Schwerpunkt: Contested Public Organizations

Falk Daviter/Thurid Hustedt/Valeska Korff

Contested Public Organizations: Knowledge, Coordination, Strategy

Abstract
Introducing the forum section, this article explores how public organizations cope with wicked problems. Though many of the most pressing policy problems today such as counter-terrorism or migration require comprehensive and multi-dimensional responses, much of the public administration literature still focuses on single dimensions of public tasks and selected organizational responses such as centralization. This article argues that coping with wicked problems requires addressing issues of knowledge, coordination and strategy. The article focuses on those three core areas of organizational activity and asks what role they play in the organizational responses of contested public administration.

Key words: public organizations, wicked problems, knowledge, coordination, strategy

Zusammenfassung
Herausgeforderte öffentliche Verwaltungen: Wissen, Koordination, Strategie

Schlagworte: Öffentliche Verwaltung, vertrackte Probleme, Wissen, Koordination, Strategie

Public administrations are beleaguered from all sides. Suffering from eroding public support and legitimacy, increasingly strapped financially, and incapacitated by the decentralization of public authority in multilevel systems of shared and delegated authority, public organizations are frequently criticized for their lack of responsiveness and inability to tackle even the most pressing problems at hand. While these developments have already called into question conventional methods of administration and destabilized organizational structures and routines, the most pressing problems today appear to have become more intricate. Public organizations are increasingly confronted with a new generation of
complex, or wicked, policy problems (e.g., Churchman 1967; Rittel/Webber 1973; Roberts 2000; Durant/Legge 2006; Head 2008, 2010). Policy issues ranging from food safety to counter-terrorism, climate change and migration have all come to be understood as interconnected, cross-cutting, multidimensional problem constellations rather than easily identifiable single issues with a clear territorial locus or causal origin. As many of the most pressing challenges facing public administrations today are thus perceived to require comprehensive responses that cut across established lines of sectoral policy and organizational responsibility, questions arise as to whether and how public administrations provide adequate organizational responses. While the nature of these challenges is now commonly acknowledged and increasingly well understood in abstract terms, public administration research is only beginning to study how they affect public organizations differently in specific organizational settings and given systems of governance. As with any other policy problem, wicked problems are embedded in the institutional and organizational context in which they are being addressed and need to be studied and understood within this context.

Given the global nature of wicked problems, this context expands beyond the jurisdictions of individual nation states and adds a transnational dimension to public governance. Transnational governance is characterized by the blurring of national and international, governmental and non-governmental, public and private sectors and boundaries (Stoker 1998; Djelic/Sahlin 2012). Furthermore, state authority and sanctioning power are inherently limited, with governing actors relying on combinations of authorities (Risse 2012), while at the same time they are subjected to multiple regulatory regimes (Djelic/Sahlin-Andresson 2006). As a result, a high level of institutional complexity and ambiguity characterizes the organizational and institutional context in which public organizations address wicked problems. The challenges facing public administration thus require coordination across more than just policy subsystems, which raises the classic problems of bureaucratic organization such as silo-orientation and selective perception. Conditions of uncertain and incomplete, contradictory or changing knowledge as well as conflicting values and world views further aggravate already existing problems of bureaucratic organization and reduced problem-solving capacity. In view of these developments, it is hardly surprising that existing patterns of organizing authority, specialization and coordination have been called into question.

While traditional approaches to administrative organization have become contested, calls for public authority to provide ever more extensive safeguards against the effects of complex problems have reinvigorated demands for public intervention. Meanwhile, alternative avenues of public action are increasingly discredited or have proven less promising than initially thought. With trust in the market-based mechanisms of social and economic coordination diminished and the decreasing self-organizing capacity of ever more individualistic societies foreclosing more voluntarist approaches to social problem solving, public administrations are instead called upon to expand the range of their activities to match an increasingly demanding and volatile environment. As public organizations adapt to this changing terrain, they have adopted more diverse management approaches and reconfigured their own role to accommodate external demands from a more complex nexus of stakeholders with often inconsistent expectations. Yet, the performance of public administrations is ultimately assessed by political criteria, and the inherent inefficiencies of more open, network-based types of decision-making structures as well as the onerous effects of more inclusive, deliberative decision-making procedures have called into question the capacity of public administrations to deliver. In short, far from reflecting decreasing
demands on government, public administrations today are confronted with more complex
tasks over a wider range of issues, requiring more sophisticated management skills, more
complex structures of delegation, discretion, coordination and control far exceeding pre-
vious demands for different types of information necessary to fulfil these functions. As a
result, the question of how public administrations can acquire the requisite knowledge,
devise successful strategies and ensure appropriate coordination has moved to the fore-
front of cross-disciplinary research in the social sciences.

