# Administrative Systems

Author: **Robert Drobnič** 









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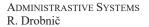
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# Administrative Systems

Author: Robert Drobnič

Kranj, 2023





# Administrative Systems

### ROBERT DROBNIČ

Abstract In unit one we get to know the basic concepts, such as: system, administration, public interest, administrative-political process. In unit two we are talking about administrative systems covering the concepts and operation of administrative (sub)systems, such as: the public sector, the public administration, the state administration, the state functions, the parliamentary and presidential system, the National Assembly, the National Council and the judicial system. In unit three we will learn about the government, the government regulations, the structure and bodies of administration. the governance, the territorial organisation of administration. The unit four describes the involvement of administrative systems in development of regions, resources of (state) administration, public finances and physical assets of the state. In unit five we will learn about the importance of public procurement, different roles of administrative systems, the principles and procedures of public procurement, the principles of creation of administrative bodies, about local self-government. In unit six we will learn about the original/authentic and transferred competencies and tasks, the decision-making process within municipality, the incompatibility of functions, the regions, the regional policy, the non-state administration, the public authorizations, the public agencies and the bearers of public authorities. In unit seven we will talk about the public law and public law entities, the economic and noneconomic public services, the services of general interest, the financing of public projects, the public servants systems, the people in administrative systems, the theories of organizations, the public servants models, the public servants law and the salary system. In unit eight we will talk about the efficiency of administrative systems, the introduction of entrepreneurial principles in the public sector, about reforming of public sector, change management, public sector management, the influence of globalisation and development in general on the administrative systems in the future.

**Keywords:** • systems • administration • administration systems • administrative-political process • terittorial organisation of administration • local self-goverment

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Administrastive Systems

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### Introduction

In everyday life, we come into contact with different systems. There are systems in both, living and non-living nature, in products and services, in households, companies and in public administration. The systems may be simple or complex. At the same time, we have to manage our everyday private and public life (managing objects, people, households, companies). When we have to decide what to do today or tomorrow we can already speak about administration. However, administration process in public area can be very complex and demanding. It is specially so when dealing with complex systems. That is exactly why we should study such systems, identify and analyse their components, and try to optimize or upgrade them.

In this course, the key words "system" and "administration" are therefore combined into the term administrative systems. If the system is simple and easy to administer, we can handle it easily. But if the system is difficult and complex, its administration will also be difficult. And due to the fact that systems, methods and administration processes are changing over time, managing such systems can be extremely challenging. We have to be aware of this fact and we as individuals, who are the most important element of administrative systems, should get to know the system well to be able to work effectively within the administrative system as well as to be able to change it for the better.

Since the systems are mostly composed of subsystems containing other new subsystems, you will often notice while reading literature or this text that the writer refers to both terms: administrative systems and/or administrative subsystems. Subsystems are also systems in themselves, but at the same time they represent the subsystem of some other broader/higher ranked system.

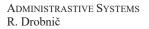
The text before you which will hopefully enrich your knowledge and insight in the course of your study at the Faculty of State and European Studies at the New University was created as a result of many years of work and engagement in complex administrative systems and also as a result of teaching.

Within the course we are dealing with 8 units. In unit one we get to know the basic concepts, such as: system, administration, public interest, administrative-political process. In unit two we are talking about administrative systems covering the concepts and operation of administrative (sub)systems, such as: the public sector, the public administration, the state administration, the state functions, the parliamentary and

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presidential system, the National Assembly, the National Council and the judicial system. In unit three we will learn about the government, the government regulations, the structure and bodies of administration, the governance, the territorial organisation of administration. The unit four describes the involvement of administrative systems in development of regions, resources of (state) administration, public finances and physical assets of the state. In unit five we will learn about the importance of public procurement, different roles of administrative systems, the principles and procedures of public procurement, the principles of creation of administrative bodies, about local selfgovernment. In unit six we will learn about the original/authentic and transferred competencies and tasks, the decision-making process within municipality, the incompatibility of functions, the regions, the regional policy, the non-state administration, the public authorizations, the public agencies and the bearers of public authorities. In unit seven we will talk about the public law and public law entities, the economic and noneconomic public services, the services of general interest, the financing of public projects, the public systems, the people in administrative systems, the theories of organizations, the public servants models, the public servants law and the salary system. In unit eight we will talk about the efficiency of administrative systems, the introduction of entrepreneurial principles in the public sector, about reforming of public sector, change management, public sector management, the influence of globalisation and development in general on the administrative systems in the future.

The Administrative Systems course is by its nature a synthetic subject. It combines different aspects of administrative problems and challenges of public administration on the level of organisation, administration, decision-making, planning and implementation which you have probably already experienced at least partially or thoroughly through your studies. Even in daily practice, we often realise that specialized knowledge is very important but it loses its implication if we do not know how to integrate it properly into administrative systems. We are certain that this subject is a great opportunity for you to upgrade the knowledge you already have and to integrate it into a system of thinking and acting which you will be able to use to your advantage in your further career path.





### System, Administration and Ensuring Public Interest

### 1 System

The system is one of the two essential words in the Administrative Systems course. Without a system there are no administrative systems. So let's first look at what does system mean. The simplest definition is that a system is made up of at least two or more interacting elements. The system may be simple or complex.

There are several theories of the systems, for example: living systems theory, viable systems theory, dialectical systems theory, social systems theory, systems theory and innovation. Systems often consist of several subsystems (which are themselves a system) and the latter can again consist of several subsystems. Public administration is a subsystem within the entire social system. "The general theory of systems is based on the notion that all things and phenomena in the world are systems that consist of certain parts. If we want to get to know a system, we need to know its properties, functions and components as well as their interconnectedness. This applies to both, physical and social systems (systems of human participation)." (Eugen Pusić, Administrative Systems, 1985).

The opposite of the system is chaos. Chaos theory studies the behaviour of dynamical systems that are very sensitive to initial conditions. Small differences in initial conditions (such as those in rounding in computation) create a big difference in the behaviour of such dynamic systems. In theory, this is also called the "butterfly effect".

In the study of systems, in addition to the relationship between the system and the environment, between the component and the whole (system/subsystem), the principle of integration is important. One of the fundamental questions of studying systems is: Does the whole in the system mean more than the sum of its components? Integration means establishing at least one connection between at least two elements in the system. Closed systems will be prone to entropy (system collapse). Closed states, for example, are prone to entropy. The car engine is prone to entropy. If we want to avoid entropy, it is necessary to open the system, to upgrade it. Both in technology and in society. Open systems respond to the environment and they develop. There are two key principles to the system: flexibility or system responsiveness and cooperation or interaction between elements. Open systems are dynamic. Elements are changing, relationships between elements are changing, relationships with the systems are changing, different subsystems are constantly being formed or merged,

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there is a lot of communication, information gathering, planning alternatives, decisionmaking. And decision-making is an essential part of the content of the second key word in the title of the Administrative Systems course. We therefore need administration which is as efficient as possible. Administration to help us master simple and especially complex systems. And administering complex social (sub)systems is a very big challenge in any country and in any public administration.

### 2 Administration

A great deal of literature has been written about administration throughout history. There are many different opinions on the content of the administration concept. However, the broader or predominant definition of administration is very simple: "Administration is decision-making about our needs and ways to satisfy them." (France Bučar, Administration, 1981). As we will learn in more detail later, it is crucial for public administration to be able to define HOW to make decisions to meet people's needs. The emphasis on "HOW" is the key emphasis in administering and governing the public administration. Without administering, therefore, there can be no administrative system. Administration is an organizational aspect and administering is a functional aspect. However, the perception of Administration is also different. It can be perceived as functioning (functional), but it can also be seen as a community of administrative bodies (organizational) and as administration (narrower concept, as office operations).

The narrower definition defines administration as an essential ancillary activity that enables the processes in the core business to run smoothly. This definition covers only the instrumental part of the administration, i.e. decision-making within the framework of already adopted general decisions, and professional assistance in decision-making at all levels. Such a definition is even more obvious in production processes where activities can be divided into: core activity (production of material goods) and administrative activity (e.g. purchasing, sales, contacts, correspondence, personnel, accounting). Such a division applies not only in entrepreneurship, in private companies, but also in public institutions, for example in schools, hospitals, institutes. All these systems need an ancillary i.e. "administrative" activity which should be adapted to the core activity. Administrative activity is necessary because it enables the realization of basic tasks. Core activity without administrative activity is meaningless and vice versa. Administrative activity cannot be an end in itself, but must enable the smooth running of processes in the core activity. On the other hand, core activity cannot be an end in itself, either. The purpose of any activity must be the production of material or spiritual goods capable of satisfying human needs.

To administer systems it is necessary to define tasks and plan the way they are implemented. Administering system(s) in the field of social affairs (state governance) covers the whole process of social decision-making. The way we define tasks and the way we plan to implement them both affect the achievement of the goal. From an

organizational point of view, this activity is performed by the entire administrativepolitical subsystem in which the classical administration is only one of its components. According to this definition, the administration and the entire administrative-political subsystem are connected, so the administration must be considered holistically as a system that operates in a relevant environment which also has a decisive influence on it.

The 21st century is also called the century of governance. Exceptional technological development significantly changes the division of labour. The transition to the information society generates a high degree of interdependence of individuals (elements of the system) in society. The individual satisfies the needs in a mutual exchange process or through an organized social community. The social system is becoming more complex, the chain of MEDIARY (intermediate) needs is getting longer. These are the needs that ultimately have to meet the needs of each individual (for example clean air, clean city, clean drinking water, uninterrupted and lasting access to high-speed internet). Administration and public administration are therefore increasingly important in society and efficient administration of systems and subsystems is increasingly complex and demanding.

### 2.1 Administrative-Political Process

Before we focus on the administration of the system, systems or subsystems, let us define the concept of administrative-political process. This is the process in which the so called social regulation is going on. So what do we decide upon in such an administrative process? "The components of the administrative process are defining goals and resources which are differently related to the political process. Defining goals is so closely linked to the political process that sometimes it can not be distinguished from the political process itself or in other words, the political process on the outside is reflected mainly in defining goals. Defining resources, however, is supposed to be politically neutral, much like managing things; it should be realized mainly or at least predominantly through decision-making on technical issues." (France Bučar, Administration, 1981). To simplify, defining goals is therefore making political decisions (parliament, government), and defining resources is therefore mostly a professional and not a political issue (administration).



Figure 1: Administrative-political process

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It is important to know that administration process is a kind of cycle of activities. In addition to defining goals and implementing these goals (actions) in this process there is also feedback (evaluation) which is very important. Namely, based on feedback we can start the new administration cycle equipped with information and recommendations on how to improve the administration process.

