THE GOVERNANCE MODEL IN THE ITALIAN PUBLIC ENTITIES AFTER MORE THAN A QUARTER OF A CENTURY SINCE THE REFORM

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Abstract

To identify the governance model “traditionally” used in Italy, is important to analyse the different types of organizational models, identifiable in the Public sector when considering, simultaneously, two different variables: 1. the distribution of power between politicians and managers; 2. the nature of the manager’s employment contracts. In Italy, by the reform, the “traditional” period ended to make way for a “modern” governance model which invaded the organizational aspect of public Administrations. Now, more than 25 years since the principle of distinction was introduced, it is time to understand if the innovations are really applied.

Keywords: Governance Models; Public Entities, Principle Of Distinction; Managers, Politicians

1. INTRODUCTION

Considering simultaneously the nature of the managers employment contracts and the distribution of power between politicians and managers it is possible to identify – in the Public sector - different types of organizational models.

After identified the “traditionally” governance model used in Italy since 90s, it is possible, also, understand the “modern” governance model used from the introduction of reform.

To realize if, more than 25 years since the principle of distinction was introduced, is important to answer some questions:

- Is, the “modern” model - introduced by reform - effectively applied?
- Is it true that as a result of the introduction of the principle of distinction, the functions assigned to the politicians and executives are identified and managed in the best possible way?
- Has this led to the management of the institution more efficient?

With respect to the regulatory framework in force, can distinguished politicians more or less ‘enlightened’ from those more or less ‘retrograde’, as well as the managers substantially “bureaucrats” by those who may have more or less ‘leaders’ attitudes, thus identifying 4 types of public Administrations.

This first study is a prerequisite for the development of an organizational-accounting instrument necessary for a future empirical examination in Italian public entities.

2. RELATIONS BETWEEN POLITICAL AND ADMINISTRATIVE FUNCTION IN THE PUBLIC ADMINISTRATIONS GOVERNANCE MODELS

In public administration, people operating within the organization and collaborating in the achievement of its targets can be divided into two distinct groups (Borgonovi, 1996; Wilson, 1887):

- 1) politicians, directly or indirectly appointed by citizens via the electoral system in each individual country; these persons are given the task of defining the main aims and strategic management directions of the entity concerned (Richards & Smith, 2004);
- 2) employees, i.e., management and employees working in technical or professional capacities within public administrations, according to an employment contract; their assigned tasks differs according to their respective positions.

Therefore, the organisation of any public administration, just like in any private business, requires that the role of each individual should be defined, as well as the organisational relations between these individuals (Anthony & Young, 2003). In modern and democratic structures, however, the relationship between politics and administration is characterised by a basic tension between two “absolute values” which are unavoidably and physiologically in conflict with one another (Peters, 1991):

- the principle of popular sovereignty, which involves the political responsibility of those elected by a majority to lead public administration;
- the principle of an administration’s impartiality, which establishes that public services should be provided equitably, for the collective good and not merely for those who elected political figures.

The role of the public manager falls somewhere between these two values - between a rock and a hard place (Grandis & Mattei, 2014). Specifically, managers, on the one hand, need to fall into the politicians’ line, while, on the other hand, need to operate correctly, fairly and cost effectively (Foster, 2001) but, especially, they have to operate considering the impartiality with regard to the collectively. The result is a need to identify an organisational model for public administration and planning, evaluation and control systems that branch out of this conflict and
at the same time, safeguard and make capable “public managers” responsible.

In some states, including Italy, legislators have not bothered to find a balance between the principle of popular sovereignty and that of an administration’s impartiality; rather, they have sought to achieve both by working on two different variables at the same time (Battini, 2000):

- the distribution of power between politicians and managers;
- the nature of the employment contracts of managers.

With regard to the variables considered, it is possible to identify four categories of organisational models, as shown in figure 1.

The “spoil system model” should, in theory, fully safeguard the people’s sovereignty since power is mostly assigned to democratically elect political bodies that use managers, bound to the administration by a permanent employment contract or in any case, an agreement founded on the introduction of a “fiduciary” bond, similarly to private businesses. This model can be found in democracies where their constitution places the principle of popular sovereignty above all others. In these administrations, the top management is highly politicised and changes according to the politicians in power. The principle of the administration’s impartiality is safeguarded by control systems, and laws which in any case, subordinate to popular sovereignty.

