Quality of Public Services in the Context of Regional Competitiveness

by
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Abstract. The purpose of this paper is to present the current state of Romanian public services and their characteristics, as any inefficiency of this sector may lead firstly to a low national competitiveness and secondly to an unfavourable perceived quality of life. Unfortunately, the system faces many organizational and performance problems that lead to unsatisfied customers and low efficiency. Moreover, most people in Romania appreciate negatively the conditions of life and management of certain public services. The reform in the public sector can be implemented by increasing the quality of various services, even if they are provided by state institutions, decentralized organizations or private firms.

The authors identify the factors that influence both the expected and the experienced quality of public services, highlighting the importance of internal marketing. In this context, in the end of the paper there are mentioned viable solutions adopted by European countries, in order to increase the public services’ quality and the customers’ satisfaction.

Keywords: public services, service quality, reform, competitiveness, quality of life.
JEL classification: M31

1 Introduction

Since 1990, when the Romanian political system changed, the public sector has been involved in a long process of reform. Thus, the State is concerned to ensure citizens a high level of material welfare, and qualitative public services designed to meet various needs, from basic ones such as medical services, public utilities or national security, to superior needs, as the cultural ones. These responsibilities that characterize modern public sector have their source in the eighteenth century, when the state began to support both financially and materially the socio-economic activities of great importance to the citizens of a nation. (Smith, 1979)

Nowadays, the public services are provided not only by state institutions. These institutions have limited legal capacity, only for achieving the approved scope of business, and they are organized and operate under regulations established by public authorities. Meanwhile, they are fully or partly funded from public funds.

In fact, „the role of institutions goes beyond the legal framework. Government attitudes toward markets and freedoms and the efficiency of its operations are also very important: excessive bureaucracy and red tape, overregulation, corruption, dishonesty in dealing with public contracts, lack of transparency and trustworthiness, and political dependence of the judicial system impose significant economic costs to businesses and slow the process of economic development.” (World Economic Forum, 2011, p. 4)

The role of public services is very important for increasing the national development, as they are basic requirements in the structure of the Global Competitiveness Index 2011–2012. Actually, for a more complete approach, basic requirements include four pillars: (1) public and private institutions; (2) transport, energy and telephony infrastructure; (3) macroeconomic environment; and (4) health and primary education. (World Economic Forum, 2011, p. 47)

In addition, the importance of public sector is also noted in terms of three major functions which it assumes (Platiş, 2004):

• allocation function – requires state involvement in the market mechanism to determine the type and quality of public services and opportunities to increase revenues to cover its necessary provision;
income distribution function – refers to state involvement in economic life of the nation, through the adjustment of income and financial resources accruing from economic transactions, ensuring in practice, particularly through the tax system;
- stabilizing function – aimed at creating the legal framework that ensures and protects the public and private economic transactions.

However, the public sector institutions have strong links with civil society in order to meet social needs, with the government, to obtain his attention, budgets or different contracts, but also with the private sector, to supply goods and services or to attract additional funds. In fact, public sector financing is done both through income taxes and other taxes paid by business units, as well as taxes on income of individuals; given that only one part of these payers are consumers of public services. Also, public providers can get additional income from contracting loans, but they have to pay interest. Furthermore, the relationship formed between the public entities and business organizations is twofold, as the state becomes the customer of material goods and services providers. Public sector contacts both the work force suppliers, to ensure its most important resource, and the financial organizations, which can provide financial support in cases of deficiency. To maintain these links, it is important that public institutions to become generally known because of their distinct favourable image and qualitative services.

2 Necessity of Quality Reform in Public Sector

As previously mentioned, the public sector is very important in any country, due to its social and economic mission. Unfortunately, in Romania, the system faces many organizational and performance problems that lead to unsatisfied customers and low efficiency. For instance, according to Profiroiu and Păceşilă (2010), instead on focusing on the results, the administrative system is basing on expenses, which is the consequence of a faulty and budgetary control mechanism. Moreover, a great importance is attached to norms and laws, neglecting at some extent the citizens’ expectations, leading at the same time to a weak participation of the citizens and civil society in the decision making process. Partly because the decentralization process is unsuccessfully completed, the public administration is incapable to adapt to changes in real time. Other interrelated flaws of the system are:
- unsuccessfully completed decentralization process;
- low capacity of inter-ministerial coordination and public policies making process;
- corruption and a lack of efficiency in spending public money.

