Third Annual ANU Leadership Workshop
26-27 November 2009

Ethics and Public Leadership Stream

The Public Value Debate: Emerging Ethical Issues

Janine O'Flynn
Crawford School of Economics and Government
ANU College of Asia and the Pacific
The Australian National University

Note: this is prepared for the purpose of discussion and should not be quoted without permission

Introduction

How we conceive of and understand ethics and ethical issues is affected by waves of reform and new understandings of what happens in the public sector. Despite the change that comes with reform, enduring tensions and questions remain. An important one which has both fascinated and frustrated scholars and practitioners has been the separation of politics and administration, and the proper roles of key actors in this equation. As a third generation of reform takes hold a debate has emerged as to the merits (or not) of one approach – public value. In part the debate takes us back to these enduring tensions and questions raising important ethical issues in the process.

This paper is preliminary bringing together recent work on public value and emerging work I am pursuing on the role of public managers. It is a sketch at best but it does provide the bare bones of this next phase of work. I present it here to prompt some discussion on the ethical issues that grow from it. In the first section I first provide a brief introduction to public management as a field; second, I sketch the current debate around public value; third, I connect this to the enduring struggle about the separation of politics and administration and the proper role of these actors. Finally, I open up the space for posing relevant questions as they relate to ethics.

Public Management: Some Ideas
In this section I sketch out some basic building blocks – what we mean by management, managers, and then public management. This provides a framework for considering the subsequent issues.

What is Management?
Management is concerned with the organisation and direction of resources to achieve results (Allison, 1988). This proposition holds regardless of whether we are concerned with management as a phenomenon in the public or private sector. Management activity clusters around three main areas:

1

- Strategy – determining what the organisation will do in given its environment and capabilities; establishing objectives and priorities in response to this strategic choice; developing operational plans to achieve these.[1]
- Managing internal components – e.g. determining structure, managing people, policies and procedures, budgeting, performance frameworks.
- Managing external constituencies – dealing with other parts of the same organisation; dealing with independent organisations; dealing with the press and the public.

What is a Manager?

A manager is an actor who sets objectives, organizes, motivates, communicates, and develops people (Drucker, 1954); someone that has the authority or power to make decisions, organise and direct resources in pursuit of the organisation strategy. A *public* manager is someone with "a bundle of public assets … entrusted to [their] stewardship … responsible for deploying those assets for the benefit of the … community" (Moore, 1995). Some scholars argue public managers balance *managing upward* toward political leaders and an authorising environment, *managing outward* toward networks of organisations, citizens, and clients and *managing downwards* into their own organisation (O'Toole, Meier and Nicholson-Crotty, 2005).

What is Public Management?

Public management has emerged as a field distinct from public administration in several respects (c.f. Jones, 2005). Firstly, public management scholars pay considerable attention to how government organisations interact with, and shape, their environment. Second, they focus on the issue of incentives (and disincentives) as important drivers of behaviour and action. Third, they are interested in the notion of value as a means of understanding processes, action, performance and reform. Finally, and for this discussion most importantly, public management scholars recognise the public manager as an "active and motivating agent", rather than as an actor that "passively execute[s] the will of their political masters" (Jones, 2005:18). This final point in particular sets the stage for differences between some scholars involved in the current public value debate, in part because it takes us back to the proper role of public managers. For instance, political scientists tend to focus on systems, political behaviour, institutions and "who get what and why", whereas public management scholars focus at the managerial and organisational level.