**Figure 1. The classification of organisational models**

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Source: Paolini & Grandis, 2007

At the other end of the spectrum is the “technocratic model” which should fully guarantee an administration’s impartiality. Giving wide-reaching powers to highly skilled technical and professional managers should lead to correct and fair economic management in the interests of the entire collectively being administered. A stable working relationship allows management not to fall under the influence of political bodies that continue to represent a majority. This model is found in those administrations with no political alternatives or where a single current of thought prevails, at times imposed by bodies outside the public administration. In these cases, an administration’s presumed impartiality is considered the very expression of popular sovereignty.

There are two further models that, with the aim of safeguarding both principles, are in intermediate but completely opposing positions: a “bureaucratic” and a “managerial” model.

The “bureaucratic model” is constructed seeking to give maximum impetus to:
- the principle of popular sovereignty, via a distribution of power and responsibilities which favors political agencies;
- the principle of the impartiality of an administration, envisaging an employment contract for managers as a means of guaranteeing stability.

In organisational terms, this model means that the political body is also at the top of the administrative structure (Fisichella, 2003) and as such, it can boast a hierarchical relationship over management and all operational staff. At the same time, management is protected against political interference, both when hired and during its operations. In fact, management is appointed based on public competitions and each member is hired on a permanent basis, without being removed unless there is a serious reason provided for by law.

The “bureaucratic model” has shortcomings that continue to grow as the functions performed by public administration become more extensive and complex. Thus, the political body loses power as it is no longer able to exercise effective control over decisions taken by managers who, since they are equipped with specific technical skills, are able to impose their own decisions, even if these sometimes
go against legitimate political choices.

The “managerial model” (Dunleavy & Hood, 1994), on the other hand, is built to give the maximum impetus to:

- the principle of impartial administration, by using the distinction between political positions and management powers;
- the principle of popular sovereignty, by changing the nature of managers’ employment contracts, characterised by greater flexibility and introducing a trust-based relationship with political agencies.

This “distinction” between politicians and managers leads, on an organisational level, to the allocation of different and distinct positions, powers and responsibilities: politicians represent the people on account of democratic rules, while managers are at the top of the organisational structure on account of their technical and professional skills. What this means is that an organisational mechanism which is based on the twin tracks of managerial “independence and responsibility” and political “direction and responsibility” is put in place (Kooiman, 2003).

For the purpose of giving a practical “distinction” however, it is necessary to equip political bodies with suitable tools for directing and overseeing the work of managers. This is the context in which planning, evaluation and control systems needs to have an authorising function, both as a means to direct policy and strategy and as a legal means of regulating contractual relations with management. In the managerial model, the relationship between politicians and management is not based on a hierarchy but on “trust”. Consequently, the stability of a manager’s position is not guaranteed by law or contractual safeguards, but essentially by a manager’s ability to respect the constraints and targets defined in the planning, scheduling and budgeting process (Gray & Jenkins, 1995).

Nonetheless, managers must refuse to follow policy directions if they consider that these go against regulations, cost-effectiveness and fair management. Managers have the power to take operational decisions and to organise management activities exclusively, as well as the means and resources to be used within the limits set by politicians in the planning, evaluation, control and budgeting systems’ process (Zappa & Marcantonio, 1954). In this model managers are answerable for their work in terms of both managerial and legal responsibility.

Planning, evaluation and control processes are not only traditional managerial instruments; they are also a legal tools, created and imposed by legislators, in order to:

- guarantee respect for political aims, the expression of popular sovereignty;
- assess managers according to their skills and to their technical and professional abilities, making it possible to quantify bonuses and sanctions, including the potential removal from a post if necessary.

By this, became necessary that, at the end of the period, have to be apply individual or organizational performance evaluation models; also, is necessary an accurate management control system. Otherwise, in fact, it is not possible to define any managerial model, because the model that arise, is more old then the bureaucratic model.

Unfortunately, it is undeniable that in the short term, this model may lead to a politicisation of top-level civil servants. However, it is also true that, at least in the medium-long term, poor managers will remain in their jobs for only as long as the political body that appointed them, while capable managers will keep their jobs as this is also in the interests of the new political body (Barzelay, 2001). In theory, therefore, this should trigger virtuous mechanisms that, when applied, would raise levels of correctness, cost effectiveness and fairness within public administrations (Masini, 1970). Otherwise, if the planning, evaluation and control instrument was not correctly applied, ex ante, and the evaluation performance control and managerial control, ex post, the governance would prove ambiguous and effective and the relationship between politicians and managers were based, essentially, on a reciprocal and hypocritical subjective and contingent convenience.