Moreover, the citizens consider that Romanian public administration provides difficult access to public information, being inefficient and less transparent. It also requires high taxes to solve problems of citizens, but it is complicated and difficult to understand. (Direction for Governmental Strategies, 2009a)

Due to the fact that public institutions face a continuous pressure from their customers and a high rate of visits, the resources are allocated mostly for the current activities and less on institutional development. Therefore, customers are not satisfied with the performance of civil servants but in a relatively small extent. The main complaints are related to the atmosphere within public institutions, the organization of activities with the public and the inefficiency of the employees. (Buţiu, 2006)

Thus, according to a quantitative marketing research conducted in 2007 on a sample of 1208 persons aged 18 and over, there are few aspects of public services that can be affected by the previously mentioned problems, as:
- the waiting time spent by a citizen in order to receive the requested service, which is relatively high, ranging from the average of 23.4 minutes (54% of cases) up to 2.37 hours (12.8% of cases);
- the civil servants’ attitude, which may be sometimes inappropriate, because the public employees are rude (6.7% of sample) and even ironic (4.6%);
- the office space that may be uncomfortable due to lack of air conditioning, cold, cramped spaces, long queues, discussions conducted
through a narrow window, lack of chairs or armchairs for the customers that are waiting. (Direction for Governmental Strategies, 2007a)

Moreover, the economic crisis has led to lower levels of confidence in central government institutions and the increasing dissatisfaction of the Romanian Government activity. The Romanians also are dissatisfied with government support for certain categories of persons, as elderly, unemployed ones, or people with low incomes. (Direction for Governmental Strategies, 2009a)

However, the crisis has affected also the education of children and led to reduced wages and other benefits as well as loss of employment. In order to overcome the crisis the households in Romania adopted some measures, which include among others the deferred payment for some public services, as utilities or medical services. (Direction for Governmental Strategies, 2009b)

All these inefficiencies may lead firstly to a low national competitiveness and secondly to an unfavourable perceived quality of life.

Regarding the national competitiveness, according to World Economic Forum Report (2011, p. 4), it is the set of institutions, policies, and factors that determine the level of productivity of a country and it is basing on twelve pillars. Among these pillars there are the legal and administrative frameworks within which individuals, firms, and governments interact to generate wealth.

In order to increase the national competitiveness, the following aspects related to public institutions should be analysed and improved:

- “property rights;
- ethics and corruption, which can be defined by diversion of public funds, public trust of politicians and irregular payments and bribes;
- undue influence that is related to judicial independence and favouritism in decisions of government officials;
- Government inefficiency expressed by wastefulness of government spending, burden of government regulation, efficiency of legal framework in settling disputes, efficiency of legal framework in challenging regulations, transparency of government policymaking;
- security, which involve business costs of terrorism, business costs of crime and violence, organized crime, reliability of police services”. (World Economic Forum, 2011, p. 47)

Regarding the second consequence of the public services’ management, quality of life can be evaluated by using two categories of indicators: quantitative and qualitative. Indicators of the first category cover either financial elements (in particular the amounts of GDP allocated to various public sectors), or per-cent of the population receiving some public services. In the second category there are included aspects regarding quality of services, but also the confidence in public bodies. The following table shows some indicators for several sectors of the public domain.

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<tr>
<th>Education</th>
<th>Healthcare</th>
<th>Justice and political order</th>
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<tr>
<td>1) school enrolment rate of school-age population (6-24 years old); 2) accessibility of educational programs; 3) number of students per 10,000 inhabitants; 4) proportion of GDP spent on public education; 5) quality of education.</td>
<td>1) number of inhabitants to a doctor; 2) number of hospital beds per 1000 people; 3) proportion of GDP spent on public health; 4) population coverage of public and private insurance; 5) health care quality.</td>
<td>1) people’s access to justice; 2) recognition of personal rights by organs of public order and justice; 3) people’s trust in police and justice.</td>
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**Table 1: Quality of life indicators specific to public services domains**

In recent years, most people in Romania appreciate negatively the conditions of life and management of public services such as medical, educational or governmental ones. According to Romanians, the situation of 2010 is considered worse than 2009, being associated with the year of 1999, another moment of socio-economic crisis.

