⁷

As part of the operational and organisational renewal of the public administration, in accordance with Act CXXVI of 2010 (XI.19.) and the Government Decree No. 66/2015 (III. 30.), the capital and county government offices were established.⁸ Altogether, 20 government offices are located in county seat cities and, in the case of the capital city and Pest county, in Budapest. In accordance with Article 17(3) of the Fundamental Law 'the capital or county government offices are the territorial state administration organs of the Government with general competence'.

The tasks of government offices are to coordinate the implementation of government policies at territorial level. They exercise coordinative, authority-type, proposing and consultative powers, allowing the adjustment of central decisions, policies to territorial characteristics. Government offices are strictly controlled by central government and integrate a diverse set of special and general administration services. With the establishment of capital and county government offices on the 1st of January 2011, the first phase of the integration of territorial state administration was completed.

The relationship between the State and citizens is greatly influenced by the burdens that public administration procedures impose on clients. Some problems occurred with administrative burdens, customer orientation, time and cost, non-standardised service qualities, and with the non-interoperable operating and management systems. Customer service became unsustainable, operating in a fragmented and inefficient manner. The overwhelming public administration system and the unclear roles of responsibilities cause not only low efficiency, but are also a major source of corruption.

An important step towards a less bureaucratic public administration was the setting up of the system of physical points of single contact. In January 2011, in accordance with Government Decree No. 288/2010 (XII.21.), Government Windows, an integrated network of service contact centres, were established. The Government Windows began to operate as the front offices of Government Offices. The one-stop-shops provide information and other administrative services from initiating and handling to closing a procedure to citizens in 2,500 different types of administrative cases. The extended task portfolio of the Government Windows is extremely

⁷ Magyary Zoltán Public Administration Development Programme. Ministry of Public Administration and Justice, Governmet of Hungary, Budapest, 10 June 2011; Magyary Zoltán Public Administration development Programme. Ministry of Public Administration and Justice, Governmet of Hungary, Budapest, 31 August 2012.

⁸ The capital and county government offices are led by government officials whose task is to coordinate and help the implementation of governmental tasks at a territorial level.

⁹ Hajnal, György – Kovács, Éva: Government windows: One-stop shops for administrative sercives in Hungary. Corvinus University of Budapest, COCOPS, 2013. p. 6.

broad but very shallow.¹⁰ The delegated tasks show various pictures and embrace almost all public sector services (e.g. agriculture, employment and welfare benefits, personal document services (passport, ID card, driving licence, vehicle administration, customer protection, national register tasks, etc.) For the general public the Government Windows represent a customer-friendly, single-window administration system. By 2019 there are altogether 295 Government Windows in Hungary which make it easier for citizens to personally administer their affairs, served by 36,000 civil servants (Annex 2).

4.2. Establishment of administrative district offices (2013)

In the second phase of the systemic integration, on the 1st of January 2013, districts were established.¹¹ The district offices comprise the lowest level territorial units of state administration.

In accordance with Act XCIII of 2012 (VI.25) and Government Decree No. 218/2012. (VIII. 13.) on the district (capital's district) offices, there are 174 provincial offices and 23 in the capital. Their function is to carry out administrative tasks below county level. Responsibilities transferred to the district offices are specific state administration cases falling within the competence of the notary, or, in exceptional cases, the mayor or the administrator of the mayor's office. Some 46.6% of the decisions adopted by the authorities in state administration cases (there were more than 10 million decisions adopted by notaries in 2010)¹² were made within the sphere of responsibilities that are now being transferred to the administrative district offices.¹³ The integration of a certain part of the tasks of notaries into the district system accomplishes the concentration of the state administration, which, without doubt, provides exceptional possibilities for the state administration of a strong state. The tasks of districts are addressed to the head of the district office, who is also responsible for the tasks assigned by the government commissioner.

The districts grant the vast majority of public services for all Hungarian citizens. With the establishment of district offices the goal of the Government is to create a customer-friendly administration, modern administrative districts in order to help reduce costs to society, and to operate more effectively and with more atten-

¹⁰ Hajnal, György – Kovács, Éva: Government windows: One-stop-shops for administrative services in Hungary. Corvinus University of Budapest, COCOPS, 2013. p. 8.

¹¹ Act XCIII of 2012 (VI.25) on the formation of the districts and on the necessary amendments of the related Acts.

¹² The high level of autonomy for local authorities has been compromised by the new Fundamental Law and cardinal Act CLXXXIX on Local Government of 21 December 2011. The difficult economic context is the reason for rationalising structures and to cut local public spending.