In the early 90s, in Italy there has been a shift from a "bureaucratic model" to a "managerial model." Indeed, this passage is to be found only on the regulatory side and one wonders how much has actually been received even substantively, i.e. organizational and behavioral terms of both politicians and managers.

3. THE GOVERNANCE MODEL IN THE ITALIAN PUBLIC ADMINISTRATIONS: FROM BUREAUCRATIC TO MANAGERIAL MODEL

The Italian public Administration transition from a model of bureaucratic model to a managerial one has started in 1990 with the reform of the charter of local entities44. This process has then been extended to all Italian public Administrations, which followed the 1993 reform45.

From a regulatory point of view, the main difference between these two models is the arrangement of the political and administrative function, to analyse if these are clearly distinct or have an overlapping area.

In order to be able to properly understand the content and the reform of the 90s it is essential to point out that in all Italian public Administrations, the political bodies are divided into:

- elected body or vigilant, usually the direct expression of popular sovereignty, to which is entrusted the power to define rules and regulations;
- governing body or executive, usually mediated expression of popular sovereignty, to which is entrusted the power to implement political comply with the elective and vigilant component.

Under the political bodies there are the managers and the organizational structure, different from entities to entities.

In the bureaucratic model, which was inspired by the legislation up to 1990, the government bodies were placed at the summit of the organizational structure and, therefore, carried out a summit administrative function (Figure 2). The hierarchical

44 It refers, in particular, to the reform introduced with the Law n.142/2009.

45 It refers, in particular, to the public employment reform started with the legislative Decree n.29/1993 and today housed in the Legislative Decree n.165/2001.
relationship of the governing body on the managers was such that, for purely illustrative purposes, politicians could implement to themselves administrative acts of managers’ competence, exercising those typical powers that can be exist from the superior to the subordinate. In substance, the governing political body observed an overlap between political and administrative functions, potentially undermines the principle of the impartiality of the actions of the public Administration.

This risk, the Legislator had opposed the substantial immovability of public managers which so: on one hand, were not subject to influences by politicians; on the other hand, they could use their expertise to help or hinder the implementation of certain politics beyond the limit of its powers (Borgonovi, 1973). The political bodies newly elected could not change the top-management that remained in office assuming, inevitably, a political role, which should not have been theirs.

The principle of popular sovereignty was impaired.

In the ante reform model, the governace was composed of a political and a technical-managerial component, but the respective awarding and related responsibilities, were not clearly distinct.

**Figure 2.** The “overlapping” between politics and administration

![Diagram of Overlapping Political and Administrative Functions]

Furthermore, there was no mechanism, which stimulated the public manager gifted with high management capability; career progressions were strongly influenced by “affinity” with the politicians at that moment in power, thus compromising the principle of Administration impartiality. The evolution and the enlargement of the functions carried out by public institutions led to a mixed feelings between political responsibility and executive responsibilities. It is possible to see that, in fact, on the one side, looking at the politicians, that they had the top-management typical powers, as regards the vertices of the hierarchical organizational structure, but did not have the expertise to control the actions by the subjected managers. In the other side, the managers were not valued on the basis of their actual management capability as the political bodies do not clearly defined a target plan as this would influence in changing the operating choices and contingents to their liking.

In the early nineties, the distortive effects of this model produced a series of cases of corruption and bribery that have marked the judicial and political news of those years (so-called “tangentopoli”), uncovering situations of inefficiency and irrational management in public affairs. These events, probably influenced the reform of governance models for public administrations in Italy, which occurred precisely in those years.

With the introduction at the regulatory level of "distinction principle" between members of the political bodies and management bodies, in Italy talks about a "managerial model" of governance in which the political function and that administrative do not present overlapping areas and thus there is a clear distinction in both powers and both in the functions (Figure 3).

In extreme synthesis, in the model following the 1990 reform, bodies of political address are allocated:
- the power to address, i.e. the power to identify guidelines and define strategies of a single Administration, also on the basis of the proposals of managers and of the outcome of the supervision activity of their work;
- the power of supervision on managers, i.e. the right to check if the managers have pursued strategies and complied with the given directives; moreover, by means of this activity, arrange, possibly, strategies and directives issued with acts of address.