Past waves of administrative reforms have predominantly addressed questions of ver-
tical or sectoral efficiency, effectiveness and accountability by way of privatization of
public services, deregulation and the individualization of risk, agencification, contracting-
out and employing performance-based management in the public realm. In some parts of
the literature, these reforms are now seen as aggravating rather than alleviating the prob-
lems public organizations face. Experience gained from past reform projects has also
helped to refocus research attention on the crucial differences between public and private
organizations. Chief among these are the role of hierarchical structures and procedural le-
gitimation, reliance on budgetary resources obtained through a political process, or the
simple fact that public administrations serve public welfare rather than private interests
and must adhere to democratic principles and the rule of law.

More recent literature on public sector change points to reform programs such as
‘whole-of-government’ or ‘joined up government’ (Pollitt 2003, Kavanagh/Richards
2001; Perri 6 2004; Christensen/Lægreid 2007; Askim et al. 2009; Davies 2009) as solu-
tions to this conundrum. Under the broader label of ‘Post Public Management’ (Christen-
sen and Lægreid 2008a, 2010, 2011), new calls for a reassertion of the center of govern-
ment to coordinate multi-dimensional policy responses effectively and to legitimize pub-
lic responsibilities towards diverse political constituencies are now increasingly common
(Dahlström/Peters/Pierre 2011). Along the vertical dimension, this requires joining up at
the top to allow central authority to regain control and enable it to pursue a consistent pol-
icy across multiple levels of government. Along the horizontal dimension, establishing
new inter-ministerial or inter-agency organizational units, task forces and intersectional
programs are commonly discussed solutions to counter the tendencies of ‘silicoization’ or
‘pillarization’ of decision making in central public administrations (Christensen/Lægreid
2008b, p. 98; see also Gregory 2003, Pollitt 2003).

While these public-sector reforms primarily speak to the need for better coordination
by reasserting central control, reforms in many areas characterized by problems of uncer-
tainty and ambiguity have introduced new policy-making arenas that feature government
as ‘mediators.’ Like other types of network governance (Roberts 2000; van Bueren/
Klijn/Koppenjan 2003), these arrangements encourage voluntary participation of all con-
flicting parties and stakeholders, and build on self-coordination and consensus-oriented
bargaining processes. Such strategies typically rely on participants identifying and over-
coming entrenched differences through dialogue, rather than forming coalitions based on
pre-conceived notions of their own interests. Yet in other contexts, conditions of uncer-
tainty and technical complexity have caused policy-makers to rely more heavily on so-
called evidence-based strategies of policy formulation, and delegate policy implementa-
tion to committees of scientific or technical experts. As the increasingly common organi-
zational separation of the scientific aspects of risk assessment and the political aspects of
risk management show, however, these organizational responses have their own limita-
tions, especially when facing challenges that mainly originate from the inter-related im-
plications of uncertainty and value conflicts. Moreover, many of the organizational responses to problems of increasing demand for expert knowledge, including comitology and agencification, also buffer public administrations from partisan politics and public demands by way of depoliticizing part of the decision-making process, further reducing the possibility of reflecting on and integrating conflicting problem perceptions.