Public management scholars have also focused attention on ethical issues. Of course, they have no monopoly here and we know that the study of ethics has a long and distinguished lineage, and that many have considered the ethical issues that arise in the public domain through the tensions of democracy, discretion, accountability, power, and morality. It is not my aim to recount that, but rather to point to how ethics has been considered and conceived of in the public management field. In the broadest sense ethics is the grey area

---

[1] There is an enormous literature on "strategy". I make no assumption here that strategy is a rational planned process and am speaking fairly broadly. For an analysis of the various schools see Mintzberg, Lampel and Ahlstrand's (1998) highly influential book *Strategy Safari: A Guide Through the Wilds of Strategic Management*.

between free choice and the law. For public management scholars, the study and practice of ethics is concerned with "principles and values by which public managers may determine right from wrong as well as the character needed to sustain judgement and action" (Dobel, 2005:156). The classic view strongly linked to the traditional model of administration and is centred on clear separation between politics and administration and clear role definition. Thus, "the moral obligation of public managers lies in obedience to the mandates of law and policy mediated by the elected and appointed officials of democratic regimes" (Dobel, 2005:159). Such notions sketch a relatively passive role (theoretically at least) for public administrators, whereby the main role is to implement political grand plans and decisions[2] (O'Flynn, 2007; Wilson, 1887).

Public management therefore has its own notions of some of the key ideas regarding politics and administration and as we shall see later some of these are at the centre of current debates regarding the next generation of reforms and the proper role of public managers.

Generations of Reform and the Public Value Debate
Here I sketch out some broad generations of reform to provide a setting for thinking about the changing roles of public managers, the emerging debate around public value, and tensions around separation and discretion.

Generations of reform and the role of administrators/managers
In the broadest sense we can sketch out major generations of reform. Of course, such a process is prone to all sorts of questions and omissions regarding context, history, geography, convergence, divergence and the like. Nevertheless in public administration and management writing there is some general agreement that we can map out some distinctive generations of reform.

The first of these we refer to loosely as the "traditional model of administration". This approach brings together three important theories or ideals – Wilson's doctrine of separation, Weber's bureaucracy, and Taylor's scientific management (Hughes, 2003). The traditional model did not emerge in one neat program of reform but represents an idealized version of reforms which have, in various settings, focused on overcoming the problems of patronage, corruption, and nepotism which are often linked to personal or systems of administration. The dysfunctions of the traditional model built on rules, control, rationality, routinisation, and formalization have been debated extensively. A major issue that emerges from this model is the creation of internally-focused bureaucratic machines where administrators (not managers) become primarily focused on adherence to rules. The separation between politics and administration is clearly demarcated in a Wilsonian sense: politicians develop grand plans and administrators carry them out.

The second generation of reform has been largely captured by the label "new public management" (NPM) and emerged in response to the major

---

[2] Here I use the term public administrators as it seems peculiar to use public manager where the actor looks nothing like that discussed above.

dysfunctions of the traditional model – lack of innovation, red tape, inefficiency, lack of responsiveness among others. The doctrinal aspects of this generation of reforms were first set out by Hood (1991): hands-on professional management, explicit standards and measures of performance, greater emphasis on output controls, disaggregation of units, greater competition, private sector styles of management practice, and greater discipline and parsimony in resource use. More recently Hughes (2006) pointed to four key grand themes of NPM: management is a higher order function that administration, economic principles aid public management thinking, modern management theory can assist public management and service delivery is the critical link to encounters with the state.

It is during this generation of reform that the public manager emerges as a key actor. This is partly attached to the shift in focus from process/rules to results and where the doctrinal aspects identified by Hood (1991) develop into hands-on managerial practice. To achieve results, for example, it is common that public managers are provided some discretion. Further, they may be provided with material incentives to sharpen their focus on results (i.e. performance-related pay is a practice likely to emerge in this generation of reforms). Rules don't tend to disappear but they are deemphasised as the quest for responsiveness to political masters, clients and citizens intensifies.