These authorities define and circumscribe the functions "strategic" of politicians. This makes it possible to identify even the related "political responsibility", i.e. that responsibility assumed at the time of the elections to citizens or to the specific collective administrations. This responsibility cannot be attributed to the top-managers that are supervisors, evaluated and often, also selected by the same political bodies.

To the directors of the single Administration, instead, are entrusted with:
- the management powers, i.e. the task of implementing the directives and the political guidelines in a technical and optimal way, i.e. trying to continuously improve the levels of efficiency and effectiveness of the Entity;
the proposal function⁴, i.e. the faculty, if not the duty, to formulate coherent proposals with
the strategic lines imparted and express opinions to the political bodies in relation to expertise areas of competence in which they exercise their management powers.

With such powers and faculty there is a clear definition even of the responsibility system from public leaders, responsibility that can no longer be attributed to the choices of political bodies. Now public leaders are the sole holders of two distinct types of liability:
- administrative responsibility, concerning the legal correctness of the acts in place;
- responsibility of result, inherent in the economy of management with respect to the objectives and the addresses assigned by politicians.

Figure 3. The Distinction Between Political And Administration

The manager, in fact, by providing a technical opinion contrary to the decisions taken by politicians, always if the extremes are subsided, proves to fulfill wisely the tasks which fall within their own administrative responsibility. Similarly, exercising a proactive role in a constructive manner, take part in the decision-making process, and therefore, identify the scope of their responsibilities of the result. In this regard, it emerges particularly enlightening the maximum of a judgment of the Court of Auditors, which says: "The executive responsibility for results is autonomous and additional with respect to other forms of responsibilities imposed on public employees and therefore also on managers; in particular, the distinction must be marked with respect to administrative responsibility. The latter presupposes a behavior that differs from the legal rules, which govern the employee activities and is a fault-based liability (or for fraud). The management responsibility, instead, does not arise from the violation of regulatory fees of behavior and, indeed, transcends the individual behavior of the employee; it reconnects to the overall results produced by the organization to which the manager is responsible and implies, in the case of negative judgment, more than a fault on the part of the executive, its unsuitability to function".

At a distance of more than a quarter of a century it is undeniable how the change occurred at regulatory level has not been implemented in a uniform manner by all the Italian public Administrations, given the presence of some rigidity due to the cultural legacy of the political class and the non-renewal of the leadership class encountered in many cases.

4. THE EFFECTS EXPECTED FROM THE REFORM OF GOVERNANCE MODELS

The governance models reform, started in 1990, has doubtless added to the content and importance of the planning, evaluation and control processes, which are now a powerful means of political control over top managers, since (Hopwood & Miller, 1994):
- during the estimate stage, the planning and budgeting systems are a prior authorisation and at the same time, a constraint on the activities of managers;
- during the accounting stage, the evaluation and control processes serves to audit whether or not political directions and targets have been pursued and achieved while remaining within the set limits. Increased management autonomy and responsibility should have created conditions for increased productivity, intervening directly on organisational and bureaucratic dysfunctions, waste and production inefficiencies (Owen, 1992).

At the same time, the introduction of planning, evaluation and control processes would have had to force the political bodies to focus on their own functions and on their political responsibilities, i.e., on the definition of those targets that best embody the public interest (Gray et al., 1993). Nonetheless, the activities of public administrations are performed using resources mandatorily taken from the public and therefore, suitable regulations must be in place to prevent those resources from being used for activities that do not meet the institutional aims of the administration.

⁴ Legislative Decree n.165/2001, art.16 and 17.
By using this “managerial” model, the reform of the Italian public Administration has been faced with the inevitable need to bring the authorising function - which is necessary to legitimise those who manage the “res publica” - into line with the urgent need for management information on costs, performance and the results of public activities (Lapsley, 1992).

This reform “organizational” has led to a redefinition of the function of authorisation of the planning processes, programming and budget, which tools are as an instrument of regulation in relation between politicians and public leaders (Bucellato, 2001).

The authority of political bodies over top management involves dividing the traditional budget into two documents: a more summarised version, for political authorisation and a more analytical one to provide a basis for management to carry out its tasks (see figure 4).

The first document, the “political” budget, translates the relationships between the different political bodies into accounting terms. This document has, in the first instance, an authorising function between elected and governing political bodies, in the same way as a strategic plan in a private business.

The second document, on the other hand, brings together the targets and the resources that the “governing” political bodies allocate to top management; this means that it has the typical functions of the “operational” or “management” budget.