As these examples demonstrate, most of the public administration literature speaks to individual dimensions of the complex tasks public administrations face by focusing only on a specific subset of organizational responses. In this forum section, we present research that seeks to reflect on the multi-dimensional challenge facing public administration. We argue that administrative and organizational responses have to develop at least a three-dimensional approach for problem-solving. They have to deal with complexity through new ways of coordination and cooperation, with uncertainty through new approaches to knowledge creation and utilization, and with ambiguity and conflict through new attempts at strategy building. We, therefore, focus on organizational knowledge, coordination, and strategy as three core areas of organizational activity, and ask what role they play in the organizational responses of contested public administration. Administrations need to generate, select and process information, and turn information into organizational knowledge. Especially in bureaucratic administrations, organizational knowledge manifests itself in formal or informal premises and programs of decision making, in rules, methods and tools to observe and interpret situations, in ways to perceive their environment, in self-descriptions and in daily routines. Public organizations have to be able to organize ‘sense-making’ and ‘sense-giving’ (Weick 1995; Gioia/Chittipetti 1991), draw distinctions and exercise judgment, develop knowledge-management capabilities, be open to expertise that can ‘speak truth to power’ (Wildavsky 1979), and enable organizational learning. How public administrations adapt to the challenges of organizing knowledge in turn has repercussions for the type of coordination and management strategies they require. Bureaucratic ‘specialization without coordination is centrifugal’, Bouckaert/Peters/Verhoest (2010, p. 3) warn. Lastly, administrations need to be capable of strategic management, not least when it comes to managing organizational reforms (Bauer/Knill 2007). Furthermore, while organizational knowledge, coordination and strategy are analytically distinct, they are closely linked empirically – as expressed, for example, in references to ‘knowledge coordination’ (Corrêa da Silva/Agusti-Cullell 2003), ‘strategic coordination’ or ‘strategic intelligence’. The focus of this forum section thus invites the systematic exploration of their interdependencies, both in terms of real-world developments and in terms of advances in the study of public organization in academic scholarship.

To better understand the contested nature of public organizations along the lines summarized in previous paragraphs is the core interest of the Research Training Group WIP-CAD (Wicked Problems, Contested Administrations) at the University of Potsdam, and was the theme of an international conference held at Potsdam in the December of 2014. The contributions to this forum section represent papers originally presented and discussed at the conference. Each contribution relates to a particular dimension of organizational contestation as elaborated in more detail below. This forum section begins with two articles that lay the groundwork for such exploration and outline how the prevalence of wicked problems and associated forms of contestation and ambiguity are reflected in public administration research and practice. In the first contribution, Thomas Danken, Katrin Dribbisch and Anne Lange discuss in more detail how research on wicked problems has influenced the academic literature on public administration and policy making over the past
Contested Public Organizations: Knowledge, Coordination, Strategy

40 years. Their systematic review of over 100 journal articles identifies how this literature has conceptualized the core challenges of wicked policy problems, and reveals which organizational responses have received the most sustained attention in academic debates.

The second article of the forum section explores the concept of contestation as faced by public organizations by showing how the destabilization of taken-for-granted organizational practices, standards, and interpretations can emerge successively from internal, incremental changes in an institutional framework. *Lydia Malmedie’s* case study of the integration of LGBTI (Lesbian, gay, bisexual, transsexual, and intersex) issues into EU foreign policy highlights how contestation, both interorganizational and within the environment, over time upset and eventually overturned deeply rooted norms. Originally an obscure and even stigmatized topic, the last decade has seen LGBTI concerns prominently enter the realm of EU foreign policy. The contestation and ambiguity around the topic thereby did not work to deter such integration, but on the contrary encouraged and opened up opportunities for reinterpretation, layering and successive crafting by a multiplicity of involved actors in a new institutional framework. In her contribution to the forum section, *Malmedie* traces how LGBTI issues first met disinterest before being tied into a human rights discourse, and later on formalized and eventually established as integral part of EU foreign policy, thereby showing how contestation and ambiguity can work to drive incremental yet eventually transformative changes in public organizations. The remaining four contributions to this forum section address the questions of organizational knowledge, coordination, and strategy we have introduced above. In the following sections, we discuss how these debates can inform our understanding of contested public organizations and introduce the contributions that explore them in more depth.