¹³ The offices will primarily take over the following tasks from local councils: clerical and registration duties; child protection and guardianship matters; social, environmental and conservation management issues, residence registration, issuance of identification documents, passport administration guardianship matters, veterinary and food-related supervision, district land offices and district labour offices.

tion to the needs of the public. In order to ensure that administrative services are available to anyone, the branches of district offices operate in small municipalities and villages. In 2013 their number was 2030. The reason for creating the branches is that out of the 3,155 municipalities in Hungary 462 municipalities have fewer than 500 inhabitants.¹⁴

4.3. Evidence-based policy-making in district offices

The development of digital administration (e-Government) has been a strategic direction on the agenda of both the EU and the Hungarian government since 2010. National Info-Communication Strategy (2014–2020) defines the Government's aims for a 7-year period in the field of info-communication in four areas and investigates the necessity of governmental intervention. These areas are the following: digital state, digital infrastructure and digital competences besides the digital economy.

The situation analysis of the Strategy reveals the limited character of digital literacy among citizens. The conscious use of info-communication tools by the Hungarian population, as well as micro and small enterprises, is rather low. According to EUROSTAT data, the digitally literate e-Government service uptake is close to the EU average, therefore a key precondition of further development is developing access and digital literacy.¹⁵

The National Info-Communication Strategy's major aspiration is that the rate of the digitally illiterate among the adult population should be reduced to 40% by 2016 and 30% by 2020, and that the indicator of regular internet use should reach 65% by 2016. According to the target values set in the strategy, 90% of micro and small enterprises could have internet access by 2016 and 99% by 2020. The final goal in respect of creating the 'Good State' and modernising territorial public administration is to have satisfied citizens and clients.

The modernisation and transformation of electronic public administration in Hungary and the development of the necessary legal environment have been greatly influenced by EU requirements. The expectations of the EU are the informatisation, modernisation and alignment of public administration. Since 2010, the state administration and IT legislation have expanded and changed. Several key elements will be developed to contribute to the development of e-administration: electronic records management, creation of a card supporting identification and access, authentication, and development of government databases.

¹⁴ The settlement structure of Hungary is laid down in the Constitution. Settlement-level units are villages, towns and the capital, which necessarily cover the whole area of Hungary. Out of the 3155 settlements of the country 346 are towns (1 of which is the capital and 23 are towns of county rank), and 2809 are villages.

¹⁵ European Commission: Public administration characteristics and performance in EU28: Hungary. Written by György Hajnal, Krisztián Kádár & Éva Kovács Corvinus University Of Budapest & National University Of Public Service, April – 2018, p. 456.

Based on the experience of district administrators, there are many problems in practice in e-administration. During the administration several e-interfaces are used: a General Form Filler Programme (ÁNYK), Customer Access Portal (KRID Identifier), Document Management System (Poseidon, KÉR), Hungarian National Chamber of Civil Law Notaries (MOKKIT), Hungary's courts of law, eKAT (document signing, verification, extension). The use of e-interfaces requires different access codes and, in many cases, there is a lack of proper technical background (computers are outdated). According to the opinion of civil servants it is necessary to organise IT training for administrators, to organise e-administration trainings, to improve technical conditions and operate a unified professional system. Civil servants argue that the electronic management of cases becomes customer-oriented when the concerned target groups – citizens, micro and small enterprises – have the appropriate IT skills.

Ensuring the efficient, customer-oriented professional performance of the district organisation is a major challenge for district administrators and executives in the decision-making process

Public service communication requires preparedness for public administration as a whole, but there is no single good communication strategy - it is necessary to select the right one for each organisational unit. How can the leaders promote a change in attitude, loyalty, or positive thinking in the decision-making of civil servants? To this end, management decisions require the use of tools and methodology that help to achieve organisational objectives, so that employees can perform their tasks in a dedicated, completely professional, and cooperative manner. The role of professional training, effective information transfer, good communication, and the organisation of team building events are important, but leadership self-awareness, self-development, self-training, and continuous development of leadership skills and competences are of similar significance. Workplace conflict is detrimental if it has negative and destructive effects on workers or the workplace. Leadership responsibility is essential in the detection of workplace conflicts, eliminating the root causes, and the role of management communication tools is paramount in the methods of intervention and treatment. In many cases, it is necessary to find methods to enhance performance at local level and these are required for retaining a skilled, experienced labour force.

While complying with the strict data protection requirements, the cooperation between the registers, using different personal identifiers, has been resolved and the obligation of citizens to prove them has been abolished. Authentication (electronic document) of a legal notice (based on electronic identification) can also be applied to widespread modern devices (smartphones and tablets). Under the new regulation, the internal operation of public administration can be based entirely on electronic forms, with the introduction of an electronic—paper and paper-electronic certified copy making — service. At the same time, the m-administration i.e.

mobile administration has recently been developed in Hungary, with some Western European countries making significant progress.