This latter document has a lower level of authorisation compared to the “political budget” account and together with the organisational divisions, it serves to give a firmer distinction between politicians and managers, since it highlight the relationship between function and the objectives assigned to the managers.

Splitting the traditional budget into two documents with different authorising values has also led to a review of the classification criteria for outgoings so as to put in place a parallel framework between accounting and organisational structures: this means identifying accounting data to show the overall financial resources assigned to a specific sector of the administration to carry out specific operational projects.

In other words, after the ‘90s reform, Italian Public administrations need to draw up suitable documents to show the degree of achievement of their targets, the progress of their activities and their related use of resources (Giovanelli, 1997).

In conclusion, the “distinction” between politicians and top managers requires a legally binding budgeting system to be introduced - one that can convey the authorising function on the budget, which will adjust the relationship between elected and governing bodies as well as the administrative relationship between governing body and managers.

Unfortunately, the reform of the 90s did not provide adequate tools for planning, evaluation and control and had no effect on information systems and accounts of the Italian public administrations. On these aspects the Italian legislator intervened with serious delay and never in a systematic way. Initially, the internal controls reform has intervened only after six years, in 1999, designing an organic system of controls but by delegating the definition of procedures and techniques of evaluation of personnel in negotiation with the trade unions. This has led to the proliferation of a plurality of models for the evaluation of personnel, sometimes inadequate.

Subsequently, at a distance of nineteen years from the start of the reform49, in 2009, were finally disciplined in an organic and homogeneous way the measurement and evaluation systems of performance, organizational and individual, which every public administration would have to equip itself with. The main limit of the norm of 2009, however, lies in the total detachment of the so-called “cycle of performance” and information systems and the accounting of public entities. The latter, however, have been progressively adjusted, albeit with different times and adopted solutions which were not always equal between them.

After more than a quarter of a century, the inertia of the Italian legislator justifies only partial distortions which can be found today in some public Administrations. These distortions are to be more attributed to the cultural heritage of many politicians and managers rather than to the legislative

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49 Reference, in particular, to the reform of internal audits carried out with the Legislative Decree n.289/1999.

48 Reference is made to systems for measurement and evaluation of performance referred to in Title II of the Legislative Decree n.150/2009.
provisions, however refining itself over the years.

Therefore, one problem that arises is to check inside the single public administration to verify the degree of implementation of the governance models reform.

5. AN EVALUATIONAL MODEL ON THE IMPLEMENTATION OF THE DEGREE OF GOVERNANCE MODEL REFORM

The verification on the impact of the reform must be carried out both on the formal level of the legal rules governing the relationship between politicians and managers, both on the substantial level being investigated in the single public entity on the effective use of the instruments and managerial techniques typical of the planning, evaluation and control processes.

From a formal point of view, the main difference between the bureaucratic and managerial model stands in checking if the political and administrative function are clearly distinct or have an overlap in certain areas. Moreover, it is necessary to check whether the instruments of planning, evaluation and control of management have been regulated. The formal legislative transposition takes place by means of the updating of the internal regulations accounting, organization and evaluation of performance, both organizational and individual. As a result of this verification it could be possible to operate already at the first distinction among the organizations that have implemented these innovations, those that have transposed in part and those that have not implemented them at all.

From a substantive point of view, however, the main difference between these two models lies in verifying if the relation between politicians and managers is based, more or less, on the actual use of the instruments and managerial techniques or limits itself to a mere fulfillment of the transposed at regulatory level.

Indeed, failure or partial adjustment of internal regulations already allows to express a first substantial judgment, since the Italian legislator awards this task to the political organ of government of a single entity. However, it cannot be ruled out even the responsibility of top-managers whose task is, however, the task of making technique proposals. In any case, a political organ "modern" must at least perceive the usefulness of programming tools, evaluation and control and must ensure that are introduced and used. Vice versa, a "retrograde" politicians keeps away from these instruments as are perceived as a constraint on the unconditional exercise, mutable and contingent on his discretion.

It is precisely the degree of use of the instruments of planning, evaluation and control, which indicates substantial transposition of legislation and the effective introduction of a model "managerial" of governance. But such a model, even in the presence of politicians "modern", cannot work if the public manager are designed exclusively to the formal observance of rules, if they are evaluated solely by reason of their administrative responsibilities and not also of the achieved results and organizational skills necessary to manage human resources and equipment assigned to them.