**Knowledge**

The changing nature of the policy problems facing public administration today has fundamental repercussions for the knowledge base on which public decision-making rests in at least two respects: they have called into question the way expertise is organized, especially the traditional reliance on functionally separate realms of specialization and authority, and they require more encompassing analytic approaches to problem solving. Much of the traditional approach to public administration and policy analysis was concerned with ways of making government operations more effective by providing for functional expertise and by generally upgrading instrumental rationality. More recent advances in policy research argue that complex, ill-defined and multi-faceted problems call for a different type of knowledge that can assist in the more encompassing tasks of problem identification and policy design, and build up a capacity for learning (*Schneider/Sidney, 2009; Bobrow, 2006; Peters, 2005*). Organizational knowledge must serve a task much more fundamental than seeking out effective and efficient solutions, or matching given means and ends, as public administrations face fewer contained and well-defined problems. The new challenge is, therefore, viewed less in terms of an information gap that calls for the increased influx of technical expertise or epistemic knowledge, but rather as a call on public administration to ‘upgrade its capacity to understand, map, analyze, and cope with complexity’ (*Dror, 2001, p. 43*).

From this perspective, knowledge production, transfer, use and diffusion all become central elements of a more encompassing need for public administrations to engage in
'weaving and mapping' (Parsons 2004) knowledge that is embedded in contexts, practices and local experience. And while there is increasing agreement (Parsons 2004; Flyvbjerg 2001; Scott 1998) that public authorities must overcome their traditional reliance on scientific and instrumental knowledge in their failing attempts to build up waning steering capacity, few studies have addressed the practical side of this shift, or addressed its more far-reaching implications for the structure and role of public authority. It remains largely unclear, for example, how public administrations should use more diverse sources and types of knowledge without accepting less uniformity and cohesion of public action in return. More fundamentally, public administration scholars are beginning to argue that administrations would have to give up traditional roles and at least partially relinquish their formal power as they engage in more open, less structured and more deliberative networks and arenas to facilitate an extended use of knowledge (Pollitt 2003). This type of outreach seems unavoidable, however, as sole reliance on the classical types of tight-knit knowledge communities, which often function as sectorally segregated ‘belief systems’ (Sabatier 1987) with preconceived problem perceptions, selective use of evaluative criteria, and largely predetermined political positions has been deemed insufficient and potentially counterproductive. In short, the dependency identified on new types of knowledge begets its own class of challenges for public administration (e.g., Weber/Khademian 2008; Tenbensel 2005), not least of which the question of how public administrations can reinstate their capacity to deliver given the inherent inefficiencies of more open, network-based types of decision-making structures as well as the onerous effects of more inclusive, deliberative decision-making procedures.

While the demands on organizational knowledge are thus becoming more nuanced and encompassing, reliance on more traditional forms of scientific knowledge have all but abated (Drori and Meyer 2006). To the contrary, many areas of public policy are characterized by a high demand for scientific expertise and knowledge upon which long term policies can be based, and public organizations are increasingly expected and sometimes even formally required to gather and apply scientific knowledge. At the same time, scientific knowledge itself is often highly contentious. Both the sociology of science and the sociology of knowledge describe scientific knowledge growth as increasingly contested and politicized (Weingart 2001; Brown 2009). As specialization nowadays allows for finding counter-experts and counter-expertise for any issue in every area of research, public organizations are frequently confronted with an unassured ‘state of the art’ that leaves room for interpretations from different points of view and political positions, and from different organizational perspectives. Assessing and selecting relevant data and information for policies and their implementation can become highly contested, affecting the allocation of organizational attention and shaping the ways in which the organization structures relations and responsibilities. These trends all contribute to a more politically motivated use of knowledge in public administrations (Daviter 2015). Even in those areas where scientific consensus appears to be established or at least viable, uncertainty and unclear means-end-relations easily complicate the selection of policy instruments and strategies. Further contributing to the increasing politicization of scientific knowledge, the growing demand for scientific expertise has created an increasing dependence on public funding of research, much of it part of highly targeted funding lines operated by government ministries (Weingart 2001).

In her article on the organizational interface of science and politics, Julia Schubert’s contribution to the forum section offers new insights into this debate. Focusing on the in-
creasing scientization of the political decision-making process and the relationship between scientific knowledge and policy making in general, her article develops a framework and research agenda to analyze how science is integrated into the political domain. The systems-theory conceptualization of organizations as intermediaries between functionally different societal systems thereby motivates the focus – conceptually and empirically – on the role of diverse organizations at the interface between science and politics. Their integrative function thereby transpires on the semantic level of talk and the operational level of action, both of which can be differentiated and studied empirically. A ‘follow the problem’ approach thereby lays the foundation for the establishment of empirical boundaries and the identification of a pool of organizations involved in the interpretation and handling of a particular policy issue. The systematic examination of these actors along various dimensions of organizational practice from rhetoric and identity to structure, standards and personnel composition then offers insights into how the science-policy linkage is processed.