The only dimensions of quality of life that are receiving positive appreciations are the quality
of environment, drinking water and police activity. (Mărginean et. Al, 2010)

As can be seen, both the national competitiveness and the quality of life are strongly related to the domain of public services. Therefore it is necessary to identify also the modalities that can improve the public service organizations’ performance and can increase their competitiveness. These decisions are needed also because a better offer in terms of quality and functionality can lead to an improved quality of life. (Constantinescu, 2011)

In fact, the consequence of implementing these measures can be a higher quality of public services, even if they are provided by state institutions, decentralized organizations or private firms.

In the international literature there have been identified numerous sources of achieving and maintaining a competitive advantage. Thus, Kay (1995) presents the notion of sustained competitive advantage in organizations obtained through relational architecture, reputation, innovation, and strategic assets.

According to Barney (1991), four empirical indicators of the potential of firm resources can generate sustained competitive advantage. They are: value, rareness, imitability, and substitutability.

In addition, achieving competitive advantage through a broader consideration of stakeholders of the firm is considered in other study. The economic reasoning demonstrates that the employees’ voice is an important component of business from a strategic perspective irrespective of the type of institutional environment present in any given country. (Royer et. Al, 2008)

Moreover, integrated leadership is conceived as the combination of five leadership roles that are performed collectively by employees and managers at different levels of the hierarchy. The leadership roles are task-, relations-, change-, diversity-, and integrity-oriented leadership. The findings from the empirical analysis indicate that integrated leadership has a positive and sizeable effect on the performance of federal sub-agencies. (Fernandez, Cho and Perry, 2010)

In contrast, public-sector organizations and government departments are expected to cooperate in the policy development and the delivery of services. In Western societies, public agencies are often created under the guise of addressing market failure and are maintained to contribute to the common good. In the case of public-sector R&D, their role is also to contribute to the development of industry and the creation of markets, rather than be self-serving. However, the competition can exist, as public-sector organizations and other government agencies are funded from a central source of government funds. (Matthews and Shulman, 2005)

Porter (1980) proposes three generic strategies that can be used by companies in order to achieve and maintain a competitive advantage: the cost leadership strategy, the differentiation strategy and the focus strategy. The first of the three involves reducing costs in areas of R & D, services, sales force, advertising, etc., without neglecting the quality of products. It can be implemented rather when the company has a relatively high market share or other advantages such as favourable access to raw materials. The second strategy aims to identify the attributes of product/ service, which gives its unique character and exclusivity in the market. This strategy is however incompatible with a large market share. In the third situation, the company is based on attracting a small segment of consumers and serving them more efficient and effective than its competitors.

In the case of public institutions is optimal the choice of cost leadership strategy, as they are non-profit organizations and are constrained to operate according to the budget allocated by the government. Instead, public service providers operating in the private sector can focus on the other two types of strategy, since they have a much greater flexibility for managing budgets, selecting customer segments and designing services.

3 Public Services Quality

The concept of service quality has been intensively debated and analysed in specialty papers, due to its importance in achieving a
competitive advantage and ensuring the customers’ satisfaction. Moreover, the quality is considered as defining an organisation and establishing the expected performance (Dew, 1997).

Andronikidis and Bellou (2010, p. 581) reveals the results of their research, according to which “the service quality dimension of reliability/assurance primarily drives satisfaction, whereas the other dimensions remain insignificant. … Thus managers in the service sector may be required to focus on strategic choices in providing reliable and trustworthy services in order to gain a competitive advantage.”