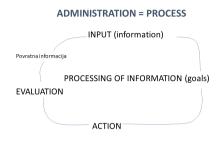


Figure 2: Administration process

Administration or decision-making is done by the three branches of government. The legislative power (the National Assembly) deals with the question WHY; why to make changes, why the changes are needed, why the law needs to be changed and the like. This sets the goal. The executive power, i.e. the Government, deals with the question WHAT to do (it acts as the proposer of the law to the National Assembly and at the same time implements the decisions made by the National Assembly), and what to focus on. HOW to act and HOW to make decisions in order to satisfy people's needs is professionally the most difficult part. This is what the administration is dealing with.



Figure 3: Decision making pyramid

### 2.2 Social Regulation, Legal System, Formation of Public Interest

Administration as a process of deciding on social goals in practice proves to be a process of social regulation. Thus, the process of creating legal norms and the process of their implementation arises. This process (of administration/creation of legal norms) has 4 phases:

- 1. Identification of needs, goals (Political starting points for drafting regulations),
- 2. Collection of information (Professional analytical material for the formation of legal norms),
- 3. Planning of alternatives (Proposals for legal norms),
- 4. Decision-making (Adoption of legal norms).

Legal norms adopted at a very high institutional level are often not directly feasible, so these can be expressed through an administrative process at a lower institutional level, thus adopting a hierarchically lower legal norm. Social regulation thus takes place as a set of administrative processes at different institutional levels, the result of which are hierarchically different but in principle harmonized abstract legal norms (i.e. those relating to an indefinite number of legal addressees and determining how to behave and act if they find themselves in relevant pre-defined or at least indicated factual circumstances) which as a whole form the legal system.

Social regulation does not end with the creation of abstract law but it also includes concrete regulation. This is created by the application of abstract law for a concrete life situation on the basis of which a concrete legal norm is created regulating a concrete social relationship. Decision-making in this specific situation does not take place through the above-mentioned four phases of the administrative process but through the comparison of the hypothesis of an abstract legal norm and a concrete social relationship. If they match, the abstract norm is transformed into a concrete legal relationship. Social regulation and the legal system therefore pave the way for administrative systems as well. Social regulation is thus a process of creating abstract and concrete legal norms. This process is reflected in regulatory administrative systems. On the other hand, we distinguish territorial administrative systems. These are special subsystems within the global social system with the purpose of implementing social regulation. From the legal organizational point of view, these administrative systems are territorial legal entities under public law.

### 2.3 Social Conflict, Policy, Values

We know from history that administration of social processes is also necessary because of the conflicts that arise in society due to the diversity of values and the scarcity of goods. An element of conflict is built into the system because people have different economic strength and they are unequal in society. Regulation alone (along with coercion) is not enough to manage conflict in society. It is essential to add a mechanism i.e. a policy for 8 ADMINISTRASTIVE SYSTEMS R. Drobnič: System, Administration and Ensuring Public Interest

conflict mitigation and this is possible by creating common values or an agreement on respecting these values. If this is not the case, the entropy process accelerates and the social system disintegrates.

### 2.4 Formation of Public Interest

The formation of public interest is crucial in the administration of the broadest sociopolitical system. Without a formed and formalized public interest administrative systems cannot function in the public interest. What does formation of public interest mean? It is necessary to form the widest possible opinion on what the public interest is. In a parliamentary democracy, the public interest is determined through the parliamentary legislative process. Otherwise, any publicly expressed interest of a certain group of people could be just a wish, a manifesto which in itself is not (yet) the public interest. The most democratic form of determining the public interest is its formation in the National Assembly. Members of the National Assembly are obliged to make the decisions that are really in the public interest and not in the private interest. The activities of various and diverse socio-political groups or parties in the National Assembly contribute to determining the public interest through the legislative procedure and eliminating the private interest.

Let us emphasize again that setting GOALS in the social system is a political decision. That is why we need elections and politicians to set goals for the development of our society and our country. There are many goals in a complex system. Once a goal has been set it is necessary to find the ways to achieve that goal and to allocate appropriate resources. If we have a clear common goal but not enough resources to achieve it or we do not reach a consensus on how to achieve the goal, then the goal remains just the goal.

To set appropriate goals or to support the arguments of the adequacy of goals and to exercise effective decision-making it is important to have knowledge in combination with modern technology. Especially in the 21st century, modern technology is very helpful, because it allows you to collect data in a variety of databases, to analyse the actual situation and to form appropriate alternatives. It contributes enormously to the recognition of whether the chosen goal is appropriate. Large databases help us plan processes faster and more accurately. Because in the National Assembly all this analytical knowledge and key analytical information is not available in real time and because the National Assembly decides on many goals not just one, this important analytical task and also the task of proposing legislation is largely done by the branch of government which has the most knowledge, resources and technology. This branch is the executive branch of government or the administration within it. The use of modern technology enables the preparation and adoption of legislation that improves administrative systems and improves the level of end-user satisfaction with products/services of administrative systems.

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## Government and Administration, Governance and Territorial Organization

### 1 Government as an Administrative System in the Republic of Slovenia

A significantly more complex system than the bicameral legislature is the government or, within it, the state administration. Therefore, in our Administrative Systems course, this system is particularly interesting and also crucial to understanding the integrity and complexity of administrative systems. The government is the fundamental and de facto bearer of executive power. It has the executive function and at the same time it is the highest body of state administration. Ministers have a dual role: they are members of the government as a collegial body and at the same time heads of ministries governing the administration. The government is independent but it is liable to the National Assembly. The government is the political body that implements the policy of the party(ies). The government implements its policy through its legislative and other proposals passed to the National Assembly and within the framework of its executive function.

The government has a political executive function. It proposes to the National Assembly the passing of laws and other acts (initiative role) and takes care of their implementation. The government also performs an administrative function. Namely, it is the top of the state administration. In doing so, it directs and supervises the operation of administrative bodies or governs them directly through ministers. Ministers are responsible for the decisions and positions of the government and for their implementation, for their decisions in the management of ministries and for the omission of measures that should have been taken.

The government organises sessions and makes decisions by an absolute majority. In the case of an even number of members of the government, the president has a decisive vote. The government has rules of procedure which determines regular sessions, correspondence sessions and electronic operations. The government and ministers are independent and accountable to the National Assembly. Responsibility is collective and individual. Collective responsibility means that ministers cease to hold office with the dissolution of government. The minister is responsible for the work of the government as a whole and for the work of the ministry he/she heads. Responsibilities are political (may result in dismissal, resignation, illegal nature of liability), criminal and civil (both of the latter are only individual and connected to the person of the minister). The minister's resignation.

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Let us emphasize the distinction between government regulations and administration regulations. Government regulations are the following: Decree, Ordinance, Rules of Procedure, Decision, and Resolution.

Administration issues administrative acts by which it regulates and determines legal relations. These are general (abstract) legal acts (executive regulations) which come lower in the hierarchy of legal acts than the law (implementing regulations). These are also individual (concrete) legal acts (administrative decisions, resolutions) and material administrative acts (material acts). The administrative regulations are the following: Rules, Order, and Instruction. Unlike government regulations, administrative regulations are issued by ministers for the enforcement of laws, other regulations of the National Assembly, government regulations and EU regulations.

# 2 Administration and Administrative Bodies as Important Administrative (sub)systems

The administration is an important administrative system in which a lot of experts are employed. Historically, we distinguish five content areas of administration: general administration (internal administration in the broadest sense which also includes economic and social departments), external administration, financial administration, judicial administration and military administration. There are various theories of public administration, e.g. material theories (Vavpetič, Bonnard) and formal theories or negative theory (Austrian). The latter defines the state administration as what remains when we exclude legislation and the judiciary from the state.

In order for the administration to operate legally it needs to be supervised. Internal control is performed within the administration itself (Budget Supervision Office of the Republic of Slovenia, Internal Audit Services, etc.). It is carried out by higher authorities over lower ones (for example, ministries over constituent bodies). External control is performed by the courts. Judicial control over administrative conduct is exercised by regular administrative courts or special administrative courts. In accordance with the State Administration Act the administration participates in policy making, prepares proposals for laws, executive regulations and other acts, as well as other materials, and provides other professional assistance in policy formulation. The administration performs executive tasks: implements laws and other regulations adopted by the National Assembly, issues regulations, individual acts and internal acts, enters into civil law relations and performs material acts. For the performance of material acts that interfere with human rights or fundamental freedoms, the administration must have a direct basis in law. The administration supervises the implementation of regulations. The administration monitors the state of the society in the relevant areas of its responsibility and takes care of its development in accordance with the adopted policy of the state. The administration establishes, governs, maintains and connects databases and records. The administration also performs development tasks. On the basis of and within the framework of laws, other regulations and the state budget it encourages or directs social ADMINISTRATIVE SYSTEMS 11 R. Drobnič: Government and Administration, Governance and Territorial Organization

development. The administration ensures the provision of public services in accordance with the law. Administrative tasks are performed by administrative bodies. In accordance with Articles 14 and 15 of the State Administration Act the administrative bodies are ministries, constituent bodies, administrative units, public agencies, organizations under public authority.

### 3 Administrative Bodies as Elements of the Administrative System

Ministry is established to perform administrative tasks in one or more administrative areas. A body within the ministry shall be established for the performance of specialized professional tasks, for executive and development administrative tasks, for the performance of inspection and other control tasks, for the performance of tasks in the field of public services, provided that this ensures greater efficiency and quality in performing tasks or if due to the nature of the tasks or field of work it is necessary to ensure a higher degree of professional independence in performing tasks. Administrative units are established to perform state administration tasks which must be organized and implemented territorially. Administration is productive when it makes appropriate decisions from the point of view of the operation and development of the social system. In addition, modern administration is explicitly required not to be just instrumental in nature. The environment in which it operates is extremely dynamic, so it must include new components, both valuable and professional, in its decision-making premises. Such an administration is environment.

### 4 Management of State Administration and Ministries

Ministries are very complex (sub)systems. Managing the ministries and connecting them requires well-defined procedural and substantially informed interactions. Managing such systems is a very demanding task. There are several definitions and elements of management. For example, Fayol defines five (combining the first two elements: anticipation and planning), and Urwick six elements, namely: forecasting, planning, organizing, commanding, coordinating and controlling. Gulick, for example, defines seven elements: planning, organizing, staffing, directing, co-ordinating, reporting and budgeting.