It is important to develop electronic offices and systems which provide direct services to customers. The separation of front and back office functions, followed by the electronic restructuring of the back office functions, began on a standardised basis and this helped to improve user satisfaction. With regard to the development of customer information, it would be important to have electronic information displayed on a large monitor positioned in the client waiting area.

In summary, one of the most important means of increasing the efficiency of public administration is the extension of the use of info-communication technologies. Therefore, it is inevitable to place great importance on the extension of the scope of e-public administration services and the improvement of their quality, both to assist customers and officials of public administration and to make procedures and organisational processes simpler, faster and more efficient.

References

Books, articles

- Cairney, Paul. 20102. *Understanding Public Policy: Theories and Issues*. London: Palgrave MacMillan.
- Dror, Yehezkel. 2002. *The capacity to govern. A report to the Club of Rome*. London-Portland-Or: Frank Cass Publishers.
- Horváth, Imre László. 2017. The reform of the territorial public administration from 2010 to the present, with special emphasis on the re-interpretation of the customer-service model. Új Magyar Közigazgatás. Vol. 10. No. 1. 22–31.
- European Commission: Public administration characteristics and performance in EU28: Hungary. Edited by Hajnal, György, Kádár, Krisztián and Kovács, Éva. Budapest: Corvinus University & National University of Public Service. April 2018
- Hajnal, György, and Kovács Éva. 2013. Coordination practice. Government windows: One-stop shops for administrative services in Hungary. Budapest: Corvinus University, COCOPS.
- $\begin{array}{lll} \textbf{Available} & \textbf{at:} & \underline{\text{http://www.cocops.eu/wp-content/uploads/2013/10/Hunga-ry-CGov-Government-Windows.pdf} \\ \end{array}$

- Stumpf, István. 2009. Szakmai alapú közigazgatás a neoweberiánus állam. (Professional public administration and the Neo-Weberian State} In: A modern állam feladatai. Magyar Közgazdasági Társaság és a Gazdasági és Szociális Tanács konferenciájának előadásai. Edited by Halm, Tamás and Vadász János. Budapest: Gazdasági és Szociális Tanács. 92–104.
- Torma, András. 2010. Adalékok a közmenedzsment–reformok elméleti hátteréhez és főbb irányzataihoz. {Theoretical background of public management reforms} Sectio Juridica et Politica, Miskolc, Tomus XXVIII. 315–338.
- Torma, András. 2011. The European Administrative Space (EAS). European Integration Studies, Vol. 9. Number 1. 149–161.

Documents

- Act CXL of 2004 on the General Rules of Administrative Proceedings and Services
- Act CLXXIV of 2011 on the amendment of the Act CXL of 2004 on the General Rules of Administrative Procedures and Services
- Act CXXVI of 2010 (19. XI. 2010) on the capital and county government offices, the amendment of territorial integrity, and the establishment of the capital and county government offices
- Act XCIII of 2012 (25. VI. 2012) on the formation of the districts and on the necessary amendments of the related acts
- Government Decision No. 1299/2011 (IX.1) on the formation of the districts
- Government Decree No. 218/2012 (VIII. 13) on the district (capital's district) offices
- Government Decree No. 515/2013 (XII. 30) on the government windows
- Government Decree 1602/2014 (XI. 4) on the setting up of the State Reform Committee
- Government Decree No. 1744/2014 (XII. 15) on new measures related to the transformation of the system of territorial state administration
- Government Decree No. 66/2015 (III. 30) on the capital and county government offices and the district (capital's district) offices
- The Fundamental Law of Hungary 2010. (25 April 2011)
- Office of the National Assembly. The Programme of National Cooperation. Document Number: H/47 Received: 22 May 2010.
- Magyary Zoltán Public Administration Development Programme. Ministry of Public Administration and Justice, Government of Hungary, Budapest, 10 June 2011

- Magyary Zoltán Public Administration development Programme. Ministry of Public Administration and Justice, Government of Hungary, Budapest, 31 August 2012
- National Info-Communication Strategy (2014–2020). Development Strategy of the Info-communications Sector (2014–2020)

Appendix

Annex 1
Legislation activity of the National Assembly

Cycle	Laws	Modification	Total	Resolutions	Political declarations, guide-lines, principled positions	Decisions
2010-2014	321	538	859	419	4	1282
2014-2018	221	509	730	121	0	851

 $Source: \ Hungarian \ National \ Assembly \ \underline{http://www.parlament.hu/en/web/house-of-the-national-assembly/legislation-activity-of-the-parliament}$