In other words, a modern manager must be assessed on the basis of how he works, and how he develops his own directional (Fayol, 1925) role on the basis of the leadership models which are used (Likert, 1973). In this sense, it is possible to distinguish the manager substantially "bureaucrats" from those who have greater or lesser attitudes "operational".

Then, assuming that it is possible to distinguish:
- political bodies more or less "enlightened" from those more or less "retrograde";
- managers more or less "bureaucrats" from those more or less "operational";

It is possible to identify 4 areas in which to place the individual Administrations, regardless of its belonging sector (figure 5).

**Figure 5. An Evaluative Model**

![Diagram showing the evaluation model](image-url)
Followed some brief considerations on the four categories of Public administration now identified.

**Modern administration.** The single Administration falls in this area when it is observable

"managerial model" envisaged by the regulations in force.

In these public entities, politicians are "modern" (Koolman & van Vliet, 1993; Meneguzzo, 1997; Osbone, 2010; Sforza, 2015) as implement fully and effectively the regulatory provisions, by focusing on the following activities:

- interpret the needs of the administered Community;
- identify the general objectives of administrative action in respect of the institutional aims of a single entity;
- define the public strategies, i.e. identifying the political guidelines to be implemented by listening to the manager's proposals;
- the use the tools for planning and programming provided by the legislator;
- supervise the manager through the activation of the processes of evaluation of performance, organizational and individual, by activating the rewarding systems;
- change the political guidelines on the basis of the results of the evaluation of the performance;
- enhancing the invoicing and enable adequate instruments of accountability.

In parallel, managers are "operational" and fully fulfil their tasks of:

- play a proactive role in respect of politicians;
- articulate general political goals into specific objectives and sectoral to assign to the subjected organizational structures;
- identify the optimum technical solutions to implement the policy guidelines, i.e. define tasks and operational projects in the context of the areas of competence;
- manage resources allocated economically, efficiently and in compliance with the standards, using the outcomes of the management control to improve his work;
- develop their own organizational skills and enhance the subordinates attitudes;
- apply the incentive schemes and start, when necessary, disciplinary proceedings;
- avoid that personal political opinions of citizen influence their work of "civil servant".

In summary, these public entities are the fruitful interaction between politicians who "listen and oversee" and managers who "propose and implement" allows to transform the political guidelines into concrete projects and achievable.

**Administration to reorganize.** A public administration falls in this area when the "managerial model" is not fully applied given the presence of manager "bureaucrats" in which persists a typical culture of the "bureaucratic" model. In these cases, we are witnessing a conflict and to a mutual incomprehension between "modern" politicians and managers who do not intend to apply the new organizational models and related operating mechanisms.

Merely by way of example, the manager "bureaucrats", in a more or less active and conscious:

- assume a dilatory attitude, if not even against, in respect of the decision-making process of politicians "modern";
- avoid the measurable assignment of objectives and flee from their responsibilities as a result;
- do not have innovative capacity or anyway, do not practice it, focusing exclusively on the formal respect of the legislation and implementing only procedures which have already been standardized and the technical solutions already tested;
- fear only administrative controls and do not give any emphases to the managerial controls treated in the same way as a useless accomplishment;
- neglecting the development of organizational skills and do not worry to enhance employees attitudes;
- assess employees in the same way, without significant differentiation of judgment, and cover the defaults of the subordinates, assuming, so as to "avoid problems";
- use their managerial position to defend their personal political opinions, breaking the"principle of distinction" and by swallowing in the functions of political bodies.

In such situation the only levers of "modern" politicians reside in implementing a significant reorganization of the structure and processes. Paradoxically, in these ventures, the only solution lies precisely in the strict application of the rule that requires innovative regulations for the organization of the offices and services, updated regulations of accounting, efficient processes of performance assessment that invokes the leaders to their responsibilities as a result and to avoid the premium payment, which are not deserved. Given the absence of a managerial culture, it is likely that, in a first moment, it is necessary to also activate disciplinary proceedings to change usual behavior and heal consolidated past shortcomings.

"Modern" politicians must realize, since their settlement, that the bad functioning of the organizational structure of the institution will involve, inevitably, the failure to achieve the political objectives initially recruited. Therefore, any choices that could affect the political consensus is best that it is taken at the beginning of their mandate, i.e. as far away as possible from subsequent elections.

