

I. Yaremko

Lviv Polytechnic National University, Ukraine, PhD, Associate professor

e-mail:yaremko.i@i.ua

ORCID: 0000-0001-9772-6817

## EFFICIENCY OF THE ORGANIZATION OF THE GOVERNMENT SERVICE AND ITS IMPLEMENTATION IN THE PUBLIC GOVERNANCE SYSTEM

**Abstract.** The issues of efficiency and rational organization of the civil service as an object of research of domestic and foreign scientists and practitioners, international non-governmental organizations are considered. Key factors of influence of the global and national social environment are analyzed with the emphasis on their influence on the level of effective functioning and construction of the civil service system. The criteria of openness, transparency, professionalism, efficiency and modernization for establishing ways of adaptation of national state institutions to European standards and improving the level of efficiency of public administration are evaluated. The main problems are revealed in the article and some aspects of forming of adaptive state administration which efficiency of functioning will provide growth of capacity and consolidation of strategic positions of economy of Ukraine will be offered, will increase opportunities for social requests of the population. On the basis of the defined systematic methodology for this research and selected methods and tools, some aspects of forming a system of criteria that can objectively evaluate and improve the effectiveness of the functioning of the public service in the public administration system are proposed.

**Key words:** government, public service, efficiency, criteria system, assessment approaches and methods, international performance indices.

### Introduction.

Solving the existing problems of organizing an effective civil service is recognized as one of the most important factors for the successful implementation of political, economic, social and anti-crisis programs of any state. Growth and depth

of problems before different states in the period of increasing risks and crisis phenomena of national and global nature become evident and additionally form problems in the system of rational and effective organization and functioning of the state apparatus. In these circumstances, the problem of improving the efficiency of the civil service system becomes especially urgent .

The activity of the whole system of state power in developed countries is oriented on democratic values, among which the protection of human and citizen's rights and freedoms, creation of conditions for economic and political freedom, as well as ensuring the proper level of well-being of all citizens are foregrounded. Practice has proven that an effective public service objectively solves all these and other problems of social, social and economic nature, providing competitive advantages of the modern state at the global level.

From a public point of view, a civil service in any state individually must ensure the effective and stable activity of all public administration, which is entrusted to it in accordance with the defined tasks, functions and powers. This system should be transparent, guarantee the rule of law, approve effective mechanisms of public control over the activities of the authorities. In a generalized sense, the effectiveness of the organization of the public administration system is determined by different criteria, since they aim to reflect the state of different aspects in its activities. In order to evaluate the public administration

system, this requires a special set and methods (specific methodology) for the synthesis of criteria among themselves. This issue is especially relevant for developing countries, including Ukraine, which actualizes such a field of applied research.

### **Formulation of the problem.**

The rational and effective construction of the civil service system of Ukraine is the basic condition for the implementation of the declared socio-economic transformations, which can be carried out by means of an adequately formed to the real conditions complex of state means and mechanisms. Their most comprehensive application in practice ensures the fulfillment of the objectives of public service efficiency. Highly professional and rationally organized civil service is capable of ensuring democratic, legal, effective and efficient public administration. Contemporary Changes in the Target Vertical of Public Administration Actualize the Issues of Developing and Introducing New Ideas and Approaches to Ukrainian Practice.

### **Problem definition**

The construction of an adequate state-of-the-art system of public administration, individual state institutions and civil service structures in Ukraine is in the process of exploration, and therefore the question of determining the effectiveness of public administration is unresolved, which opens a wide space for analytical research.

### **Analysis of the latest publications.**

The scientific developments on the problems of building an effective civil service system raise the question of determining the basic legislative and regulatory frameworks for the rational construction and functioning of the civil service system. In theoretical developments of scientists, state and public-public institutions find expression numerous, sometimes diametrically opposite in content, formulation of the main categories, concepts and terms related to the development of systematic tools for the practical implementation of public administration. Different approaches to solving existing problems are presented in the works of Ukrainian and foreign public administration experts.