Just as the traditional mode developed in response to ethical issues, and it raised some of its own, major ethical debates emerge during this generation of reform. Preston (2000) argued that this generation of reform created profound ethical issues for public managers:

> Public officials are fundamentally confused about their core business, the exercise of public trust in the public interest, in a context in which they are increasingly expected to adopt operational principles derived from the private sector, a domain where private interest dominates." (p.10)

A series of ethical questions have been debated in the literature: do bureaucrats becoming politicised as they try to increase 'responsiveness' (Podger, 2007; Shergold, 2007)? Is there ethical confusion created by the more fluid roles of public officials (Preston, 2000)? Does the focus on ends (results) sideline concerns about means (Davis, 2003; Hughes, 2003)? Does increased managerial freedom and discretion create new ethical concerns (Davis, 2003)?

Debate about the extent of, and the relative merits of, NPM has been extensive and it is not my intention to engage with it here (see O'Flynn 2007 for some points). It is enough to say that the dysfunctions of NPM have formed the basis for a third generation of reforms. Over the past decade or so several contenders have emerged – New Public Service, New Governance, New Public Administration, Responsive Governance, Public Value – and this has been especially the case in those countries which are considered early-adopters of reform (Australia, New Zealand and Britain, for example). There's no settled model, however there are common characteristics and practices

emerging from the twin pressures of what *is* happening in government, and what some commentators are saying *should* happen. Here then we combine notions of empirical fact, normative notions, and prescription. Common characteristic include collaboration, joined-up government, balancing values, deliberative processes, citizen-centric services, networks, value creation and this distinguishes the current generation of reform from the previous two, in part because of the relational aspects that are emerging (see O'Flynn, 2007).

I want to select out one of these contenders – Public Value – for some attention as it has been at the heart of a contemporary debate around issues of reform and the proper role of public managers. Its growing importance was alluded to in a recent articles Rhodes and Wanna (2007, 2009) who have claimed that the approach represents a philosophical challenge not seen since neo-liberal and public choice theories revolutionised public management in the 1980s.

The Public Value Approach
Public value is, at its core, a strategic management approach for the public sector (Moore, 1995).[3] It emerged in the 1980s when academics at the Kennedy School were focused on developing an approach to guide public managers and their strategic thinking. Mark Moore, now recognised as the architect of public value, summarised the emerging public management approach as such:

> In traditional conceptions of "public administration," the fundamental responsibility of public managers was to develop efficient, programmatic means for accomplishing well-defined policy goals ... In contrast, our conception of "public management" adds responsibility for goal setting and political management to the traditional responsibilities of public administration ... [W]e think it inevitable and desirable that public managers should assume responsibility for defining the purposes they seek to achieve, and therefore to participate in the political dialogue about their purposes and methods (Moore, 1983: 2-3)

The "big bang" came in 1995 with the publication of his book *Creating Public Value* in which he tackled four main questions: What should citizens and their representatives expect and demand from public managers? What sources can public managers consult to learn what is valuable for them to produce? How should public managers cope with inconsistent and fickle political mandates? How can public managers find room to innovate? As Lynn has argued, in this approach public management was about "conceiving and implementing public policies that realize the potential of a given political and institutional setting" (1984, p. 3), potential he later termed "public value" (Moore 1995).

Moore's approach is unashamedly focused on public managers – something which in itself has provoked criticism especially from political scientists – and is concerned with how they conceive of and implement policies and strategies

---

[3] Elsewhere I have discussed the various emergent meanings of public value (Alford and O'Flynn, 2009) so I leave that to one side here.

in pursuit of public value. The central symbol of his approach is the strategic triangle which captures the challenge of managing politics, substance and administration (see Moore, 1995; Alford and O'Flynn, 2009). The triangle posits that to be successful, a strategy for a public sector organisation must meet three broad tests. It must:

1. Be aimed at creating something substantively valuable (i.e., constitute public value);[4]
2. Be legitimate and politically sustainable (i.e., attract sufficient ongoing support—and concomitant resources—from the authorizing environment, that is, from political and other stakeholders taken as a whole, with due recognition of their differential power); and
3. Be operationally and administratively feasible (i.e. doable with the available organizational and external capabilities needed to produce it) (Moore 1995:71; Moore and Khagram, 2004).