Coordination

As outlined above, new types of policy problems and resulting requirements for new types of knowledge are often fundamentally at odds with the functional or sectoral organization of public administrations. Integrating these two perspectives recasts longstanding theoretical concerns for the inter-institutional limits of effective (horizontal) coordination in the face of organizational specialization, administrative departmentalization and jurisdictional boundaries (Gulick 1937; Simon 1973; Scharpf 1986; Peters 1998), as well as the intra-organizational strategies of administrative learning and problem solving (e.g., March 1991, Simon 1991) and the relationship of central political control and structural capacity in bureaucratic politics (Egeberg 1999; Allison 1969). At the same time, accepting the collaborative nature of public problem solving in public organizations as increasingly prevalent, two very different theoretical and empirical literatures have emerged, each tracing rather contradictory developments. On the one hand, newly emerging debates on more integrated or ‘joined-up’ government structures and operations still have, on the whole, done a much better job spreading new concepts than studying them. Initial research appears to indicate that the success of joined-up government is more a matter of behavior and process, rather than structure (Bardach 1998). Others warn that integrating public administration comes at unreasonably high transaction costs, provokes delays especially in critical decisions, and may add to the problem by causing ‘complexity, irreconcilable disagreements, obscure accountability arrangements and so on’ (Pollitt 2003, p. 38). On the other hand, the policy design literature (Salamon 2002) indicates that governments respond to increasing complexity by adopting more indirect and delegated forms of public intervention, which are typically associated with new forms of organizational oversight activity (auditing, reviewing, contracting, etc.) and auxiliary structures, such as expert committees and independent agencies.

These two literatures theoretically reflect the simultaneous centrifugal and centripetal nature of administrative coordination challenges and the urgent need to gain a better understanding of how they are linked to the effectiveness, efficiency, manageability and legitimacy of public administration, both individually and in combination. On the one hand, specialization is necessary to increase organizational expertise and capacity to act; on the
other hand, specialized organizational expertise, actions and interests have to be integrated to solve cross-sectoral policy problems. Cross-sectoral issues by definition go beyond the portfolio of individual ministries or public agencies. Coordination across departments and with other organizations thus emerges as a core challenge for many public organizations, requiring the balancing of divergent organizational perceptions, priorities, and preferences. As such, coordination, therefore, has a uniquely political dimension. Existing patterns of authority and specialization are called into question. When competing political organizations vie over the right to shape complex policy and seek to control how problems are addressed, bureaucratic organizations easily turn into primary battlegrounds.

Many governments establish particular coordination bodies to cope with such cross-cutting issues among others by establishing inter-ministerial working groups staffed with civil servants from various ministries. These groups are often seen as ‘panaceas’ to address coordination problems, as they are said to bring together the variety of problem perspectives on a certain policy issue. The article by Ina Radtke, Thurid Hustedt and Anne Klinnert in this forum section investigates this proposition by comparing three inter-ministerial working groups in the German federal government. Their study reveals, however, that inter-ministerial working groups do not ‘quasi-automatically’ result in the desired ‘positive coordination’. By providing insights into the inner dynamics of the inter-ministerial working groups of climate adaptation, immigration and raw materials, the authors show that the organizational structure and mode of negotiation in an inter-ministerial working group can foster deeply embedded patterns of bureaucratic behavior such as departmentalism and turf protection.