The conclusions of another study show “that service quality is an antecedent of consumer satisfaction and that consumer satisfaction exerts a stronger influence on purchase intentions than does service quality. Thus, managers may need to emphasize total customer satisfaction programs over strategies centering solely on service quality. Perhaps consumers do not necessarily buy the highest quality service; convenience, price, or availability may enhance satisfaction while not actually affecting consumers’ perceptions of service quality”. (Cronin, Taylor, 1992, p. 65)

According to Woodall (2001, p. 603), the focus is on service quality, without clarifying what the service means. Thus, the service “can, or could, mean any or all of the following:

1. The entire manifestation of a business/not-for-profit structure perceived to reside within the service sector (e.g. restaurant, insurance company, local council repair depot) - service as an organisation.
2. The key commercial outputs of a service organisation (e.g. bank account, insurance policy, holiday) - service as core product.
3. Any peripheral activity designed to enhance the delivery of a core product (e.g. provision of a courtesy car, complimentary coffee) - service as product augmentation.
4. Any product- or customer- oriented activity that takes place after the point of delivery (monitoring, repair, up-dating) - service as product support.
5. Service as a mode of behaviour (helping out, giving advice) – service as an act”.

Thereby, all these aspects contribute to the final perceived service quality. This is why in public services domain, as in any other field, the total perceived quality depends both on the expected quality and the experienced quality. (Grönroos, 2007)

As marketing communication can influence the expected quality of services, it is necessary to analyse the approach of this tool within public services field. First of all, there can be noticed a difference between the public institutions and the private ones that provide also public services (e.g. private hospitals, education units or transportation firms).

In the first case, the providers often enjoy a monopoly situation on the market, or they have the supremacy over other competitors, by using lower prices (subsidized by the state) and therefore they do not realize the need to use promotional techniques. Due to the lack of marketing communication, the customers are influenced by other factors in forming the expected quality, as: word of mouth, general image of the provider or their needs and values. (Grönroos, 2007)

Unlike private companies, public providers do not measure their success in terms of financial gain, but the extent to which they managed to meet the needs of potential customers. Also the obligation of public institutions to justify any expenditure by measurable results is an impediment to use certain promotional techniques. Therefore it can be noticed that the promotion policy has a greater importance in public services providers that operate in the private sector.

However, the Romanian public authorities initiated many campaigns to promote rather a responsible behaviour than various public services and their characteristics. In this category may be included the commercials aimed at wearing seat belts when driving the car, convincing Roma parents to send their children to study at school, or attracting European funds for national economic development areas. Because public institutions do not target only the profitable market segments, but the whole society, the messages are not highly personalized, with a risk that they
are not correctly decoded, appreciated, understood or learned by the receiver.

Moreover, promotion of public services is largely determined by the activity of central government bodies and political-legislative component of marketing environment. A new government will propose new projects, as developing the national infrastructure, improving education, health assessment of all citizens, which should be central guidelines for the promotion of local public providers.

The promotional techniques that are frequently used by public services providers – especially schools, health units and public utilities organizations – are print advertising, Internet advertising and outdoor advertising. Central government institutions benefit often of publicity in mass-media, while universities and medical clinics can be promoted by higher education graduates, respectively former patients as effective clients.

However, the most effective means of communication of a public provider – exceeding the promotional sphere – is its staff, as their skills, courtesy and professionalism contribute to the organization’s image.

Regarding the concept of experienced quality in public sector, it is the result of the two dimensions of quality: technical and functional. The technical dimension refers to the result’s quality, while the functional dimension focuses on the quality of the process. (Grönroos, 2007)

In the international specialty literature (Grönroos, 2007, p. 90), there are defined seven criteria of good perceived service quality, five of them being process-related criteria and only two outcome- and image-related criteria. In the first category are included:

▪ “attitudes and behaviour: customers feel that the service employees are concerned about them and interested in solving their problems in a friendly and spontaneous way;

▪ accessibility and flexibility: customers feel that the service provider, its location, operating hours, employees, and operational systems are designed and operate so that it is easy to get access to the service and are prepared to adjust to the demands and wishes of the customer in a flexible way;

▪ reliability and trustworthiness: customers know that whatever takes place or has been agreed upon, they can rely on the service provider, its employees and systems, to keep promises and perform with the best interest of the customers at heart;

▪ service recovery: customers realize that whenever something goes wrong or something unpredictable happens the service provider will immediately and actively take action to keep them in control of the situation and find a new, acceptable solution;

▪ servicescape: customers feel that the physical surrounding and other aspects of the environment of the service encounter support a positive experience of the service process.”

In order to achieve these quality criteria, the public sector organizations in Romania should initiate multiple actions, from which the basic ones are to identify their customers’ needs and expectations, and to motivate the public employees, by using the appropriate and most efficient tools.