Numerical works on the basis of different criteria components provide an analysis of the quality, rationality and effectiveness of managerial activity in state institutions and organizations. Research and analytical reviews compare existing and new national and regional indicators of a particular institution in the civil service. The conclusions are drawn that the effectiveness of the administrative process and in the public administration is increasingly reduced to the successful introduction of innovative management technologies.

The effectiveness of managerial activity in the civil service system by national scientists is generally defined as a socio-economic category, and its measurement is reflected through the result of the management realization of professional activity, the use of personal, social and professional potentials by individual leaders, employees, etc.[1]. In scientific researches it is substantiated that the basic principles of ensuring the effectiveness of managerial activity in the public service system and, accordingly, the criteria for its evaluation are such components as complexity, cross-cutting, humanization, democratization, compliance with state requirements, taking into account the individual approach.

### **Results of the research**

The organization of the civil service in Ukraine is currently governed by the Law of Ukraine "On Civil Service", the basic provisions of which are introduced numerous changes in order to increase the efficiency of the civil service institute. Dynamic changes in the strategic guidelines for the development of the state will change the view of the effectiveness of the activity of state bodies. Therefore, new views on the structure of the state administrative vertical are emerging, new criteria of competences and technologies for determining the quality and effectiveness of decision-making in the public service system are being formed. The objectivity of defining the criteria for the effectiveness of the civil service system and the existing problems, in our opinion, lie in the plane of a rather complicated formalization of individual indicators into the system of efficiency.

The problematic nature of the methodological nature and the inconsistency of the application of the criteria and methods of performance

evaluation is due to the fact that efficiency as an evaluation category covers the issues of selection and implementation of the management process, the results of which can be obtained in a rather remote period. In the parameters of assessing the level of effectiveness of managerial activity in the civil service system, in our opinion, it is obvious, in our opinion, that the criterion value of institutional stability and the dynamics of expedient and effective administrative changes should be taken into account more. The basic performance criteria justify the competence of public sector personnel and the independence of the public service from political influence. However, in our view, these criteria should be inward-looking and take into account public appraisal judgments formalized in one way or another.

From the point of view of the purely economic efficiency of state institutions, the flexibility and stability of the tax system, which is expressed in the indicators of tax evasion, are crucial. The criteria for this evaluation group of public administration should also include rational changes in the structure of public spending and transparency of legislation, which is important for internal and external investors. For the sake of argument, let us say that the World Bank uses similar criteria to evaluate the effectiveness of management activities in different countries of the world. Undoubtedly, criteria for taking into account the opinion of the population and the accountability of public authorities are taken to determine the effectiveness of the public administration system of this international institution; political stability and lack of violence; the efficiency of the government and the effectiveness of the fight against corruption.

The World Bank Economic Criteria Group is interconnected with approaches to the set of social performance assessment criteria. In order to form adequate for the individual countries, it is recommended to take into account the degree of conformity of the directions, content and results of management activities of bodies and officials with the parameters that are reflected in the legal status of the body and individual position.

In most developed foreign countries, similar indicators of efficiency and effectiveness are the basis for evaluating the socio-economic performance of the public sector. The basis of the evaluation processes is based on the fact that the system of

criteria of efficiency lies in the coordinates of spending of budget funds. That is, the evaluation system is constructed in such a way that the selected indicators make it possible to obtain a comprehensive assessment of the effectiveness of the functioning of public authorities.

In international practice, a special analytical method for assessing the effectiveness of the activities of state bodies, called "functional review" [15]. Let us also point to the development of the concept of Balanced Scorecard (Balanced Scorecard), which has become quite widespread in business structures. Some Public Administration Effectiveness Conclusions Conclude the Possibility and Feasibility of Using Some of its Elements in Public Sector Organizations [17]. Similar is the tableau de bord (Tb) tool that is used in France to interpret combined cause and effect relationships of financial and non-financial indicators to measure the performance of individual large business entities. The ability to use this tool to determine the effectiveness of government is linked to its methodology, which provides the ability to integrate strategic and operational indicators into one structure and coordinate specific measures to achieve the targets.