The minister manages and represents the ministry, issues regulations and other acts in accordance with the law and makes other decisions within the competence of the ministry. The state secretary(ies) shall assist the minister in the performance of the minister's duties within the limits of the powers conferred on them by the minister. The State Secretary acts in the role of the minister during the minister's absence or restraint in leading and presenting the ministry and assigning materials for debate to the government - written authorization (this does not relieve the minister of responsibility). The state secretary is appointed and dismissed by the government following

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the proposal of the minister. The state secretary's function shall end on the day of the termination of the minister's function. The secretary-general leads the professional work in the field of management of human, financial, information and other resources and assists the minister in the coordination between the internal organizational units of the ministry. The director general is accountable to the minister for his work. The director general of the directorate manages the administrative and professional work of all the tasks within the ministry. In case of absence or other engagements of the minister and the state secretary, the government may, on the proposal of the minister, authorize the director general to represent the government within the scope of responsibilities in the work of the National Assembly. The director general is accountable to the minister for his work. The director general is appointed in accordance with the Civil Servants Act. The minister may establish an expert council as an expert-advisory body to deal with expert issues in the administrative areas of the ministry or to advise on policy-making.

The relationship between the ministry and the constituent bodies is specific. The minister gives instructions to the body within the ministry. The minister gives directions for the work of the constituent body, mandatory work instructions, instructs the constituent body to perform certain tasks or take certain measures within the limits of its competence, and requests to receive reports. The ministry supervises the work of the constituent body. The minister may request reports, data and other documents related to the performance of the work of the constituent body. The head of the constituent body must report to the minister regularly and at his special request on the work of the constituent body and on all important issues in the areas of work of the constituent body. Before the National Assembly and the Government of the Republic of Slovenia the constituent body is represented by the minister. The ministry decides in administrative proceedings at second instance on legal remedies against administrative acts issued by a constituent body - appeals.

### 5 Territorial Organization of Administration - Administrative Units

The state with its system organizes the work of the state administration on the entire territory with a special administrative subsystem. Territorially performed administrative tasks are those which, due to their nature, need to be organized territorially. Such organizations in the state administration are administrative units. Administrative units decide at first instance in matters of state jurisdiction. Territorial organization means deconcentrated performance of tasks from the working areas of ministries. The head of the administrative unit is according to the Civil Servants Act a position official appointed by the minister responsible for administrative unit upon consent of the administrative unit is determined by the head of the administrative unit upon consent of the government. The administrative unit handles issues from its scope of work under the expert guidance of line ministrative. The competencies of the MINISTRY towards administrative units are the following: they provide guidelines, professional instructions and other professional

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assistance for the execution of tasks within their competence, mandatory instructions, monitor the organization of work and qualifications of public servants, supervise the execution of administrative tasks. They may instruct the administrative unit to carry out a specific task or take certain measures and report on the work done. The head of the administrative unit must act in accordance with the guidelines, professional instructions and mandatory instructions of the ministry responsible for the relevant field of work and regularly prepare reports. The responsibilities of ministries towards administrative units are the following. The ministry of public administration supervises the organization of work and efficiency of administrative units (annual reports), monitors the qualifications of public servants, gives guidelines and instructions for improving the organization. efficiency and quality of work, prepares a proposal for government consent to acts on internal organization and systematization positions of administrative units, coordinates addressing of personnel, financial, spatial, material and other issues administrative units deal with and decides in disputes on jurisdiction between administrative units. Coordinating advisory committee is a special body which is established for the administrative unit area. Its members are: head of the administrative unit, mayors or directors of municipal administrations (or their authorized representatives) of local communities from the administrative unit area and heads of separate organizational units of the state administration. The coordinating advisory committee has the following competencies: cooperation of the administrative unit, municipal administrations and regional units, branches and other separate units of the state administration, bodies within them, "state" legal entities and ensuring efficiency, quality of work of the state administration





# Involvement of Administrative Systems in the Development of Regions and Financing of Administrative Systems

### **1** Involvement of Administrative Systems in the Development of Regions

In Unit 2 we defined the triple function of public administration. The third function is promotional function or promotional role. Let us have a closer look. Namely, the market economic laws are not perfect, they are only a theoretical ideal. Therefore, the state or the public administration plays an important developmental corrective role. As development activities take place on the entire territory of the country, the public administration also performs this promotional role in connecting top-down development approaches and stakeholders (from the state to the territory) or vice versa bottom-up approach (from territory to the state) or a combination of both. Such an administrative system therefore operates horizontally (between departments at the state level) and vertically (between different territorial levels). Because of its role, this is a particularly interesting and complex example of an administrative system. It is about the involvement of administrative (sub)systems in the development activities of the state and on the other hand in the development of individual areas or regions.

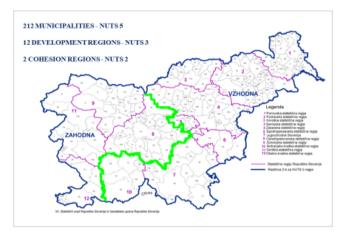
### 2 Administrative Systems and Promotion of Development at Territorial Level

The conditions for granting development incentives at the territorial level are the following: appropriate legal bases (Promotion of Balanced Regional Development Act and implementing regulations), institutional environment, strategic orientations of the state and regions and active stakeholders involved in development.

### 2.1 Development Policy Planning, an Example of Regional Policy

Development needs to be planned; at the state level with strategies and development programs of line ministries, and at the regional level with strategic regional programming documents. Countries have different development planning approaches. In the European Union, the important common denominators are European cohesion policy and European agricultural policy. The area of promoting regional development can be presented as an example of the integration of administrative (sub)systems which requires coordinated management and integration of different administrative (sub)systems at different territorial levels. An effective regional development policy means effectively directing and integrating several different development policies at national level. Different 16 ADMINISTRATIVE SYSTEMS R. Drobnič: Involvement of Administrative Systems in the Development of Regions and Financing of Administrative Systems

subsystems at national level come into contact with administrative (sub)systems at regional and local level. In Slovenia, on the basis of the Promotion of Balanced Regional Development Act these subsystems are the following: Regional Council (consisting of mayors of all municipalities in the region). Regional Development Council (consisting of representatives of municipalities in the region, regional economy and non-governmental organizations) and Regional Development Agencies and the local level (municipalities).



#### **REGIONAL UNITS IN SLOVENIA 2014-2020**

Figure 4: Regional units in Slovenia

#### 2.2 **Cooperation of Administrative Systems of State Administration and Local** Self-Government

In the absence of the establishment of regions in Slovenia (despite Article 143 of the Constitution of the Republic of Slovenia which deals with regions), the state implements development measures on the basis of laws, especially the Promotion of Balanced Regional Development Act (Official Gazette of the Republic of Slovenia, no. 20/11, 57/12). Slovenia followed the OECD Recommendations from 2011 (Territorial Review of Slovenia) that our country should try to do more for harmonious regional development, especially by strengthening the competences of stakeholders in development regions. On this basis, too, a system has been developed consisting of its basic regional elements: regional councils, regional development councils, regional development agencies and system planning as well as the implementation of seven-year Regional Development Programs. Such a system still has a number of shortcomings as it can only partially replace the system of regions with elected regional or provincial officials or decisionmakers. How to remedy such shortcomings in the absence of the establishment of regions is a very complex challenge.

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Such an approach requires coordinated activities of administrative subsystems, in particular ministries and institutions under their jurisdiction operating at regional level. It requires the use of a top-down approach with the active participation of regional-level development actors and the local self-government system with concurrent implementation of a bottom-up approach. The approach described is done in practice through territorial dialogue. Such a system and approach requires (especially in the absence of the regions and their elected leadership) strong political will and clearly set starting points and conditions for the participation of different administrative subsystems at all levels. It requires the preparation of national strategic guidelines (coordinated between ministries which is a great challenge), coordination of regional strategic development documents with national ones, coordination of the regional level with individual ministries or their directorates and municipalities, constant search for cofinancing at least the most important projects of each of the 12 regional development programs as funds for regional development are not provided by the system. Development funds that can be used to promote the development of regions in Slovenia are mostly the funds of the European Cohesion Policy. This is one of the significant shortcomings of promoting harmonious regional development in Slovenia. In this case, the development funds are tied only to those contents that the European Commission allocates to the Member States. However, these contents do not exactly match the contents that the regions identify as necessary in the Regional Development Programs. This is an example how the administrative system is connected or dependent on the administrative (sub)system of the European Commission. In addition to the problem of covering the breadth of regional development needs, there is also the problem of insufficient amount of available European Union funds.

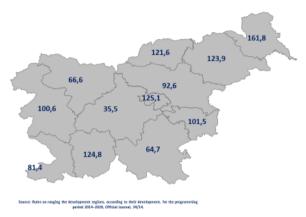
As we already know, the defined GOAL is important for the administrative system in the first place. The goal in this area can be defined as harmonious regional development or the development of all regions in Slovenia. It means also less developed regions catching up with more developed regions or stopping the trend of growing differences between regions. The state monitors the development of individual regions with certain individual and merged indicators. The most complex is the Regional Development Threat Index (IRO) which is a merged indicator of 14 individual indicators (see Figure 6: IRO calculation methodology). The methodologically composed indicator is not the most suitable for comparison between different periods, for example between 2014 and 2019. Among these 14 indicators there are certainly some other indicators missing, namely the indicators that come to the fore in the period of policy planning for climate change and digitalisation. However, especially the comparison of the development threat index between the two mentioned years 2014 and 2019 shows that the differences between the regions are not decreasing. The most problematic is the increase in development differences between the most developed and least developed regions in Slovenia: Osrednjeslovenska and Pomurska regions. So how successful are administrative systems in their job here? The first impression is that they failed in their job and one could find a

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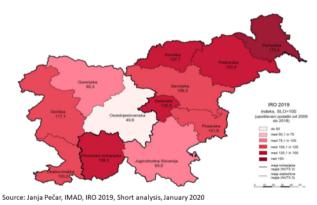
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whole bunch of systemic reasons for it. Nevertheless, it should be noted that there is a clear global trend of urbanization or migration of people from rural to urban areas, as well as the trend of daily migration to major urban centers. Such trends in Slovenia are nothing special. Both, in Slovenia and elsewhere in the world this entails an increase in development differences between regions. The fact mentioned should be another reason for more effective action to reduce development disparities.