All these marketing measures can form the internal marketing that can lead to an increased employees’ commitment to organization’s strategies and to a better organizational integration. The civil servants have a crucial role within the organizations, as they facilitate the interface between the public providers and their customers. If the public employees are receptive to marketing philosophy, they can contribute significantly to the organization's competitive advantage.

The role of marketing in public organizations has increased lately, certain studies highlighting that the reform in public administration requires the implementation of marketing, among other modern mechanisms and methods of approach (Enache, Morozan, 2010).

Internal marketing is even more necessary for a public organization as it “represents the attraction, the perfection and the maintaining of the employees of the firm in positions which assure the maxim and the efficient using of their work capacities and therewith a motivational system which can allow meeting both the material requirements as well as the professional goals of the firm’s staff.” (Cetină, 1998, p.49)
Unfortunately, in Romania, studies show that the public servants have not been paid enough attention, in terms of internal marketing. For example, the private company Metro Media Transilvania conducted in 2007 a marketing research within a sample of 1105 civil servants (Direction for Governmental Strategies, 2007b). A first result reveals the state of mind of public administration’s employee. Even if the predominant moods are in general positive and motivating, and most of the employees are interested in performing some activities, unfortunately half of them have felt tired, and almost one fifth has had negative feelings, as sadness, anger or boredom.

Approximately half of the sample (48% - rather management personnel and civil servants in large cities) believes that the functioning of public administration in Romania has improved, unlike young officers in rural areas, which are more pessimistic.

According to this research, public officials interviewed believes that human resource is a strength of public administration in Romania (16% of respondents), but the remuneration and motivation of employees are inadequate (22% of respondents).

However, according to respondents, the problems of Romanian public administration are caused by: legislation, remuneration and lack of funds, on one hand, and mismanagement, strong influence of political factors, lack of training or incompetent employees, and bureaucracy, on the other hand.

This is why, by implementing internal marketing, the public services providers should take into consideration the following issues:

- employees’ satisfaction regarding their responsibilities, salary, or work program;
- quality of communication and relationships between employees and their superiors or their colleagues on the same hierarchical level;
- existence of training programs and the employees’ desire to improve their knowledge and conduct at work;
- opportunities for employees to attend various specialty courses in order to increase their level of professionalism.

The previously mentioned measures are even more important due to the characteristics of public services: offer type (mandatory or optional) and the level of consumer interactivity with frontline staff (high or low). For example, regarding the service type, a mandatory offer consists of the first ten classes of undergraduate education, while the university courses can be attended only by high-school graduates that are opting for a particular training or career. Regarding the interactivity with employees, in the case of healthcare services, medical staff interact with patients by identifying diseases, prescribing treatment and periodic health assessment, unlike public transport services, where the passengers rarely talks to employees (only when purchasing and validating tickets, or providing information on means of transport route).

Moreover, in terms of the time as a public service can be provided, it may be higher or lower depending on the standards and procedures underlying the delivery, on its complexity and on customer’s preferences. Thus, while a cultural service is provided within a few hours, the public utilities are supplied for an indefinite period.

Taking into consideration these particularities, the public sector organizations should find the optimum modalities to involve the customers in the process of designing the services and establishing the necessary level of quality. Knowing the categories of customers is a first step in this demarche, as they can be:

- the organization's internal audience: heads of offices and departments, officials, public managers;
- external audience of public organization: press, government, customers, local community;
- primary, secondary and marginal audience – categories representative only for certain types of public institutions such as ministries, agencies;
- traditional audience (employees and current citizens) and future audience (young generation);
- opponent, uninvolved and supportive audience. (Popescu, 2003, p. 163)
According to Şandor and Raboca (2004, p. 145), customers of public services are divided into direct customers and indirect customers. In the first category are included:

- “volunteer” customers – they have the freedom and the possibility to choose or not a public service (public transportation, radio or television);
- “entitled” customers, who can benefit from special public programs, as social rehabilitation of persons with disabilities;
- “forced” customers, who use a certain type of service due to its monopoly feature (import-export firms can pay their customs duties only at customs system, that is the only institution empowered to collect them).