In the subject area of development also use the Prism of efficiency. It is believed that this concept allows you to focus as flexibly as possible on different levels of problems: a particular business process or improving the effectiveness of a business unit. In order to assess the effectiveness of a public authority, it may be considered to enable it to identify important components of strategies in the general public administration system.

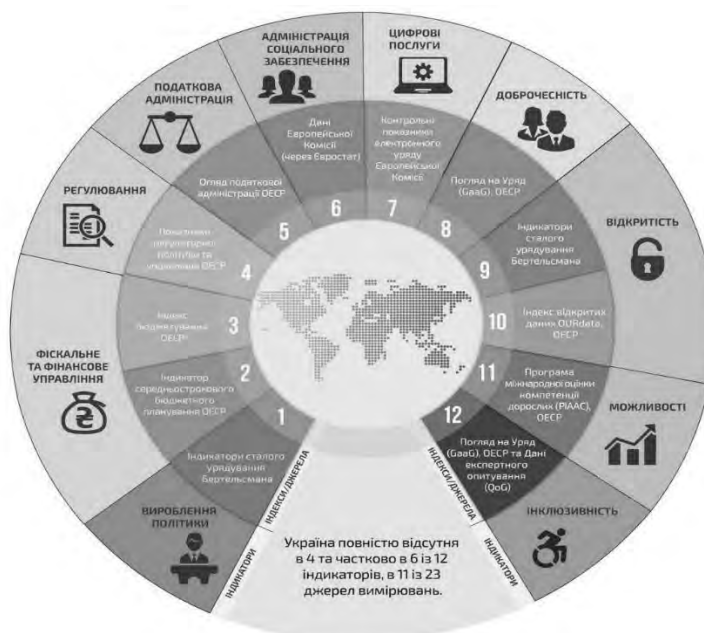
In Ukraine, the evaluation of the activities of public authorities is based on the provisions of the Cabinet of Ministers "Some Issues of Evaluation of the Work of Central and Local Executive Bodies". This provision provides a system of indicators based on statistics on the economic and social development of the national economy. Additional criteria in the system of determining the effectiveness of public administration are the criteria set out in the Cabinet of Ministers of Ukraine "On Approving the Concept of Application of the Program-Targeting Method in the Budget Process" [14]. These regulations define the quantitative and qualitative indicators that characterize the results of the implementation of the budget program, which allows to show the

efficiency of use of budgetary funds, the ratio of results achieved and the costs.

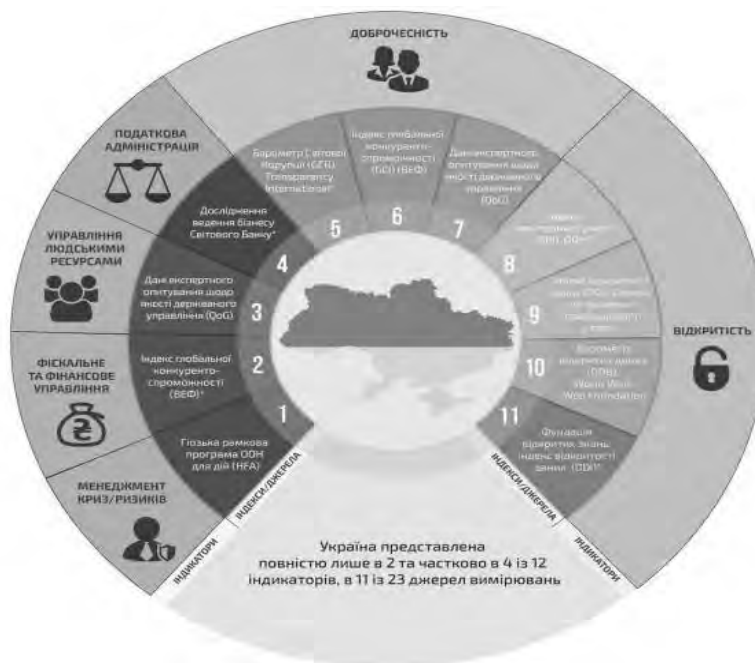
To compare national approaches to performance evaluation, we will outline the international conceptual framework of evaluation and analytical systems. For example, the International Civil Service Effectiveness Index (InCiSE) was developed and tested in 2017 with the support of the University of Oxford, the