**REGIONAL DEVELOPMENT THREAT INDEX (IRO) 2014** 

Figure 5: Development Threat Index (IRO) in Slovenia, 2014

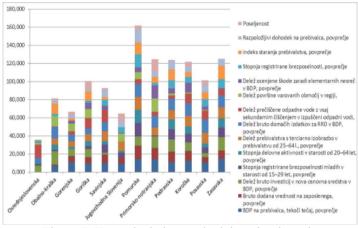


**REGIONAL DEVELOPMENT THREAT INDEX (IRO) 2019** 

Figure 6: Development Threat Index (IRO) in Slovenia, 2019

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IRO (Development Threat Index) calculation methodology with 14 indicators of development, threat and regional development possibilites

Figure 7: IRO calculation methodology in Slovenia

#### 3 Financing of Administrative Systems and Budgets

#### 3.1 State Administration Funds - Constitution of the Republic of Slovenia

As already mentioned, funds are needed to plan and implement development tasks and to promote the role of public administration. Without proper funds administrative systems cannot function. Funds are also important for performing other functions of public administration (regulatory, service), but in this unit we focus more on the promotional role. Article 146 of the Constitution of the Republic of Slovenia already defines the method of financing the state and local communities. It declares that the state and local communities raise funds for the performance of their tasks by means of taxes and other compulsory charges as well as from revenues from their own assets. The state and local communities disclose the value of their assets by means of balance sheets. In Article 147 (taxes), the Constitution stipulates that the state imposes taxes, customs duties and other charges by law. Local communities impose taxes and other charges under conditions provided by the Constitution and law.

#### 3.2 **Public Finance Regulation**

The controlling law governing public finances in Slovenia is the Public Finance Act. The following fundamental principles are very important: The principle of ensuring macroeconomic stability and ensuring sustainable and stable economic development (especially economic activity, labour market, and inflation), principle of equilibrium of

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revenue and expenditure, the principle of planning in advance, the principle of efficiency and economy. The administrative body must handle public assets in such a way that its value is preserved or increased as much as possible or in a way to achieve maximum consumption effects. The principle seeks to prevent abuse. The principle of transparency emphasizes that the administration methods and disposal must be determined in advance, and individual actions must be visible and documented. Documentation must also be available to the public and supervisors. Another important principle is assumption of commitments and disbursement of budgetary commitments in the current year only for the purpose and up to the amount determined by the budget (applies to direct users of the state budget).

The Public Finance Act also lays down the rules applicable to the Health Insurance Institute of Slovenia (compulsory insurance), to the Pension and Disability Insurance Institute of Slovenia (compulsory) and to public funds, public institutes and agencies when compiling and submitting financial plans, cash management, borrowing, provision of guarantees, accounting, submission of annual reports and internal control of public finances and budgetary inspection. The law also regulates borrowing and the provision of guarantees by public economic institutes, public companies and other legal entities in which the state or the municipality has a decisive influence on management.

### 3.3 Budgets

For their existence and operation, and especially for the performance of public tasks prescribed by law, the administrative systems of the public sector urgently need a budget, public funds and taxpayers' funds.

With public finance budget in administrative systems we do not refer only to the state budget of the Republic of Slovenia. Implementation of the Republic of Slovenia Budget Act for an individual year or two years defines four types of public finance budget. In addition to the state budget (which accounts for about 50 percent of all public expenditures), there is also the treasury of the Pension and Disability Insurance Institute; (which accounts for about 25 percent of all public expenditure) and the treasury of the Health Insurance Institute of Slovenia (which accounts for about 15 percent of all public expenditure) and the treasury of municipal budgets which together account for about 10 percent of all public expenditure.

Of course, the laws also prescribe in what way and under what conditions the budget of the Republic of Slovenia is adopted and how and when direct budget users and indirect budget users can use budget funds and what is the control over the use of funds. The relationship between the system of separation of powers and the budget is crucial. The beginnings of spending control originates from England where they were the first to apply the rule "only parliament approves public expenditure". In technical terms, the budget is intended for public accounting. Above all, the budget is an important instrument in the

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system of separation of powers between the legislative and executive branches. With the budget the legislative power limits and controls the executive power. The budget is based on two principles. The first principle states that any levy can only be authorized by the legislator. The second principle is that the budget is adopted by the legislator (review of revenue and expenditure).

### 3.4 Physical Assets of the State and Self-Governing Local Communities

The assets of administrative bodies are an important element of the administrative system. In the private sector as well as in the public sector there are a lot of assets that need to be taken care of, managed effectively and treated with due diligence. The public sector has both immovable and movable assets. For due diligence in treating assets, the administrative systems (at the state and local level) must have clearly defined and publicly announced rules that allow assets to be managed in a clear, efficient, transparent manner. They also have to provide that various bodies at state and local level are actively involved in the effective management of assets. And it is necessary to have a comprehensive picture of the assets, individual and joint records.

Physical Assets of the State and Local Government Act (ZSPDSLS) is the one that regulates the management of the physical assets owned by the state and the physical assets owned by the self-governing local communities. This Act regulates the records of immovable assets of the state and self-governing local communities. As a rule, the Act applies to all physical assets of the state and self-governing local communities and to all managers and users of physical assets of the state and self-governing local communities.

There are several principles of handling the physical assets owned by the state and selfgoverning local communities. The first principle is the principle of economy. The second principle is the principle of consideration. Physical assets owned by the state or selfgoverning local communities may not be disposed of or managed for gain, unless otherwise provided by law and for consideration only under the conditions and in the manner specified in this Act. The third principle is the principle of equal treatment (equal treatment of all participants in the proceedings). The fourth principle is the principle of transparency (management of procedures and decision-making). The fifth principle is public nature principle, handling physical assets shall be public, unless otherwise provided by law.

**Methods for disposing** of immovable assets are the following: public auction, public call for tender and direct contract. As a rule, the procedure of disposing of immovable assets is carried out through a public auction, unless a more favourable effect of disposition is expected through the public call for tender where the objective is to achieve the highest possible purchase price.



# Public Procurement, Establishing Administrative Bodies and Local Self-Government

### **1** Public Procurement in Administrative Systems

Administrative systems that manage taxpayers' funds are subject to specific, stricter rules than those applied to the management of private sector finances. A significant part of business activity takes place through the use of taxpayers' funds. Therefore, public procurement is an important element of transparency and efficiency of administrative systems.

Administrative systems use public funds for their operation. For the functioning of administrative systems and the performance of their service, promotional and regulatory functions, for providing existential conditions and development the administrative systems necessarily use public funds, for example for construction, supply of goods or services. There are many public procurements. In terms of value they may be large or small, but there are a number of subsystems at national or local level that are actively involved in public procurement. Whenever the construction, the supply of goods and the provision of services are paid for from public funds a public procurement must be carried out in order to conclude such contracts.

Public procurement is regulated by the Public Procurement Act. A public contract is a contract for pecuniary interest concluded in writing between one or more economic operators and one or more contracting authorities and having as its object the execution of works, the supply of products or the provision of services. Public procurements serve to pursue the principle of economy. The more tenderers the greater is the competition between them, the lower the prices or the better the execution or delivery. And spending public money is more economical. Public procurement also serves the purpose of free movement (transposition from EU law). The common European market requires free movement, competitiveness and transparency. Tenderers from other countries should also participate and increase competitiveness and quality. It must also be possible for a larger number of tenderers from other Member States to have access, so that access to contracts is relatively open. Procurement rules should also provide a public procurement method to prevent clientelism. The BASIC PRINCIPLES of public procurement are the following: the principle of economy, efficiency and effectiveness, the principle of competition, the principle of transparency, the principle of equal treatment, the principle of proportionality and the principles of economy and equality. The principles of economy and equality are ADMINISTRATIVE SYSTEMS
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contradictory, so from the point of view of the hierarchy of principles their order is important. Public procurement is also important for the creation of public private partnership projects (Public-Private Partnership Act, 2006). There are two purposes of a public-private partnership. The first is private investment in public projects and the second is public co-financing of private projects that are in the public interest.

### 2 Establishing Administrative Bodies

Before setting up administrative bodies it has to be considered which ones are needed in society. Reflection is needed on why the state would perform all or most of the functions in the public interest on its own. Why some would not be implemented outside the state and why some would not be implemented territorially? In these considerations it is necessary to know the principles of establishment of administrative bodies and the problems of territorial formation of administrative bodies. At this point, it is worth considering some of the concepts we are about to define below.

As we have learned so far, public administration systems or subsystems operate at different substantive and territorial levels. They are diverse. It makes sense to ask how they should be organized to make their diversified structure the most optimal, from the point of view of achieving the goals and performing the tasks defined in the framework of social regulation or the legislative framework. In doing so, we also have to answer the question of where to set boundaries, the powers of public administration systems and their role. That is, which administrative body should perform certain tasks? Is it really necessary, for example, that most tasks are performed within the administrative system of the state administration, perhaps even outside the public sector? How far can we go here? To think about and discuss this we have to understand some of the following interesting concepts.

### 3 Destatization

When thinking about reducing the role of state we are actually talking about the concept of destatization. In doing so, we ask ourselves how much activity the state should take on, where is the minimum. And what the state should not do. What should the state give up? In some areas, there are strong tendencies not to involve the state, for example in the work of various organizations and individuals, such as the tendency not to hinder private initiative. Successful private individuals, for example, are not enthusiastic about high taxes, about the legislative restrictions they have on investing, for example, on spatial, environmental restrictions, on personnel restrictions. They want as little regulation as possible. This is what we call the notion of liberalism. Liberalism means a greater role of private initiative at the expense of reducing the role of the state. The opposite of destatization and liberalism are the socialist states, which, however, overestimated the role of the state in the development of society.

### 4 Decentralization and Deconcentration

Before setting up administrative bodies, it is also necessary to understand the importance of decentralization and deconcentration. These concepts are connected with monitoring the implementation of the tasks of administrative bodies. Decentralization can be defined as a POLITICAL concept or as a political ISSUE, while deconcentration is a technical, organizational issue. With regard to the concept of decentralization the question is: which state bodies should perform certain tasks? Shall we follow the principle of SUBSIDIARITY? This principle states that the performance of administrative and other matters should be delegated to those bodies that are as close as possible to the people, such as municipalities. Regarding the concept of DECONCENTRATION, on the other hand, the question is how to relieve the central organs. At the same time, this means limiting the autonomy of the bodies of the narrower territorial communities which, in addition to the matters they carry out independently, must carry out certain matters instead of others and in these cases allow interference with their activities. Such an example are the administrative units.

### 5 Principles of Establishing Administrative Bodies

Before considering the establishment of administrative bodies we can consider the role of the state from the point of view of destatization or the degree of "obstruction" of private initiative and to consider the role of decentralization and transfer of administrative tasks to lower levels and also from the point of view of organizing the implementation of state tasks throughout the territory. Of course, this general consideration can only be a general reference. It depends, of course, on what type of administrative body as an element of the administrative system we intend to establish. In establishing administrative bodies and organizing their work we follow the three principles of establishing administrative bodies. The question of the first principle is whether an administrative body should be set up to deal with matters in a specific field? In this case, we are talking about the sectoral principle. We organize administrative bodies and internal organizational units according to the type of work. Thus, an administrative body can be organized for one or several administrative tasks or for a group of related matters from the same field. The advantage of such an approach is that it brings together experts for sectors, we are talking about specialization. The disadvantage of such an approach is that it is more expensive and that the unity of the administration is hampered. The question of the second principle is whether there should be only one administrative body in a certain territory which performs all administrative matters or matters in several areas? In this case, we are talking about the territorial principle where administrative bodies are formed according to the area in which they operate. The advantages of such a principle are that it does not require a highly qualified profession, it is cheaper and simpler. The disadvantages are lower quality of work, the activity is slower and more cumbersome. The third principle is the functional principle. It means that all administrative tasks should be categorized

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according to functional signs and administrative bodies should be formed to perform these categories of tasks. In practice, this principle is applied, for example, to the category of inspection tasks, as the inspection services department may cover almost all inspection tasks.