The crux of the approach is to get alignment between the three key components, something which Moore (2000) has recognized as conceptually simple, yet practically challenging.

The role of public managers in this approach has formed the basis for a fair part of the critique that has emerged. As a public management scholar, Moore sets out an active (but not activist)[5] role for public managers. He sees them as important players in managing policy development, negotiating purpose with politicians, and leading public deliberation and social learning (Moore, 1995; Alford and O'Flynn, 2009). Whilst this more active role challenges past conceptions of public managers, it is important to note that Moore has always positioned elected representatives as the final arbiters of value, not public managers (see Alford and O'Flynn, 2009). This is an important point to keep in mind when assessing some of the recent claims made about the role he carves out for them (Rhodes and Wanna, 2007; 2009). Here I present a few passages from Moore (1995) to highlight the role of public managers in this approach:

> Public managers become strategists rather than technicians. They look out to the value of what they are producing as well as down to the efficacy and propriety of their means. They engage the politics surrounding their organization to help define public value as well as engineer how their organizations operate. They anticipate a world of political conflict and changing technologies that requires them to reengineer their organizations often instead of expecting a stable harmony that allows them to perfect their current operations (p.20).

---

[4] Public value is likely articulated in substantive terms rather than financial and is relative to the environment in that it is commonly related to a public problem that an agency seeks to address rather than absolute standard (see Alford and O'Flynn, 2009 on this point).
[5] For example he argued against public managers becoming full-blown entrepreneurial advocates which he claimed "encourages individual officials to advance their own views without regard for the concerns of others; indeed, it encourages them to do so in a way that defeats the potential influence of those other views and their own opportunities for learning" (1995:162).

[Public managers] know that their political overseers want many different things from them, and that conflicts among these purposes will not always be resolved coherently … They also know that the political demands of today may well change tomorrow. Therefore, they know it will often be left to them to use their imagination to work out a particular conception of what their organisations should produce today that seems to be consistent with today's conflicting aspirations, and to build organisations that are flexible enough to respond tomorrow's changed desires" (p.297)

There are many more similar quotes that could be selected but the point is to highlight some important characteristics: Public managers are responsive to political marketplaces, they engage in negotiation around mandate and mission, strategies and politics (they are not passive recipients of political mandates), they create value, they span traditional boundaries as brokers, they innovate, and they manage in multiple directions (Moore, 1994, 1995, 2000; O'Toole et al, 2005; O'Flynn, 2007).

The Debate
The current debate regarding the relative merits of the public value approach can be connected to earlier critiques. Roberts (1995) described Moore's approach as a "managerial *realpolitik*" (p.293), which sought to create a defence for public managers to straying into the political domain; for those seeking to increase their bureaucratic power.

It relies on the proposition that managers should be permitted to take action where that action advances some goal that has been agreed upon through a fair process of deliberation. It also attempts to allay public fears of political manipulation by characterizing interaction as discussion, rather than manipulation, and in particular by characterizing the public official as a moderator of discussion rather than a player in the political game (1995:298).

In their critique of public value, Rhodes and Wanna (2007, 2009) raise a series of concerns. They claim Moore advocates a unduly political role for public managers whereby they will decide what is best for the public and, in doing so, will subvert the authority of elected politicians: ". . . if public managers adopt a public value approach they are being asked to rebel against standard politics and usurp the democratic will of governments" (2007:413). Later they write that the public value approach:

Invents roles for public servants for which they are not appointed, are ill-suited, inadequately prepared and, more importantly, not protected if things go wrong. It asks public managers to, supplant politicians, to become engaged in the political process, and become the new platonic guardians and arbiters of the public interest (2009:161-162)

7

Public value approaches are premised on a fundamentally non-democratic notion. Bureaucracy and bureaucratic interests predominate and displace democratic preferences (2009:167).