Institute for Governance and The International Civil Service Effectiveness – InCiSE. The index includes an assessment of the main functions and attributes of the civil service in the 31st country, of which Ukraine is not included (Picture 1).

For the sake of visibility, we will present the Civil Service Performance Index, based on the systematic basis of the Ukrainian government (picture 2).



Picture 1. The International Civil Service Effectiveness (InCiSE)



Picture 2. The International Civil Service Effectiveness (InCiSE)

We believe that the proposed tool for assessing the effectiveness of the civil service should be adapted to use in Ukrainian practice. On this basis, it is possible to build a national civil service evaluation index, which will provide more objective indicators of the performance of ministries and central executive authorities.

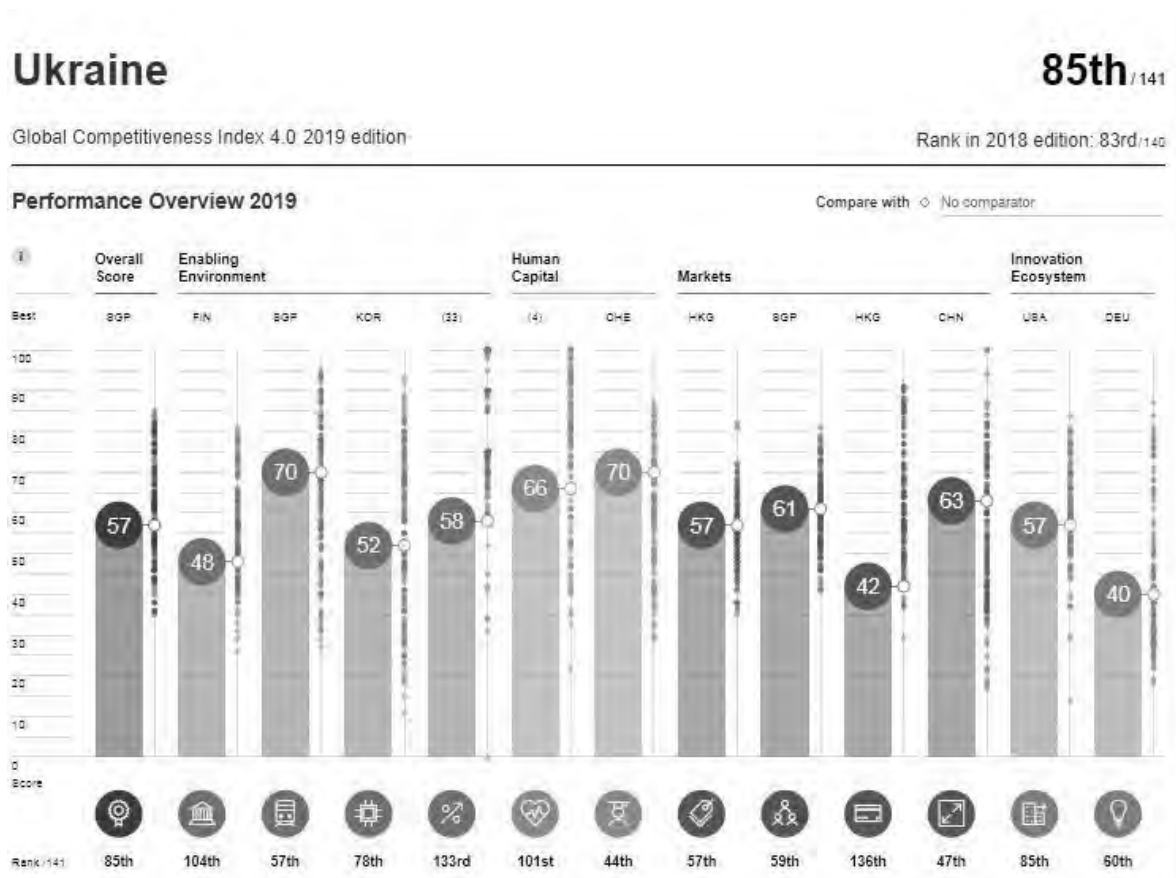
Indicators of the Global Competitiveness Index of States in terms of such category as influence of government bodies in terms of such category as government effectiveness presented at the World Economic Forum [33]. In 2019, Ukraine was ranked 85th among 141 countries. The components of the category “government effectiveness” are the criteria of “transparency of public policy making” (104th place), “public sector activity” (72nd place) and “burden of government regulation” (62nd place).