### 6 Challenges of Territorial Planning

A special part of the problem of territorial formation is the definition of the territory in which the administrative body will operate. How can territory be defined? The territory can be understood very narrowly or very broadly. Territory is one of the essential elements of a community so it is very important. A very narrow notion of territory is, for example, the district, such as the school district, health district, postal district. Slightly wider territory is the one that corresponds to the area of state bodies. Factors of influence on the formation of the territory are diverse and can be many; historical, geographical, traffic, gravitational.

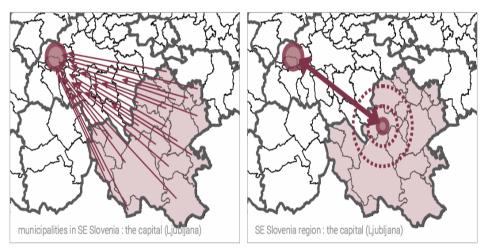


Figure 8: Challenges of territorial planning: centralized and decentralized approach

### 7 Local Self-Government Of The Citizens As A Driving Force On A Territorial Level

Now that we understand the roles of different administrative (sub)systems and their territorial functioning and when we have learned the concept of decentralization, let us shed light on certain aspects of local self-government as an interesting and important administrative system. "Self-government means that a certain circle of business is carried out by the people of the organization that is directly interested in this business, and not by the central government or its subordinate administration." Leonid Pitamic, A treatise on the state, 1927 ...... "The essence of the concept of local self-government is to decide

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independently on one's own affairs. France Bučar, Uvod v javno upravo, 1969. Local selfgovernment is the right of local communities to independently regulate and perform public affairs within their competence which concern the residents of this community. The BASIC form of the local community is "Local self-governing community". The municipality is the basic form of local self-government. It consists of a settlement or several settlements which are joined by common interests and it has a position of selfgovernment by law. Internally, the municipality can be divided into local communities (e.g. local, village communities). Wider local self-governing community (connecting municipalities into regions). Simply put, it is about the level of government that is closest to the citizens or residents of a municipality while having the task of representing the importance and position of the locality.

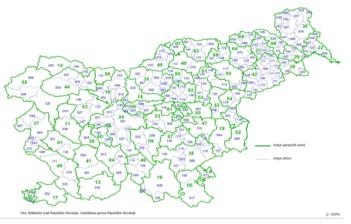
Let us also point out the difference between the terms local community and local selfgovernment. Local community is a social concept. It is a natural territorial social community in the narrower territory as a result of the realization of common interests. Local self-government, on the other hand, is a normative concept. It is the right and ability of local authorities to independently regulate and conduct public affairs within their competence.

If we compare the characteristics of the state administration "vis-a-vis" local selfgovernment we can identify the following differences. The state administration operates from the top down, it is set up by the state power and it has a hierarchical arrangement. It is characterized by subordination of lower bodies, centralization, as well as rationality, professionalism, efficiency. It has a mandate granted by the state and represents execution of power. Local self-government, on the other hand, is placed from the bottom up, it comes from the people. It has its autonomy, its independence. It is characterized by decentralization and a high level of democratization. In local self-government affiliation and awareness of the connection between the inhabitants is important. It has a mandate from the people, it has direct elections. It is characterized by unauthorized action. Local self-government operates in unitary and composite states. It has a different position from country to country.

## 7.1 Principles of the European Charter of Local Self-Government

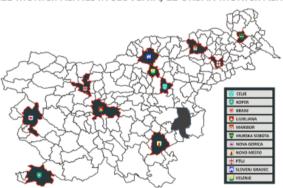
European Charter of Local Self-Government was adopted in 1985 by the Council of Europe. It was ratified by the Republic of Slovenia in 1996 (Official Gazette of the Republic of Slovenia, no. 57/96). The charter principles are set out in the following sets: constitutional and legal foundations, the concept of local self-government, scope of local self-government, protection of local authority boundaries, appropriate administrative structures and resources for the tasks of local authorities, conditions under which responsibilities at local level are exercised, administrative supervision of local authorities' activities, financial resources, right to associate, legal protection of local self-government.

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## 212 MUNICIPALITIES AND 58 ADMINISTRATIVE UNITS

Figure 9: 212 municipalities and 58 administrative units in the Republic of Slovenia



212 MUNICIPALITIES IN SLOVENIA, 12 URBAN MUNICIPALITIES

Figure 10: 12 urban municipalities in the Republic of Slovenia2

## 7.2 Conditions for the Establishment of Municipalities

<sup>2</sup> As of November 2021, Slovenia has 12 urban municipalities - the municipality of Krško must also be included in the above.

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A municipality must be capable of satisfying the needs and interests of its residents and of fulfilling other tasks in accordance with the law. According to the current legislation, a municipality in Slovenia shall have at least 5,000 residents. In practice, many municipalities do not meet this criterion, either because they were established before this legal condition came into force or because there were many exceptions. Upon its establishment, a municipality may have fewer than 5,000 residents only if this involves the establishment of a new municipality by means of a merger of two or more municipalities. By law, a municipality can be granted the status of an urban municipality (there are 12 of them in Slovenia) if there is a city in its area that has at least 20,000 residents, 15,000 jobs and is the economic, cultural and administrative center of a wider area. Municipal subdivisions are local, village or district communities.





## Competencies of Local Self-Government, Decision-Making in Municipality, Regions and Regional Policy, Non-State Administration

## 1 Original, Delegated Tasks and Decision-Making Methods in the Municipality

Given the autonomy of local self-government and its proximity to citizens or residents and the implementation of the principle of subsidiarity, it is worthwhile to have a closer look at the powers and decision-making in the administrative system of local selfgovernment. The administrative system at the municipal level is complex. So is the decision-making and management of this first level of local self-government. Municipalities perform original and delegated tasks. A municipality shall independently perform local matters of public interest (original tasks) determined by a municipal general act or established by law. Delegated tasks are those that the state may transfer to a municipality by law to perform individual tasks that fall within the competence of the state that can be more rationally and more efficiently performed in the municipality if it also provides the necessary means for such tasks.

Decision-making in the municipality can be direct, i.e. with direct democracy. The first such method is a citizens' meeting convened by the mayor, if so requested by at least 5% of the voters. The decision of voters shall not be binding on the municipal council or the mayor. The second direct way is a referendum (regulated by Articles 46 and 47 of Local Government Act) which may be subsequent and is binding, or consultative which is not binding. The third way of direct decision-making in municipalities is the popular initiative where voters demand the issuance or annulment of acts of the municipality or other decisions of municipal bodies. Indirect decision-making in the municipality is done by the mayor, the municipal council and the supervisory committee.

Municipalities, as complex but at the same time very tangible systems, have clear rules of operation. Local Government Act describes also the incompatibility of functions. The functions of mayor, member of the municipal council and member of the supervisory committee are mutually exclusive. The mayor cannot be a member of National Assembly. An employee of the municipal administration cannot be a mayor, a member of the municipal council, a member of the supervisory committee or a member of the council of a subdivision of the municipality.

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Municipal administration can be unified (without internal organizational units) or collective (several departments, services). This is decided by the decree of the municipal council. The municipality may have a municipal secretary or a director of the administration, a municipal inspection body carrying out the tasks of inspection and municipal supervision (supervising the implementation of municipal regulations) and has authorized officials who systematically supervise. The inspection service is often merged into the "Inter-municipal inspection and warden service" which is a body of common municipal administration for two or more municipalities.

Municipal public services are economic (regulated by the Public Utilities Act) and noneconomic (regulated by the Institutes Act), mandatory (e.g. Article 149 of the Environmental Protection Act) and optional. The local community may establish independent bodies (public company, public institution) for the provision of economic or non-economic public service or grant the exclusive right to perform public service to a natural or legal entity under public law by: granting it a concession (for public utility and non-economic public service) or it invests public capital in a public law activity (applies only to the public utility service).

The municipality has general and individual acts. The statute of a municipality determines mainly: the territory of the municipality, tasks, bodies, local communities, position of minorities, direct participation of residents in decision-making, municipal public services, assets and financing of the municipality, acts of the municipality. Other acts of the municipality are decrees, orders, rules and instructions. The municipality is FINANCED with its own resources, i.e. property tax, tax on profit from gambling, inheritance and gift tax, state funds and borrowing. Supervision over the legality of the work of bodies is exercised by the government, ministries and courts. A municipality may lodge a request for a review of the constitutionality of a law or other regulation and challenge specific acts in an administrative dispute.

# 2 Multiple Levels of Local Self-Government and the Complexity of Administrative Systems in their Interaction at Horizontal and Vertical Levels

Administrative systems and their subsystems are interconnected in terms of content and organization at various levels. A big organizational and managerial challenge is the intertwining of administrative systems and subsystems and the impact of the environment on them in terms of horizontal and vertical integration or cooperation.

A good example of such demanding complex cooperation (especially in conditions where there is no intermediate level of local self-government between the state and municipalities) is regional policy which can successfully achieve its goals of harmonious regional development only by actively intertwining cooperation between individual line ministries and simultaneous cooperation with regional and local level, where development shifts that ensure better well-being for residents take place.

This challenge is therefore all the greater in those countries where they do not have an intermediate level of local self-government, regions with their elected representatives. Such a missing administrative system of the second level of local self-government, which is also the case in Slovenia, needs to be managed especially carefully. Regional policy can only to some extent compensate for the absence of regions and regional political and administrative structures. It can only do this effectively if there is a clear political will for continuous coordination and an appropriate administrative mechanism.

## 3 Establishment of Regions in Slovenia

In 2011, the OECD issued recommendations to Slovenia (Territorial Review of Slovenia, 2011) which go in the following direction. The establishment of a new regional administrative level (regional project) is only sensible if there are clear economic and institutional reasons for it; this is not the case for a country the size of Slovenia. The recommendation therefore is to strengthen the existing regional structures (12 development regions) and to consider reducing their number in the medium term. It is also necessary to try to facilitate the amalgamation of municipalities and to develop new forms of inter-municipal cooperation. And also to simplify legislative procedures for delegating responsibilities to joint bodies and organizations as well as to provide additional financial incentives for new forms of municipal cooperation.