When public officials are encouraged to by-pass the conventions of democratic politics and impose their views about the public interest, then the public value approach has inherent problems that need to be recognized before it is adopted without question into non-American contexts (2009:181).

Such points mirror similar concerns voiced by Roberts (1995) and this is an important concern, but it is not a position advocated by Moore (see Alford and O'Flynn, 2009 for an extended discussion of this point). In fact he clearly argues against this (Moore, 1995):

At the core of political management—the actors who are always present and must always be attended to—are those who appoint managers to their offices, establish the terms of their accountability, and supply them with resources. The single most important figures in this context are the managers' immediate superiors—usually political executives (pp.118–9).

Politics remains the final arbiter of public value just as private consumption decisions remain the final arbiter of private value (p.38).

Political decision-making is vulnerable to many different kinds of corruption . . . These well-known difficulties can and do affect the moral claims of political decision-making on the conduct of government in the eyes of both citizens and managers. But imperfect political agreements entitle citizens and managers to do no more than to challenge their wisdom—not to disregard them or ignore their great moral weight (pp. 54–5).

Regardless of different views here – perhaps a reflection of the different foci of public management and political science scholars – the debate is off and running. In their recent article Rhodes and Wanna (2009) argue that Moore's approach ignores the dark side of the state and its administrative arms and they demonstrate this through presentation of a series of cases to "highlight … the dangers of public officials acting beyond their legitimate roles" (p. 172).[6] After some purposively provocative examples through the text (i.e. selling human organs to meet demand)[7] they hit on a meaningful and interesting

---

[6] There is a certain irony in critiquing Moore for using usually empirical evidence "drawn from illustrative cases of bottom-up innovation" (p.162) and then going to use a series of illustrative cases to debunk his approach and support their critique. Interestingly some of these might be meaningfully assessed using the public value approach to point out misalignment (e.g. the lack of operational capacity to deliver value in the Cave Creek example which resulted in such tragic outcomes).
[7] Whilst I have not asked him personally, it is probably safe to assume that Moore is not advocating illegal activity as suggested in this example i.e. selling human organs to meet demand. A more outrageous example was posed to me by one of the authors in a seminar along the lines of whether it would be public value creating to force women to have abortions so that the government could reduce demand for water as the population grows.

8

ethical issue for public managers: "It is not clear how entrepreneurial officials are to exercise their own moral compass in creating public value where there is conflict" (p. 165). This raises important ethical issues and, in fact, the series of cases they present are much ethical issue than public value ones (i.e. strategic management) – some could be meaningfully examined using the notion of administrative evil (Adams and Balfour, 2004).[8] For example,

- – The story of David Kelly seems much more about the catastrophic consequences dished out by elected officials when a public servant leaks information or engages in whistle blowing. It is hard to frame this as an issue of entrepreneurial or strategic managerial activity;[9]
- – The children overboard scandal demonstrates that politicians can use misinformation for political gain and that senior officials behaved inappropriately (or unethically) in not exercising effort to correct them perhaps due to politicization;[10]
- – The Yorkshire Regional Health Authority case appears to be much more about rorts and corruption carried out by public executives caused by a lack of oversight and a failure of accountability mechanisms;[11]
- – The tragic Cave Creek case may indeed show public value failure and, despite the authors' view that this case shows the problems of a public value approach, we can use the strategic triangle to pinpoint the misalignment which undermined value creation (i.e. a lack of operational capacity).

For me, the authors raise a series of legitimate ethical questions, but few of these are created by the public value approach *per se*. They also give considerable weight to the appropriate role of public managers (although they rarely refer to them as such), which brings up sharply back to the idea around separation which has developed in a distinctive way in Westminster systems.

---

[8] The authors note that there are multiple interpretations of the cases possible – I simply offer some others and question whether they are relating these to Moore's public value framework in any meaningful way.