Low ratings indicate the performance of the state apparatus.

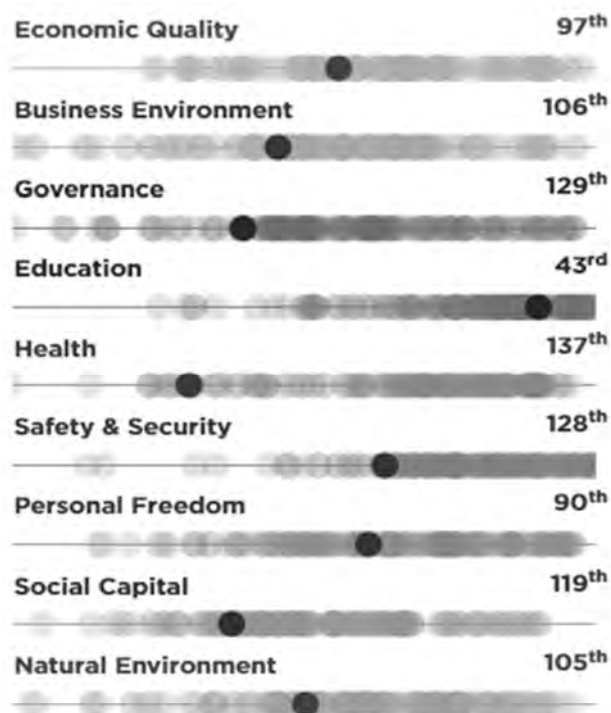
The efficiency (effectiveness) of the functioning of public administration is related

to ensuring the social welfare of the population. As an example, we will cite the results of the global survey Social Development Index (American non-governmental organization Social Progress Imperative and Deloitte Company) evaluated these criteria and determined that by the level of social development among 146 countries of the world, Ukraine in 2018 occupies 64 position (Picture 3).

Securing the well-being of its citizens is the primary task of the government of any state. Here is a global welfare rating calculated by the methodology of the British think tank The Legatum Institute. This index (The Legatum Prosperity Index) in 2018 showed that Ukraine ranked 111th among 149 countries. At the same time, analysts say that the well-being of countries is estimated on the basis of the results of polls of citizens in the following key categories: state of the economy and social sphere, adjusted for other additional criteria (picture.4).