Ten years after the recommendations were issued, Slovenia has slightly strengthened regional structures, municipalities have developed new forms of inter-municipal cooperation (especially joint inspection and warden services), and territorial development dialogue has improved, as part of the planning of 12 Regional Development Programs and their implementation, in the last period mainly through "agreements for the development of regions" as a key instrument of regional policy in Slovenia.

## 4 Non-State Administration

Let us now look beyond the confines of local self-government and return for a moment to the level of state administration. Having already stated the principles of establishing administrative bodies, we talked about the role of various administrative bodies, for example how to organize them, where and the like. The questions is whether certain functions of the state administration can be performed more efficiently and faster by nonstate organizational structures. These are legal entities under public law or legal entities with public authority. Non-state administrative organizations can be considered those that perform the tasks of non-state administration. These are either legal entities under public law or entities under private law. These can be chambers (commercial or professional), public agencies or public funds.

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#### 4.1 Public Agencies and other Bearers of Public Authorities

The Public Administration Act (public agencies and other bearers of public authority) stipulates that a public agency may be established to perform administrative tasks in accordance with a special law governing public agencies, provided that this enables more efficient and rational performance of administrative tasks than performing these tasks by an administrative body, especially if the performance of administrative tasks can be fully or mainly financed by administrative fees or user payments, or if, depending on the nature or a range of tasks, permanent direct political control over the performance of tasks it is not required or appropriate. Other legal entities under public law, individuals and legal entities under public law may also obtain public authorization to perform administrative tasks by law or on the basis of law. If permitted by law that several legal or private entities may apply for public authority, then the selection is made through a public tender. In exercising public authority the bearers of public authority have the rights and duties of the administration determined by law or another regulation.

The main reasons for granting public powers within the administrative system are: rationality and economy in the performance of tasks, the need for self-regulation and the need for independent administration (regulation). The procedure for granting public authorizations must be very clear and transparent. Public authority is granted by law. The law must determine: the tasks performed by the public authorization, the bearer of the public authorization and the procedure for obtaining the public authorization. Bearers of public authorities can be legal entities under private law (companies, associations), legal entities under public law, in particular: agencies and chambers, or natural persons, for example notaries or sole proprietors as concessionaires. However, the bearers of public authority cannot be the state, local communities, the church (separation of state and church) and political parties. The content of a public authorization may be the granting of an authorization to perform a regulatory duty, i.e. an administrative task which means exercising power. The content of a public authorization may have the three ways or forms of performing administrative tasks: issuing general acts, issuing individual (concrete) acts, i.e. deciding on individual matters, or performing material actions, real actions, i.e. tasks of power. When public authorization is granted to exercise power, it is a matter of transferring the regulatory function. The right to perform a public service, on the other hand, is granted by an authorization to perform service tasks within the service function.

A very specific authorization to perform tasks is for example the authorization under the Notariat Act. A special public service is performed by notaries. The Notariat Act determines the scope of work and powers, regulates the rights and duties of notaries and determines notarial documents and their attested copies which are authentic instruments (notarial deed, notarial minutes and notarial certificates). At the request of clients, a notary may also draw up private documents and is obliged to obtain evidence and data from official records.

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## **Public Services and Administration**

## 1 Legal Entities Under Public and Private Law

Elements of systems (organizations) and the environment of these systems are important in the study of administrative systems. The elements of administrative systems or the environment of administrative systems also include various forms of public law entities, both legal entities under public law and legal entities under private law. Legal entities under public law act in the public interest and are an important part of administrative systems. Legal entities under public law include territorial entities (state, local selfgovernment units), specialized entities (public institutes, public companies, public agencies, public funds) and "sui generis" entities or unique legal entities under public law.

Why does such a distinction between legal entities under public and under private law make sense? In practice, there are sets of legal norms. Some sets of legal norms refer to legal entities under public law, others sets of legal norms refer to legal entities under private law. In this context, different regimes are being established for legal entities under public law and legal entities under private law. That is why it is necessary and sensible to distinguish between the two types of legal entities. And this must also be taken into account in administrative systems.

According to which criteria do we distinguish between a legal entity under public or a legal entity under private law? There are several criteria. The first is the intention of the legislator. This is evident from an explicit provision in the law. The second criterion is the founder; who is the founder. The third criterion is acting in the public interest. Is the entity acting in the public interest? The fourth criterion is the founding act as a public act (law, decree, local community act). The fifth criterion is public funding. It the entity financed from public funds or to what extent is it financed from public funds? The sixth criterion is exercising public authority. Is the entity exercising public authority or not? The seventh criterion is the public nature of the functions or operation. The eighth criterion are the special management rights of public authorities. The ninth criterion is the obligation of membership. The tenth criterion is the use of public law in external and internal relations, the use of coercive means.

Territorial legal entities under public law include mainly the state and local communities. Specialized legal entities under public law include public institutes, public economic institutes, public companies, public agencies, public funds. The boundary between 36 ADMINISTRATIVE SYSTEMS R. Drobnič: Public Services and Administration

territorial and specialized entities is sometimes difficult to determine. "The basic separation criterion should be the scope of authoritative or regulatory duties which are characteristic of territorial legal entities under public law, in comparison with service tasks which are mainly characteristic of specialized institutions (Pirnat)".

## 2 Public Services in Administrative Systems

When speaking about administrative systems we cannot ignore the notion and emphasis on the importance of public services. Their common denominators are solidarity and the general social interest.

The legal concept of public services first developed at the end of the 18th century or in the early 19th century in France, more specifically in judicial and legal doctrine. Leon Duguit, the theoretical founder of public service, defines public service as: "any activity that must be regulated and supervised by the state, as it is indispensable in the realization and development of social solidarity, as long as it is of such a nature that it cannot be provided except through state intervention."

More specifically, Duguit's material definition of public service is as follows: "A public service is any activity the provision of which must be regulated, ensured and controlled by governors, since it is indispensable to the realization and development of social interdependence, and is of such a nature that it can only be fully ensured by governors through the power at their disposal. Public services are those services where even the slightest non-performance of activities leads to unrest and disorder in society. It is also necessary to have a formal criterion regarding the question of which activities should be organized as public services. "

Duguit who is considered the first public service theorist in some of his arguments gives excessive importance to public services. In an attempt to define the concept of the state he even claimed that the state is the cooperation of public services which are organized and directed by the governor. Such a conception is greatly exaggerated from today's point of view, but it points to the then advanced mentality at the time.

The French model was followed by other countries with a Romanesque tradition: Italy, Spain, and Portugal. In some countries, however, the concept of public services has never been formed, despite attempts. For example in Germany. For example, the German Constitutional Court bases its legal orientation on the concept of the welfare state and fundamental rights. Individual public services in Germany are based on sectoral legislation. In Great Britain and Ireland, for example, public services have been a matter of political debate, regulated by law. In Great Britain the concept of 'public utilities' has thus developed. Under such concept most public services are governed by a framework law governing the basic principles.

## 2.1 Types Of Public Services And Their Role

Za gospodarske javne službe načeloma velja, da zanje tržne zakonitosti ne delujejo. Velik Public utility services are in principle not subject to market laws. A major challenge is to fund these services and the underlying infrastructure. In the case of non-economic public services, in principle, the state does expose their activities to market conditions, mainly for social reasons, as disruptions can lead to unsustainable situations. In Slovenia the public services are divided into **economic** (Services of General Economic Interest Act) and **non-economic** (Institutes Act). Public services in Slovenia are provided by: public institutes, public economic institutes, public companies, concessions, other forms of public-private partnership within the administration, public utility unit.

The issue arises, especially in the case of public services, when the private sector enters the traditional public area. The question is, how to provide control, quality assurance, responsibility and the like. The law stipulates that even if the provider is from the private sector, control is retained by the public sector. Responsibility for the level of quality and ensuring, for example, access to services, remains with the public sector. In assessing the success of such cooperation we should not neglect the attitude of the public and users towards the project, as well as the attitude of the public sector towards the project and towards private partners.

Public services are already, so to speak, caught between competition and solidarity. What will prevail? Will the European public service model be preserved? Which direction will prevail: liberalize or non-liberalize, privatize or non-privatize? Above all, we know that the development of public services will continue to influence the development of administrative systems and vice versa.

## **3** People in Administrative Systems and Public Servants Models

People are the most essential element of administrative systems. They are, of course, involved in various administrative bodies in all three branches of government. A lot of knowledge and professionalism is concentrated in people working in the administration. Due to this fact, the relationship between politics and administration is complex. The administration must be independent but it is obliged to implement the policy of the executive branch of government. The influence of politics on the administration is necessary and self-evident. On the other hand, the excessive influence of politics on the administration has a negative effect on the professionalism and political neutrality of the administration. We speak about the negative and positive politicization of the administration.

How important a man is in public administration? In the private sector capital is considered to play an important (including developmental) role. However, capital in itself is not creative. Knowledge of man is what provides creativity and which is the driving force of progress both, in the private sector and in public administration.

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Administration has several origins, from tribal communities to the beginnings of bureaucracy in colonial India, the feudal kingdom of France. The beginnings of modern public administration go back to Prussia and absolutist monarchies. It is known from history that administration can be military or civilian, professional or casual, pragmatic or coercive. However, it can carry out its activity at the central or local level.

## 3.1 Weber's Model of the Ideal Bureaucracy

In this unit, where we talk about people, staff, we cannot ignore Weber's model of ideal bureaucracy. This model is part of classical organizational theory which represents the first scientific studies of organizations in the late 19th and early 20th centuries. At the time, they sought to define an ideal organizational structure that would set an example in the design of all other organizations. The theories of that time have a mechanical approach, they do not take into account human and social factors. Max Weber made his model based on observations of the Prussian bureaucracy from the end of the 19th century to the First World War.

The characteristics of Weber's model of bureaucracy are division of labour and specific assignment of responsibilities according to functional specialization, the principle of hierarchical management structure with several levels of authority, a system of rules covering the rights and duties of employees, abstract principles, and written rules and regulations. His model is characterized by an impersonal, bureaucratic environment.

Criticisms of Weber's model of bureaucracy are primarily the following: It negatively affects the achievement of the organization's goals, as the hierarchy and impersonality of relationships affect the personality of employees so they do not strive to achieve more but are satisfied with minimal results. The model combines two analytically incompatible components: hierarchical authority and professional competence. Power in this model is centralized while knowledge has the nature of decentralization. Such an organization adapts poorly or does not adapt at all to the environment. It exploits employees, does not allow personal development of individuals, strictly controls employees and keeps them in relations of subordination which can quickly turn into a totalitarian regime. When replacements occur, there is a high possibility of dysfunctional consequences for the organization.