[9] It seems a real stretch to describe Kelly's actions as set out in the Rhodes and Wanna (2009) article as being entrepreneurial. In its formal definition an entrepreneur is someone who tries to make money from business activities, and in its adaptation to the public sector world it is seen as innovative behaviors of leaders in public sector organisations, increased attention on the environment, creativity and dynamism (see Denis, Langley and Rouleau, 2005).

[10] Here the interesting point is raised that public servants need to be wary of being too politically aligned where much of their critique seems to be that politics is actually ignored in the public value approach. This creates a bit of a puzzle in their approach.

[11] Why this reflects the transfer of private management techniques to the public sector is a bit of a mystery to me. This is made more of a mystery by the assumption that Rhodes and Wanna have that the public value approach somehow advocates the importation of private management to the public sector. Several times in their paper they disparagingly refer to business school thinking even though Moore has held a long-term post in a public policy school (the John F. Kennedy School of Government, Harvard). And, in a related point, Rhodes and Wanna lament that "Moore's book is an example of how both business schools and the discipline of management view politics" (p. 180). A similar argument could be made against Rhodes and Wanna – i.e. there article reflects how they view management and managers.

Separation and Discretion: An Enduring Tension

There is enough evidence here to suggestion that the nub of the debate takes us back to some enduring questions of the separation of politics and administration and the related issues of managerial discretion and their proper roles. For me, some of the key tensions in the debate spring from these tensions, and are amplified by the various disciplinary lenses used to examine them. For example, the idea that public value is about public managers supplanting politicians, that public managers should not define the public interest, and that public value is about bureaucratic power and self-interest stem from mainly from political scientists. Those in public management (scholars and practitioners) find such claims puzzling, as Moore's approach tends to describe what they see as empirical reality, and it sets out a framework to use when balancing the challenges of substance, politics, and administration. When Rhodes and Wanna (2007, 2009) argue that this model is dangerous and inappropriate for Westminster systems – they seem to ignore that Moore may well be describing the reality of public managers in these systems. They also chastise Moore for not mentioning Westminster principles in a book clearly set in the USA (Rhodes and Wanna, 2009).[12]

Lest we consider Moore a maverick here in pointing to a more ambiguous notion of separation, and discussing a more interactive and negotiated space, I will point briefly to the burgeoning literature developing around these ideas. All carve out more active roles for public managers and recognise the empirical reality of the activities that they engage in. A recent article by Demir (2009)[13] focused on the concept of complementarily and the argument was made that there is a continuum of activity in which political and administrative actors engage. At the one end is purely political activity (i.e. partisan politics) and at the other purely managerial (i.e. personnel management); in between sits a range of activity which combines policy and administration roles where we do see, and where we should encourage more interaction and involvement to enhance policy making and implementation.

Others have, in different ways, pointed to both active roles for public managers and more interactive approaches between politics and administration. Denhardt and Denhardt (2000) in their New Public Service approach argue public managers have a critical role in fostering citizenship, in creating and managing public values, in establishing a vision for society, and

---

[12] This is strange point e.g. "There is nary a mention of either party politics or the constitutional conventions of ministerial and collective responsibility" (Rhodes and Wanna, 2009:166). Of course Moore is discussing this in the context of the USA – he makes no other claim. But the core concepts are potentially applicable to strategic management in the public sector more generally in other contexts. The simple response to their critique is that the strategic triangle is conceptually flexible enough to incorporate different models of government; the more complex is to suggest that we need some empirical work to consider this question. We must also remember that Moore was not intending to write a book on politics and parties as Rhodes and Wanna (2009) seem to expect - "Whatever Moore's public value may be about, it is never about majority party centralization and control" (p. 167). Instead he clearly set out to write one about public managers and strategic management.
[13] Demir (2009) provides findings from empirical work to support these claims.

in helping define the public interest. Wolf (2000) claimed that modern policy-making involves a process of interaction between elected officials, political appointees, career public servants and advisors. Likewise, Bourgon (2007) argued that we need to recognise that politicians and administration are both actively involved in all aspects of policy research, development and implementation.