*Picture. 3. Index of social development of Ukraine by individual components by method of Social Progress Imperative*



Picture 4. Ukraine's welfare index by major categories  
by The Legatum Institute

Based on the key components of this rating (the level of economic development and, accordingly, the security of the social sphere), we will analyze the gross domestic product (gross national product, national income indicators) obtained within macroeconomic parameters. It is the main macroeconomic indicator that characterizes the socio-economic development of the country. The dynamics of this indicator embodies the inflation index, the unemployment rate, external and internal government debt, foreign investment and others. Macroeconomic results reflect the tendency and dynamics of the functioning of the economic system, formed on the basis of state regulation and management of different sectors of the national economy, their level of balance. That is why the GDP indicator is the basic one for characterizing the efficiency of public administration.

Here is the gross domestic product of Ukraine from 2014 to 2018 (Table 1), nominal GDP of Ukraine from 2014 to 2018 according to World Bank and IMF data (Table 2) and nominal GDP of Ukraine from 2014 to 2018 per capita (Table 3).

The Ukrainian economy is developing at a rather slow pace, which shows GDP. Many factors

influence this situation. For example, according to the IMF, high corruption consumes up to 2 % of GDP annually in Ukraine. The slow pace of economic development in Ukraine is generally of an internal nature, where high levels of corruption, events in the East, rising inflation, rising NBU discount rates cause low investment attractiveness of the state. Absence of a strategy of economic development of the state, imbalance of governmental institutions have a direct impact on the nominal GDP of the state (Table 2).

Table 1

**Gross Domestic Product of Ukraine  
from 2014 to 2018 (million UAN)**

Year	Nominal GDP (in actual prices)	Real GDP (in 2018 prices)	Difference
2014	1566728	1365123	-201605 (-12,9 %)
2015	1979458	1430290	-549168(-27,7 %)
2016	2383182	2034430	-348752(-14,6 %)
2017	2982920	2445587	-537333(-18,0 %)
2018	3558706	3083409	-475297(-13,4 %)

The overall absolute figures for the slow rise or fall of GDP directly affect its importance for each individual citizen of the country (Table 3).

The cited GDP per capita figures should be recognized as one of the most problematic for the Ukrainian social and social environment. In our view, they may be recognized in

Ukrainian practice as the most objective criteria for evaluating the performance of public institutions and the general government. As an example, let's say that the 2018 report by The Heritage Foundation's Index of Economic Freedom on GDP and GDP per capita is ranked 138th among 184 countries in the world.

Table 2

**Nominal GDP of Ukraine from 2014 to 2018.**  
(GDP in US dollars – according to the World Bank and IMF search  
at <http://www.worldbank.org>, <http://www.imf.org>)

Year	Million UAN		Million dollars USA	
	sum	change	sum	change
2014	1566728	+111797 (+7.7 %)	131805	-51505(-28.1 %)
2015	1979458	+412730(+26.3 %)	90615	-41190 (-31.3 %)
2016	2383182	+403724(+20.4 %)	93270	+2655(+2.9 %)
2017	29822920	+599738(+25.2 %)	112154	+16884(+20.2 %)
2018	3558706	+575786(19.3 %)	130832	+18678(+16.7 %)

Table 3

**GDP per capita**  
**Nominal GDP of Ukraine from 2014 to 2018 per capita**

Year	UAN		USA dollars		Population (thousand)
	sum	change	sum	change	
2014	35834.0	+3845.3 (12.0 %)	3014.6	-1015.7(-25.2 %)	43722
2015	46210.2	+10376.1(+29.0 %)	2115.4	-899.2 (29.8 %)	42836
2016	55853.5	+9643.3 (20.9 %)	2185.9	+70.5 (+3.3 %)	42668
2017	70224.3	+14370.8 (25.7 %)	2640.3	+454.4(+20.8 %)	42477
2018	84192.0	+13967.7(+19.9 %)	3095.2	+454.9(+17.2 %)	42269

**Conclusions.**

The dynamics of Ukraine's GDP and other indicators above show that in recent years the state of the national economy has been characterized by a recession. The main reasons should be considered the action and signs of internal factors influencing the economic system of the country, ie the entire system of public administration. The indicators show periods of deep and long recessions. Such recessions cause significant losses to the economy and coincide with the unsuccessful reform of state institutions, inefficient construction of the government apparatus, which in practice should be reflected in the synthesized indicator of “public administration efficiency”. In order to objectively evaluate the effectiveness of the whole system of public administration, it is necessary to take into account formalized indicators of the state of the

national economy with their correction to the indicative components of international concepts of rating.