**Administration to be re-elected.** Public bodies that fall into this category are located in a position that is exactly the opposite to that of the Administrations to rearrange. In this situation the "managerial model" is implemented only within the limits in which comes back at hand to a "reactionary" political organ. In this category of Administrations is the political body that must be re-elected or replaced: they must not be changed, instead, the manager in possession of expertise skills. Also, in this case, we are witnessing a conflict and a mutual incomprehension between "operational" manager and "retrograde" politicians that interpret the manager's
autonomy as a reduction of their political powers and their discretion. These politicians implement the new organizational models and related operating mechanisms only in the measure in which they approve them to be ingested in management, normatively assigned to managers. In other words, the tools and the managerial techniques are used by "retrograde" politicians for breaking the "principle of distinction", to bend the technical discretion of executives considered hostile to the politicians at that moment in power.

This situation, in some aspects, is already positive, as it requires knowledge and use by political systems of programming, evaluation and control. In most cases, however, the "retrograde" politicians do not even know the existence of these tools and management techniques and work with other "informal" instruments.

By way of example, the "reactionary" political but informed, are dedicated to:

- to assert their own personal power and plead the needs of those who elected them;
- identify objectives quotas of administrative action, in respect to the coalition purpose policy temporarily in power;
- define short term tactics, by bending the technical discretion of the managers;
- formally apply only the tools for planning and programming so as to be able to modify the objectives to their liking in the handling process;
- use the evaluation processes of performance, organizational and individual, to punish dissenting managers;
- neglecting the information coming from the management controls and by economic analysis which, often, depart completely from their specific skills;
- consider the invoicing and instruments of accountability as mere obligations imposed by the legislator.

In other words, the "retrograde" politicians believe they still have a hierarchical power on managers, as it was prior to the 1990 reform; but this power is not normatively foreseen and is also devoid of content and absolutely ineffective. The "modern" manager have technical skills that are rarely owned also by politicians and are not prepared to take administrative responsibility only in order to please the politicians in power at that time.

The "modern" manager are distracted by management and use their skills to defend themselves from "retrograde" politicians, by raising the levels of conflict within the organization at the expense of the economy, efficiency and effectiveness. This, inevitably, also, leads to the failure of those targets and partly defined by "retrograde" political bodies.

In the most extreme assumptions, in certain Administrations to be re-elect it assists, even to a turnover of the situation and to the arise of pathological aspects for a democratic Country: it can be assisted, i.e., to the emergence of a model "technocratic" which replaces the model "managerial" provided by the standard. In fact, when there is a clash between phenomena of "abondoning" and political organs ignorance, it occurs a substantial passage of power from the latter to the top-management, which are in fact delegated, often implicitly, numerous decisions not only operational but also strategic and of political address. In this situation the managers tend to assume a not justified power by their own institutional role that clearly stands out in contrast with the goal of giving life to a co-ordinated management and consistent with the institutional aims of a single Administration. The top-management, in these cases, manages to impose its will, sometimes quite apart from the indications coming from administered collectively and by defined strategic addresses, often in too abstract terms, by political bodies. In these ventures, the political bodies demonstrate their smallness in interpreting collective needs and their inability to program and outline clear choice of address.

Similarly, "operational" managers are transformed into technocrats separated from the communities to which they should look up to. If then the manager are "bureaucrats" the Administration falls in the paradoxical situation described further on.

Paradoxical administration. In public administrations where there are "retrograde" politicians and "bureaucrats" manager are helped by a serene pathologic continuation of inefficient management, useless and sometimes even incorrect. In these administrations, often produce the paradoxical effects of a total agreement between politicians and managers not to promote such activity, in not defining objectives, in not assigning resources, in not resolving problems, in "floating" on contingencies. In this way, the politicians manage to decline their responsibilities by changing at their own leisure the addresses of management and thus entering into the merits of operational decisions and, at the same time, managers in fact, do not have any liability results in respect of what they could be assessed. Paradoxically, the politicians' interference in the management is received by "bureaucrats" managers as a welcome solution for their own unaccountability. Internal conflicts are reduced at the organization and a convergence is produces on the subjective objectives and particularly to the detriment of collective interests in general. In substance, it is reproduced in facts a "bureaucratic model", paradoxical with respect to the current legislation which is thus evaded with consenting behaviors and hypocritical, both from the politicians part and both on the manager part.