What this proper role of public managers is remains contested. Indeed this was an issue Moore pointed to in earlier work:

> The central question facing public sector managers (and those who teach them) is a deceptively simple one: what should public managers do to improve the quality of governmental performance? The question has both normative and empirical aspects. Although frequently avoided, the normative aspects are of the most fundamental. One cannot answer the question of how public managers "should" behave without some conception of the "proper role" of managers in the overall process of democratic governance (Moore, 1989: 1).

As the notion of separation is challenged more and more in third generation reforms we encounter old and new ethical issues. As levels and domains of managerial discretion change and the roles of politicians and managers are redefined how do we think about the principles and values they determine to judge right from wrong (Dobel, 2005). What will guide them in developing the character needed to sustain judgement and action (Dobel, 2005)?

Concluding Remarks and Questions of Ethics
So where does this leave us? Questions of morality and ethics have always been an important part of thinking about politics, administration and what happens in the public sector generally. A new generation of reforms which points to more active roles for public managers and a more interactive approach to policy-making and implementation is a major challenge to the ideal of the separation of policy and administration which provided an important foundation for ethics in the traditional model.

My intention has not been to identify the pressing questions, or to answer them but to use the current debate as a platform of considering them. Here I have plotted generations of reform, pointing to how they redefine managerial roles. I sketched out the public value approach and some of the critiques in order to set the platform for discussion around what ethical issues this may raise.

References

Adams, G.B. and Balfour, D.L. (2004) *Unmasking Administrative Evil*, ME Sharpre, New York.

Alford, J. and O'Flynn, J. (2009) Making Sense of Public Value: Concepts, Critiques and Emergent Meanings, *International Journal of Public Administration*, 32 (3-4), pp. 171-191.

Allison, G.T. (1988) Public and Private Management: Are They Fundamentally Alike in All Unimportant Respects?, chapter 10 in Richard J. Stillman, *Public Administration: Concepts and Case*s, Fifth Edition, Houghton Mifflin Company, Boston, pp. 282-288.

Bourgon, J. (2007) Responsive, Responsible and Respected Government: Towards a New Public Administration Theory, *International Review of Administrative Sciences,* 73(1), pp. 7-26.

Davis, H. (2003) Ethics and Standards of Conduct, chapter 17 in T. Bovaird and E. Loffler (eds.), *Public Management and Governance*, Routledge, London, pp.213-224.

Demir, T. (2009) The Complementarity View: Exploring a Continuum in Political-Administrative Relations, *Public Administration Review*, 69(5), pp. 876-888.

Denhardt, R. and Denhardt, J. (2000) The New Public Service, *Public Administration Review*, 60(6), pp. 549-559.

Denis, J.L., Langley, A. and Rouleau, L. (2005) Rethinking Leadership in Public Organizations, chapter 19 in E. Ferlie, L.E. Lynn, and C. Pollitt, *The Oxford Handbook of Public Management*, Oxford University Press, Oxford, pp. 446-467.

Dobel, J.P. (2005) Public Management as Ethics, chapter 7 in E. Ferlie, L.E. Lynn, and C. Pollitt, *The Oxford Handbook of Public Management*, Oxford University Press, Oxford, pp. 156-181.

Drucker, P. (1954) *The Practice of Management*, Heinemann, London.

Hughes, O.E. (2003) Public *Management and Administration: An Introduction*, third edition. Palgrave, New York.

Hughes, O. 2006. *The New Pragmatism: Moving beyond the Debate over NPM*, paper presented at the 10th Annual International Research Symposium on Public Management, 10–12 April 2006. Glasgow Caledonian University, Scotland.

Jones, L.R. (2005) Understanding Public Management, *International Public Management Review,* 6(1), pp. 15-22.

Mintzberg, H., Lampel, J. and Ahlstrand, B. (1998) *Strategy Safari: A Guided Tour Through the Wilds of Strategic Management*, Free Press, New York.