Strategy

Departing from the assumption that ‘policy-making takes place in conditions of ignorance, unpredictability, uncertainty, chaos and complexity’ (Parsons 2001, p. 108), different strategies for public decision-making can be linked to characteristic pitfalls and potentials. Following Roberts (2000), three ideal types of decision strategies can be identified: authoritative, competitive and collaborative. Authoritative strategies aim at taming the problems public organizations face and seek to diminish their potential for conflict by putting a small group of decision makers in charge of the process of problem solving. This group is allowed to define the problem and select the course of action. Typically, organizational members are chosen based on their expertise or formal position in a hierarchy. Sometimes governments explicitly create the institutions that are anointed with the task, as has been increasingly the case with regulatory agencies. Authoritative strategies allow public administration to control and reduce the scope of the problem and define the applicable standards of judgment. As such, they are among the most reliably efficient strategies of coping with complexity. Equally obvious are the drawbacks of this approach, especially its lack of representativeness, transparency and legitimacy, as well as the potential flipside of professionalism and objectivity, especially stasis and the inability to adapt. Competitive strategies forego a coherent organizational approach by dispersing the power to make binding decisions among stakeholders and allowing them to pursue solutions individually or in groups. The resulting dynamics can foster innovation and explorative strategies of organizational learning, but may equally undermine comprehensive solutions or consume resources that could have been spent differently. Lastly, collaborative
strategies encompass attempts at alliance-building, public-private partnerships, or joined-up government, which are considered the most effective if power is dispersed among many stakeholders, or if solutions require sustained behavioral change by many stakeholders. If successful, collaborative strategies can provide more comprehensive and effective solutions. While this strategy draws its strength from the potential for synergy and adaptation, it also folds easily if trust-based, learning-oriented behavioral patterns among its participants vanish, or if no common ground can be found.

While the instrumental perspective on organizations describes organizational strategy-building as a rationally and deliberately planned activity to increase efficiency, other literature emphasizes that the strategy public organizations choose and how it is implemented is often based upon organizational goals, on power relationships, on the way the outside world is interpreted, and internal sense-making. If the manner in which an organization perceives the world changes because of changing knowledge or power structures, organizational strategies are often challenged and usually changed. At the same time, organizational strategies are difficult to manage and can also change gradually. They frequently change incrementally rather than being developed ‘from scratch’ in a process more akin to garbage-can (Cohen/March/Olsen 1972) decision practice than rational planning. Even literature studying organizational change as a long-term rational process acknowledges that strategic and institutional adaptation is limited by organizational ‘path dependencies’.

By studying German and EU support to assisting local police reform in Afghanistan, the article by Steffen Eckhard in this forum section investigates if and how organizations achieve a ‘strategic fit’ between their policy objectives and internal management functions. The author finds that flexibility is crucial for performance in conflicting environments, and is best achieved by incremental planning, decentralization and autonomous leadership. However, this flexibility collides with instruments considered crucial for creating a ‘strategic fit’, such as reviews and evaluations. In conclusion, Eckhard finds that neither German nor the EU support structures achieve a ‘strategic fit’, and he demonstrates that strategy-building places high demands on the organizations involved.

Public organizations are assailed from multiple, interconnected angles. The governance of highly complex policy problems in ambiguous institutional environments with increasing levels of both internal and external contestation pose new challenges. To confront these challenges, public administrations explore ways of utilizing scientific knowledge and integrating expertise, coordinate across sectors with diverse stakeholders, and seek to rebuild management capacity and devise strategies to maintain legitimacy and control. The six contributions to this forum section highlight diverse aspects and manifestations of this endeavor and offer insights into the organizational responses to contested public administration. The forum section concludes with a contribution by Harald Fuhr that takes stock of the findings of the WICPAD research program and looks ahead to identify avenues for further research on how public administrations deal with these challenges.
Literature


Contested Public Organizations: Knowledge, Coordination, Strategy


Anschriften der Autorinnen und des Autors:
Prof. Dr. Falk Daviter, Department of Economics and Social Sciences, University of Potsdam, August-Bebel-Straße 89, 14482 Potsdam
E-Mail: daviter@uni-potsdam.de

Prof. Dr. Thurid Hustedt, Otto Suhr Institute of Political Science, Free University of Berlin, Ihnestraße 22, 14195 Berlin
E-Mail: thurid.hustedt@fu-berlin.de

Prof. Dr. Valeska Korff, Department of Economics and Social Sciences, University of Potsdam, August-Bebel-Straße 89, 14482 Potsdam
E-Mail: vkorff@uni-potsdam.de