Such a model of bureaucratic organization is effective in a stable environment. It is by no means suitable for (today's) dynamic environment which requires a high degree of flexibility and agility from organizations.

## 3.2 Public Servants Models

In theory there is a distinction between a career or closed model and a position or open model. The CAREER model is older and it includes also Weber's model of bureaucratic organization. In this model public servants start their individual careers at formal entry points and slowly advance to higher positions when they become vacant. Senior jobs are reserved for promotion which is regulated by law. Typically, the future employees are educated in special schools and are later automatically recruited into public administration. Career thus begins after graduation and lasts until retirement. The position or open model is younger, it was introduced in late 20th century. It is closely linked to the "new public management" doctrine, a neoliberal concept that introduces market principles into the public sector desiring a smaller and more efficient administration. This model is widely used in countries where there is no specific law governing the position of public servants. The position is published in a similar way as in the private sector so entry is possible at any position. There is usually no specific statutory promotion system. The system in Slovenia is a combination of both models.

The regulation of employment relations in different countries is different. In some of them employment relations are regulated by general laws, for example in Great Britain, the Netherlands, Denmark, Sweden. In others employment relations are governed by public law or a special law ("lex specialis"), for example in Belgium, Germany, Spain, Greece, Austria, and Portugal. Regulation is possible on several levels; in addition to the law, it also involves the participation of trade unions and collective agreements. The goals of special law are in particular: to ensure equal access, to prevent discrimination, to ensure efficiency, professionalism, political neutrality, to prevent corruption and to ensure planning and efficiency in employment.

## 3.3 Public Servants Law

Public servants law is the labour law of public servants regulated in Slovenia by Public Employees Act (2002), Decree on internal organisation, posts classification, posts and titles in the bodies of public administration and justice and Collective agreement for public sector. The reasons for the special labour law of public servants are historical. It was necessary to limit the arbitrariness of absolute monarchs and to prevent arbitrary employment. In addition, strengthening the role of the state means a greater importance of professionalism in public administration.

Administrative systems also differ in how they behave after a change of government. There are for example the plena model in the USA, the British "merit" model, the Scandinavian model, the European continental models, special models in post-communist countries.

Successful countries require a professional bureaucracy. Moreover, Article 2 of the EU Treaty already states that the Union founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail. The professional bureaucracy or respect for these values also has a significant impact on the implementation of this article.



## Efficiency of Administrative Systems, Entrepreneurial Principles and Future Development of Administrative Systems

Administrative concepts change over time. Introduction of entrepreneurial principles has an important impact on the development of administrative systems. Administrative systems try to follow these principles but to a certain predetermined limit. This and the future development of administrative systems are discussed in the last unit.

## 1 Efficiency of Administrative Systems

## 1.1 Efficiency of Administrative Systems Through History

The efficiency of administrative systems has so far been more or less only briefly mentioned. In fact, efficiency in public administration compared to the private sector is specific. It is evident from the history that efficiency depends on interests. For the BEARER OF POWER the administrative system had to be efficient enough to ensure his/her permanent enjoyment of power. On the other hand, citizens demanded an administration that allowed quick, easy and fair access to public goods and services. The consequence of this struggle of interests is, in fact, the creation of the rule of law. One of its first acquisitions formed was the "principle of legality in the work of the administration". Previously unlimited power became subordinate to the law, former subjects became citizens. The effectiveness of exercising power has (been) sacrificed to a higher value, namely the freedom of citizens. Just as increased technological development reduces the importance of the regulatory function of administrative systems, the efficiency of administrative systems also increases with the demise of regulatory functions.

## 1.2 Efficiency of Administrative Systems in Crises

The efficiency of administrative systems in crisis shows additional attention. Administrative systems in crisis show a different situation. In a crisis, the tendency for increased administration becomes stronger. It is inadvertently forgotten that the desire for stronger regulatory function stems from the inefficiency of the entire social system. The way out of the crisis cannot be sought by increasing the regulatory function. The efficiency of the administrative system is closely related to the efficiency of the entire social system as they are interdependent. The administrative system must ensure the smooth functioning of the social system, i.e. its efficiency, and on the other hand, in an

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inefficient social system the administrative system cannot function effectively as it is tied to human and material resources, social values, norms and levels of social organization.

## 2 Change of Scientific Paradigms and Development of Administrative Systems

Science has long evolved on classical paradigms such as Newton's physics and Descartes's philosophy. However, due to major changes the world needs a new development direction of modern administrative systems. The GOAL is to change social values and create a low-entropic society. It is the administrative systems that will be able to have a decisive influence on the future destiny as with their regulatory function they consciously direct systemic interactions in society.

## 2.1 Introduction of Entrepreneurial Principles to Administrative Systems

One of the important turning points is the development of new public management and its introduction into practice. It started in Great Britain. Elements from the management and operation of the private sector have begun to be introduced into administration of public sector. These elements relate mainly to: economics, business economics, approaches and methodologies of management and administration, working methods and techniques, organizational forms, entrepreneurial thinking and a leap and mentality: from "safety of operation backed by legislation" to successful and efficient operation. At the same time, a public-private partnership was developing as an integral part of the new public management.đ

Entrepreneurial principles include: mission and strategic management, efficiency and effectiveness of work (focus on results), economy or rational use of budget funds, autonomy and delegation, decentralization, competitiveness, preventive and proactive action, market and merchantability. The tendency to introduce entrepreneurial principles in public administration systems means guidance instead of provision. This only means transferring the provision of public services to the private sector. This means the awareness that guidance is the responsibility of the state administration. The introduction of entrepreneurial principles also means to be focused on users. It means increased accessibility of administrative services, such as social adequacy of administrative services, reliability, adequacy of personal contact and responsiveness.

## 2.2 New Public Management

The essential features and elements of the New Public Management are the following. Focus on results. A more targeted, productive, results-oriented operation. Nonauthoritative activities should be transferred to the private sector. The state should use market initiatives such as "contracting-out", "outsourcing" which provides savings. User orientation. The expectations of users should be met in time, with quality, with a suitable

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attitude and for an optimal price. Market orientation. Private sector-specific mechanisms ('outsourcing, performance measurement system') should be used. Anglo-American groups of countries feel a greater openness to the use of external markets in the form of contracting, greater mobility between the public and private sectors, a greater propensity for decentralization of governance, privatization and the use of the "outsourcing" system. These countries are more focused on results and performance but they have different approaches to adoption and application of principles.

New public management	Neo-Weberian state
Minimal state	Strong state
Flexibility	Stability
Deregulation	Regulation
Fragmentation	Unity
Democratic values	Technocratic values

Table 1: Comparison of new public management elements and the elements of the so called "Neo-Weberian" state

## 2.3 The Concept of Good Governance

Let us also mention the concept of good governance. In contrast to the new pubic management the concept of good governance puts citizens, their organizations and civil society organizations at the centre. The principles of good governance include: openness, participation, responsibility, efficiency and compliance.

## 3 Change Management in Administrative Systems

Change management is maintained and developed by the system. Changes need to be made to administrations and systems in order to meet citizens' expectations. To make changes the political will is necessary and the ability of governments to implement these changes. Namely, changes mean reforms, modernization. Changes also increase efficiency and flexibility in the face of a changing environment. The demands for modernization are global. One of the consequences of not introducing changes may be a boom in bureaucracy. Bureaucracy has a negative connotation because it means focusing on tasks, not results. It means excessive centralization and rigidity and because it is not flexible it is conservative. The introduction of changes should aim to follow the values of public administration: quality work, integrity, reliability and efficiency.

However, in order to be able to start introducing changes in the organization and in order for the changes to actually take place, the following conditions must be met: dissatisfaction of key individuals with the current situation, a clear vision and clear steps to change behaviour in the organization. Two types of factors must be connected. External factors: strategy, structures, processes, systems. Internal factors: behaviours, feelings, beliefs, thought patterns.

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## 4 The Impact of Technology on the Future Development of Administrative Systems

Automation and robotization free man from mechanical routine tasks. Man thus has time to engage in creativity and to a much greater extent to exploit his potentials. Throughout history this has only been allowed to a small number of people in society. Technological development alone, on the other hand, does not yet lead to the humanization of society and to personal happiness. Namely, the social system lags relatively behind the technological development. This gap or imbalance can be eliminated by administrative systems. That is why they are so important. Technological development therefore affects the social system and administrative systems: it changes goals, relationships within the system, methods of work, and attitudes towards the environment. In modern systems, GOALS can no longer be precisely defined because the system is looking for new goals and new hitherto unknown knowledge. Therefore, there is no longer a division of goals into sub-goals, but the goals are distributed only to research areas where new findings are discovered. Even the ultimate goal is often vaguely defined. Therefore, the goal is no longer a fundamental integrative framework in the organizational field. While intermediate goals are almost completely undefined, at the same time in highly developed systems undefined goals give a lot of possibilities in achieving individuals' own goals. Social needs are thus growing and so are the needs for public goods and services, for provision through an organized social community. This increases the role of functional administrative systems while the role of territorial ones decreases. This does not mean that the number of legally regulated relations in society is decreasing, but that the share of coercion in their realization is decreasing.

# 5 The Impact of Globalization on the Future Development of Administrative Systems

Globalization is a set of changes in society, politics and the economic system resulting from increased trade and cultural exchanges at the global level. In a specific economic sense, globalization therefore refers to the consequences of trade (liberalization, free trade). Let us ask ourselves whether globalization requires the withdrawal of state from economic initiative and the free market. Does globalization require the reform of the welfare state? Has globalization already interfered excessively with the quality of life and well-being of citizens and should we talk about moving towards a new trend deglobalization? For the time being we are still deeply in the trend of globalization. But in this trend we should pay attention to proportionality, to a well-thought-out evolutionary path. ADMINISTRATIVE SYSTEMS R. Drobnič: Efficiency of Administrative Systems, Entrepreneurial Principles and Future Development of Administrative Systems

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#### 6 The Evolutionary Path of Europe and Administrative Systems

Robert Schumann predicted that Europe would emerge evolutionarily. "Europe will not be made all at once or according to a single plan. It will be built through concrete achievements which first create a de facto solidarity. The coming together of the nations of Europe requires the elimination of the age-old opposition of France and Germany. Any action taken must in the first place concern these two countries. "(Declaration of 9 May,1950". The evolutionary path of Europe is nicely summed up by two processes: EU single market and global development. And both processes also influence the development of administrative systems. Both processes coincide in time. Both are characterized by accelerated international economic development, exploitation of the potential of competition, technological change, lack of efficiency of some public services, complexity of public services, and relatively large influence of neoliberal views. Historically, not so long ago (in the 1980s) "Reaganomics" and "Thatcherism" had a significant impact on the development of the administrative systems in Europe and in the developed world. The economic and financial crisis at the beginning of the 21st century, Brexit and mass migration, as well as the demands for independence of some European nations, have had a major impact on the reflection on the further development of administrative systems. All this also affects the socio-political climate in Europe and thus the development of administrative systems.