Moore, M. (1983) *A Conception of Public Management*, Kennedy School of Government, Harvard University, Cambridge.

Moore, M. (1989) *Small-Scale Statesmen: A New Doctrine of Public Administration*, Kennedy School of Government, Harvard University, Cambridge.

Moore, M. (1994). Public Value as the Focus of Strategy, Australian *Journal of Public Administration*, 53 (3), 296–303.

Moore, M. (1995). *Creating Public Value: Strategic Management in Government*, Harvard University Press, Cambridge.

Moore, M. (2000). Managing for Value: Organizational Strategy in For-Profit, Nonprofit, and Governmental Organizations. *Nonprofit and Voluntary Sector Quarterly*, 18(1), 183–208.

Moore, M. and Khagram S. (2004) *On Creating Public Value: What Business Might Learn from Government About Strategic Management*. Working paper of the Corporate Social Responsibility Initiative, Kennedy School of Government, Harvard University, Cambridge.

O'Flynn, J. (2007). From New Public Management to Public Value: Paradigmatic Change and Managerial Implications, Australian *Journal of Public Administration*, 66 (3), 353–366.

O'Toole, L., Meir, K., and Nicholson-Crotty, S. (2005). Managing Upward, Downward, and Outward: Networks, Hierarchical Relationships and Performance, *Public Management Review*, 7(1), 45–68.

Podger, A. (2007) What Really Happens: Department Secretary Appointments, Contracts and Performance Pay in the Australian Public Service, *Australian Journal of Public Administration*, 66(2), pp. 131-147.

Preston, N. (2001) *Understanding Ethics*, second edition, The Federation Press, Sydney.

Rhodes, R.A.W. and Wanna, J. (2007). The Limits to Public Value, or Rescuing Responsible Government from the Platonic Gardens, *Australian Journal of Public Administration*, 66(4), pp. 406–421.

Rhodes, R.A.W. and Wanna, J. (2009) Bringing the Politics Back In: Public Value in Westminster Parliamentary Government, *Public Administration,* 87(2), pp.161-183.

Roberts, A. (1995). "Civic Discovery" as a Rhetorical Strategy, *Journal of Public Policy Analysis and Management*, 14(2), pp. 291–307.

Shergold, P. (2007) What Really Happens in the Australian Public Service: An Alternative View, *Australian Journal of Public Administration*, 66(3), pp. 367-370.

Wilson, W. (1887) The Study of Administration, *Political Science Quarterly*, 1(2), pp. 197-222.

Wolf, A. (2000) Symposium on Accountability in Public administration: Reconciling Democracy, Efficiency and Ethics**,** *International Review of Administrative Sciences*, 66(1), pp. 15-20.

The concept of ethical leadership then emerged through the thought of Brown et al (2005) based on social learning theory. Brown et al (2005) define ethical leadership as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making". Therefore, ethical leadership behaviors signaling a social exchange process may explain why subordinates reciprocate with positive attitudes and behaviors. Ethical leadership refers to "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making" [1]. The reputation of the ethical leader is the combination of "moral person" and "moral manager" [35]. As illustrated in Table 1, the mean values of ethical leadership, organizational trust, work engagement and S–S guanxi were 4.38, 4.55, 5.54 and 3.38, respectively. How we conceive of and understand ethics and ethical issues is affected by waves of reform and new understandings of what happens in the public sector. Despite the change that comes with reform, enduring tensions and questions remain. An important one which has both fascinated and frustrated scholars and practitioners has been the separation of politics and administration, and the proper roles of key actors in this equation. As a third generation of reform takes hold a debate has emerged as to the merits (or not) of one approach – public value. The New Pragmatism: Moving beyond the Debate over NPM, paper presented at the 10th Annual International Research Symposium on Public Management. May 2006. 10-12. O Hughes. Hughes, O. 2006.