In these institutions the "bureaucrat" manager undergoes the authority of politicians and backs them up, allowing him to immerse in the management and make him undertake decisions, which formally belong to him. Sometimes, the "bureaucrat" manager, but wise, proposes to the political body to assume administrative acts of management, which, instead, would be his eligibility. Other times, the manager performs blindly as decided by the political body without exerting the technical discretion that the legislator has assigned to him, expressing a favorable opinion even in the absence of the requisites technical legal needed. Often the cultural legacy of these managers lead them to condescending behavior since considered the only solution to maintain its own role. In fact, the consenting manager lasts as long as the "retrograde" politicians, which appointed him and, anyway, it pays the effects in terms of administrative responsibility, since the management acts will remain legally attributable to him. In short, the manager transforms himself from a "civil servant" in "yes man" of the politician in power.

The exchange currency of the politicians
"retrograde" with managers resides:

- in delegation and leave wide margins of autonomy and discretion to "influencable" managers in this way implicitly authorized to place before their own personal interests to institutional purposes;
- in invading and interfere in competence areas of the "impartial" management, possibly removing them from office regardless of technical skills from these shown, and replacing them with "influencable" managers.

In substance, in best cases, to witness of a formal application of the model of "managerial" governance by: the definition of general objectives, not measurable and little challenging; the payment of allowances to result without an effective verification of the objectives; the guarantee of maintaining the leadership position and the implementation of the minimum requirements expected by law for the ultimate purpose of avoiding external controls. In other words, the updating of the internal regulations of the organization, accounting and evaluation of performance, limits to a formal adaptation of procedures already in place, with the ultimate result of "justify" those situations of consolidated inefficiency, which instead should be eliminated, thus loads further the degree of bureaucracy. Indeed, the formal application of the model of "managerial" governance constitutes, however, a step forward compared to those administrations in which the new regulations are transposed in part or not at all. In this sense, the formal transposition of the rules may have an important role, by imposing changes and making mandatory new behaviors; even if this may not be sufficient to change a culture and a radical mentality both in political bodies and in managers.

To treat these administrations it is necessary a penetrating intervention of external auditing agencies that, however, does not limited only to the formal verification regulatory obligations but, also, to investigate on the actual use of the programming instruments, of evaluation and management controls.

6. CONCLUSIONS

On the basis of what is to anticipate, an essential conditions takes place for the orderly and effective operation of a modern public administration: the effective transposition of the "managerial" governance model, as outlined by the reform of the 1990s.

The cause of the most visible distortions shown by more or less recent events of Italian Public Entities, in fact, is represented by the lack of a real and effective co-ordination between political organs and managers. There is a missing positive situation of pluralism of ideas and perspectives that proves essential to ensure that the management of the institution may be regarded as the result of the decisions carefully analysed and subjected to the scrutiny of gifted bodies with different abilities, but complementary, in synergistic, used for the development of managerial programs whose final objective must be, first of all, the wise use of public resources in view of the maximization of collective wellbeing.

It comes out clearly, from the personal experiences on field, the absolute need to arrive at a full co-ordination between politicians and managers. This should not be interpreted as a loss of their specific identity, but as a recognition of the complementarity and the willingness to act synergistically, while respecting the due differences and the necessary independence of thought and action. It looks evident that the inconsistency and the danger of a state of contraposition, of overlapping or, at the best of assumption, of poor co-ordination between politicians and managers (Mussari, 1990).

In this sense, and even more necessary, that will be introduce the logics of that which, in recent studies, is called "new public management" (Hood, 1991; Osborne & Gaebler, 1992; Jones & Thompson, 1997) and, also, all other concepts that can be found in the successive approaches, i.e. "new public governance".

7. FUTURE DEVELOPMENTS

The exposed evaluation model needs only to propose a classification of possible situations in which an Italian public Entity could find itself after more than a quarter of a century since the introduction of a "managerial" model of governance.

This first model will be necessary revised after deciding which theoretical model has been adopted. To decide how model is more suitable, will be necessary to analyse some literature and will be indispensable to do some re-visit of the same. In fact, it is renowned that since the 70s, a few scholars started to elaborate models to describe the relation between politicians and manager (Putnam, 1975; Aberbach et al., 1981) but, considering the old age of these studies and the particular characteristics that are already explained in this work, could be interesting to add to these models, other peculiarities that can be found, for example, in studies done by the competency movement (Horton, 2000) or by Bouckaert & Halligan (2008).

The last phase of our work will be testing the model that will arise but our considerations, to produce a diagnosis of public entities and to identify the main obstacles when applying rational decision-making processes.

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