**References**

1. *Index of Economic Freedom Retrived from: <https://www.heritage.org/index/country/ukraine>*
2. *Funktsionalnyi ohliad, yak analitychna metodyka otsinky efektyvnosti upravlinskoi diialnosti: Dopovid N. Manninha i N. Parisona “Modernizatsiia federalnoiderzhavnoi sluzhby. Metodyka provedennia funktsionalnykh ohliadiv” [Functional Review as an Analytical Method for Assessing the Effectiveness of Management Activity: Report by N. Manning and N. Parison “Modernization of the Federal Civil Service. Functional inspection methodology”] Retrived from <http://www.academia.org.ua>*

3. *Hlobalnyi zvit pro sotsialnu mobilnist do 2020 roku [Global report on social mobility by 2020]. Retrived from: <http://reports.weforum.org/social-mobility-report-2020/>*
4. *Molchanova, Yu. (2015). Efektivnist upravlinskoï diialnosti v systemi derzhavnoi sluzhby : sotsialno-psykhologichnyi aspekt [The effectiveness of managerial activity in the civil service system: a socio-psychological aspect] Visnyk Natsionalnoi akademii derzhavnogo upravlinnia pry Prezydentovi Ukrainy - Bulletin of the National Academy of Public Administration under the President of Ukraine, 1, 427–434. 2015. [in Ukrainian]*
5. *Nili, E., Adams, K., Kennerli, M. (2003). Prizma effektivnosti: karta sbalansirovanykh pokazatelej dlya izmereniya uspekha v biznese i upravlenii im [Performance Prism: A Balanced Scorecard for Measuring and Managing Business Success]. Dnipropetrovsk: Balance-Club [in Russian]*
6. *Norton, D., Kaplan R. (1996). Using the Balanced Scorecard as a Strategic Management System. Harvard Business Review*
7. *Postanova kabinetu ministriv Pro zatverdzhennia Derzhavnoi stratehii rehionalnoho rozvytku na period do 2020 roku vid 06.08.2014 r. No. 385 [Cabinet of Ministers Resolution On Approving the State Regional Development Strategy for the Period up to 2020 from 2014, 06 August] [in Ukrainian]*
8. *Realizatsiia haluzevykh stratehii rozvytku: prohramno-tsilovyi metod (2008) [Implementation of sectoral development strategies: a program-targeted method] Kyiv. [in Ukrainian]*
9. *Shkvorets, Yu.F. Kryterii ta pokaznyky otsinky efektyvnosti prohramno-tsilovoho finansuvannia tsentralnykh orhaniv upravlinnia z pytan nauky, innovatsiinoi diialnosti y osvity [Criteria and indicators for evaluating the effectiveness of program-targeted financing of central government bodies for science, innovation and education] Retrived from: [http://iee.org.ua/files/alushta/06-shkvorec-krytery\\_ta\\_pokaznyky.pdf](http://iee.org.ua/files/alushta/06-shkvorec-krytery_ta_pokaznyky.pdf) [in Ukrainian]*
10. *The International Civil Service Effectiveness (InCiSE) Index 2017 Retrived from: <https://www.bsg.ox.ac.uk/sites/default/files/2019-01/International%20Civil%20Service%20Effectiveness%20%28InCiSE%29%202017%20main%20report.PDF>*
11. *Zvit pro hlobalnu konkurentospromozhnist za 2019 rik [2019 Global Competitiveness Report] Retrived from: <http://reports.weforum.org/global-competitiveness-report-2019/>*