The EU market is part of the global world and the global market. It competes with other continents or regions. The Single European Space was a response to the EU's internal needs but also a response to globalization. Europe is developing under the influence of the global world and the process of liberalization and deregulation is ongoing.

On the occasion of the 60th anniversary of the Treaty of Rome in 2017, when there was an opportunity to reflect on the future of the EU, the EC presented a White Paper on the future of Europe. This is the beginning of a new process for countries to decide on the future of the Union. Such a reflection was extremely necessary for Europe although perhaps too late as "Brexit" has taken place in the meantime. Nevertheless, the White Paper on the future of Europe addressed changes for the next 10 years (until 2027). It addresses the impact of new technologies on society and jobs, the doubts that arise about globalization, security issues and the rise of populism. It offers a choice to let these trends carry us on or to embrace them and seize new opportunities. Europe is plagued by a demographic crisis. By 2060, no EU Member State will have even 1% of the world's population. That is why Europe as a single unit can achieve more. Europe's prosperity will depend on its openness and ties with its partners. Socio-political processes and administrative systems will go hand in hand with the trend of openness and integration.

In particular, Europe has in recent years sought to focus on protecting the environment, combating climate change, managing the migration crisis and developing digitalisation. After the focus on Climate policy and the Green Agreement, in 2020 and 2021 the

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epidemiological and health crisis has been at the forefront, leading to major changes in thinking about the effectiveness of health administrative (sub)systems and adjustments of other administrative systems to pandemic. All this will have an impact on the further development of administrative systems in the medium as well as long term. Modern administrative systems require global action and positioning which necessarily means active cooperation, investment in knowledge, constant readiness for change and challenges and positive thinking.

## 7 The Future of Administrative Systems

Systems will be even more complex in the future and there will be more associative administrative systems. The future of administration systems will be based on the efficiency of the provision of public goods. Coercion inhibits development, coercion is not a normal state, it is a dysfunction. Therefore, the focus of administrative systems is shifting from the compulsory regulation of social relations to efficient provision of public goods and services. A high degree of independence in the service area also ensures a high level of equality in the field of interest. Higher level of equality reduces the need for forced regulation of social relations. The classical regulatory function of administrative systems is thus dying out. Territorial administrative systems are entering a period of new modular decentralization. The importance of functional administrative systems that go in the direction of non-statehood and professionalism is growing. In addition, the future will be marked by a new role of administrative systems based on an increased level of social consciousness and new forms of associative management systems that will be the main direction of development.





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## **Theoretical Part = Script**

## 1 Practical Assesment

Questions for understanding and testing the knowledge acquired are the following:

- 1. What is a system according to the general theory of systems?
- 2. Consider the concept of integration. Integration means establishing at least one connection between at least two elements in the system. In your imaginary or actual examples of practical systems try to find at least three connections between the three elements in the system.
- 3. Define the concept of administrative systems. In particular, specify the concept of territorial administrative systems and their task. Enumerate three concrete examples of territorial administrative systems.
- 4. What are associative administrative systems? Why are they important? What or whose interests they pursue?
- 5. Define the managerial levels of the ministry and the roles of each level. Divide managerial positions into officials and officials appointed to the position. What is the main difference between them?
- 6. Define key administrative tasks under the State Administration Act (ZDU). Who carries out these tasks?
- 7. Imagine an example of inefficient and an example of efficient coordination of development policies at the state level. Identify the case where individual elements of the administrative system coordinate and cooperate well with each other and the case where they do not. How does or how should the method of coordination take place?
- 8. Why is the budget so important for the legislative power? What are the most important budget documents? Who has the exclusive right to propose the state budget?
- 9. What court is the highest judicial body for protecting constitutionality, justice, human rights and fundamental freedoms? Which law defines it? What is the procedure for appointing judges? Who can determine that a particular law is unconstitutional and what is the procedure for doing so?
- 10. Define all three basic principles of establishing administrative bodies and organizing their work as well as the advantages and disadvantages of the principles.
- 11. What are the minimum basic criteria for the establishment of municipalities and for the establishment of urban municipalities in the Republic of Slovenia? How is a municipality established? What are the necessary procedures?

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- 12. Why do you think that the area or territory is such an important element in the establishment of administrative bodies? Do you know any concrete form of connecting municipalities and which one is it? Can several municipalities have certain common services despite the fact that each municipality is its own independent entity?
- 13. Why are specialized courts, such as the Labour and Social Court, distinctive and in this sense specialized? Why are they different or what is their speciality? Try to illustrate with an example as well.
- 14. Define all three functional definitions of public administration and describe who performs each function.
- 15. Define the role of public services within administrative systems. What are the two basic types of public services? Why the provision of public services is not left to the market and market laws? What could happen if we left the provision of public services to the market?
- 16. On what basis and in what way the notary obtains a public authorization? Who supervises the work of notaries professionally?
- 17. Explain the "principle of meritocracy" on an imaginary or actual case. Is meritocracy important for administrative systems? Give arguments pro and con as to why the meritocracy is important for administrative systems.
- 18. How was the efficiency of administrative systems assessed in absolutist monarchies and how is the efficiency of administrative systems assessed today in modern European countries? What is the essential difference between the two periods in formal and substantive terms?
- 19. Outline and describe the model of Weber's ideal bureaucracy. Discuss the pros and cons of such an organizational form.
- 20. Identify at least three differences in characteristics between the new public management and the Neo-Weberian type of country?
- 21. In any reform of administrative systems it is important to reduce expenditure, both in the private and public sectors. But anyway, does it make sense to use the same criteria in the private and public sector when reducing expenditure? Why or why not?
- 22. How do you see the development of administrative systems in Europe in the future?





## Cooperation with Student - Questionnaire - The Environment, Potential Projects and Research Activities

The Administrative Systems programme is applicative, connecting theory with practice, it deals with examples of good practice and offers students a reflection on active cooperation with the environment in which they live and which consists of administrative (sub)systems.

An important feature of the Administrative Systems programme is in its applicative value, in connecting the theoretical understanding of the content of the subject with concrete practical examples. Examples of good practice are presented and discussed in both, lectures and tutorials. In the modern world we are constantly accompanied by complex regulatory, functional and associative administrative systems. They all influence us simultaneously and intertwine our business and private lives. So in this course we want to make students aware of the existence and operation of different combinations of administrative systems which surround and influence the students daily. And most importantly, we try to show the students that they are the ones who can actively influence the administrative systems that surround them and that they can actually contribute to the development of these administrative systems. The course wants to encourage the students to think about why and, above all, how they can make an impact on administrative systems as residents, citizens and employees or in other words as people who are the most important element of administrative systems.

The Administrative Systems programme is by its nature a synthetic subject. It combines different aspects of administrative problems on the level of organization, administration, decision-making, planning and implementation and challenges of administrative systems. Specialized knowledge is very important but it loses its implication if we do not know how to integrate it properly into administrative systems.

The possibilities for further research of the themes presented in the programme are numerous. It gives students many opportunities to use the knowledge gained on a purely practical level for argumentative thinking and discussion of modern challenges of specific administrative systems. They can think about the general or very concrete development of society or its specific part which is influenced by social (sub)systems. They can discuss, for example, how to improve the functioning of certain social subsystems and thus the whole socio-political system. When preparing seminar papers the students have the opportunity to choose very specific topics that are directly related to the operation of ADMINISTRATIVE SYSTEMS

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various administrative (sub)systems. Below are some examples of the themes for seminar papers that were dealt with in the previous years:

- The importance, advantages and disadvantages of a public-private partnership in the case of a specific sewage treatment plant,
- The importance of the Administration for Civil Protection and Disaster Relief and the definition of helicopter rescue financing in the mountains,
- The role of the Labour Inspectorate of the Republic of Slovenia in the system of supervision of cross-border provision of services with posted workers,
- The importance and understanding of asset management in the administrative system of the state in the Republic of Slovenia,
- The connection between the National Assembly and the National Council and the aspirations for the abolition or transformation of the National Council of the Republic of Slovenia,
- The importance of the provision of public services and the definition of administrative problems in the provision of public services in the specific case of the municipality,
- Public services as an administrative subsystem with an emphasis on chimney sweeping,
- The importance of the duality of the role of the minister acting as a member of the government and the head of the administration,
- Significance, advantages and disadvantages of a public-private partnership in a concrete case of a project for energy rehabilitation of buildings owned by a specific urban municipality,
- The importance and role of administrative systems of large cities in the modern global world,
- Understanding the role of local self-government as the closest administrative system to the people in which they can actively participate,
- The importance of providing a public fire service and defining administrative problems in providing it,
- The role and importance of inspection services in the Republic of Slovenia with emphasis on the Inspectorate of the Republic of Slovenia for Protection Against Natural and Other Disasters,
- Establishment of regions in the Republic of Slovenia with emphasis on the review of not yet adopted legislative proposals for regulation,
- A concrete case of distinction between the role of the municipal council and the role of the mayor.

The **research areas of the lecturer** are related to public administration and in this context mainly to regional development, labour market, employment and European cohesion policy with emphasis on the European Regional Development Fund and the European Social Fund. The lecturer pays special attention to the integration of different sectoral

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policies within the state and public administration and to the territorial dialogue as a theoretical and practical basis for the appropriate organization and development orientation of administrative subsystems.

## **1** Theme Suggestions for Final Papers:

- 1. The importance of cooperation and connection of ministries in the Republic of Slovenia in a selected subject area based on the specific case of two or more ministries,
- 2. Incompatibility aspects of the parliamentary and mayoral functions in the Republic of Slovenia with a view on the promotion of development in Slovenian regions,
- 3. The role of the body within the ministry as an administrative subsystem in relation to the parent ministry presented on a specific case,
- 4. Personnel aspects of the promotional function of public administration presented on a specific case,
- 5. The importance of increasing the role of associative administrative systems in modern global society,
- 6. Cooperation of administrative subsystems at national and local level in ensuring harmonious regional development,
- 7. Distinguishing between supervisory mechanisms of state administration and selfgoverning local communities.

## 2 Student Questionnaire:

A questionnaire in which students will express their satisfaction with the script and have the opportunity to make suggestions for improvements. Note: the questionnaire will be prepared by the Faculty and will be published on the website development platform.