The second category of customers includes:

- “indirect beneficiaries” – they are the direct customers of persons that use the public service (commercial and industrial institutions, mutual funds for development);
- “citizens” – many public services (health services, education) generate benefits for the entire community or population, in addition to benefits created for direct customers (patients, students).

Secondly, the organizations should conduct activities through which the managers can find out what their customers really want and need. According to a single category of public services, Organisation for Economic Co-operation and Development (2001, p.2) considers that there should be a wide range of interactions between the government and the citizens, during the policy-making process, starting from the moment of policy design until the final stage of evaluation. In fact, at the present moment, there are three types of customers’ involvement in decision-making:

- Information is a one-way relation in which government produces and delivers information for use by citizens and it is shared by all OECD countries.
- Consultation refers to a two-way relation in which citizens provide feedback to government and it is also on the rise, but at a slower rate.
- Active participation is basing on partnership with government, in which citizens actively engage in the policy-making process. It is rare, undertaken on a pilot basis only and confined to a very few OECD countries.

Thirdly, in “the new organization”, there are some requirements regarding the employees’ attitude and behaviour towards their customers. The employees should be able to identify the problems they might face with the clients and to figure out how these problems can be solved or at least to whom they can turn to for their solving. It is recommended also that the employees to be enthusiastic (or at least content) with the company where they work and with the products and services they offer. It is also vital that between the manager and the employee there is a good communication. (Kotler, Bowen, Makens, 2002)

No doubt, there are relevant examples of European Union countries that have developed multiple activities in order to improve efficiency and productivity of public administration. Most of them focused on reducing the financial costs and the time necessary for providing better services for their citizens.

For example, the main goal within this field in Italy is to reform the public sector and its labour force, by achieving multiple objectives, as: improving the relationship between the public administration and its citizens, simplifying the compliance formalities for businesses, offering digital assistance for its customers and getting them more involved in decision-making process, and reducing bureaucracy. Thus, the Italian public administration has implemented various projects, which allow multiple advantageous virtual connexions between public offices and their citizens, and an electronic communication and evaluation of customers’ satisfaction. (European Public Administration Network, 2010, p.35)

Spain focused on the measures related to the regulatory framework and the modernization of Public Administrations. First of all, the implementation of various legislative projects lead to an increased efficiency and transparency of public contracting or to an adequately balance of the principles of independence, control, and responsibility for results, enhancing the service with resulting benefits for users and
taxpayers. Second of all, Spain supported the creation of the National Agency for the Evaluation of Public Policies and Quality of Services intended to promote and perform evaluations of public policies and programs favouring the rational use of public resources. Third of all, the adoption of Public Employment Basic Statute Law allows selection of the best candidates, provide openings for professional promotion, and stimulate public service commitment. Thus, the reform in Spain’s public administration concerns both the process of managing the material and financial resources and the motivation of civil servants, whose satisfaction can influence the quality of public services. (European Public Administration Network, 2010, p. 52)

In France, the process of increasing efficiency and competitiveness of public administration focused recently on the following directions:

- modernizing the access to information for users,
- simplifying the internal procedures of the State for faster administrative services,
- streamlining the organization of the Prime Minister’s services.

The first objective may be achieved by: (1) modernizing the management of information delivered to users by telephone; (2) creating the direction of the legal and administrative information, which means the improvement of the mission of publishing, broadcasting and public information provided by the French documentation and management officials journals (desJournaux); (3) implementing an economic charter shared by all public sites. The second objective supposes to delete an advisory committee whose maintenance is not justified, while the third one lead to a comprehensive set of measures. These measures include: (1) strengthening the pooling of human resources services; (2) simplifying the management information systems; (3) streamlining the organization of logistical services; (4) pooling financial services within the DSAF; (5) pooling documentation structures and management of secretariat resources.

(www.rgpp.modernisation.gouv.fr, 2011)

According to some studies (Ehn et. al, 2009), there have been developed also projects that lead to:

- increased efficiency and effectiveness of public service provision;
- increased productivity by adapting processes of service production and delivery;
- shared service centres;
- reducing bureaucracy and cutting red tape for the benefit of citizens, clients and business;
- high quality control of public service delivery (related to outcome);
- customer satisfaction measurement and management;
- impact assessment of service delivery.

In the following phrases are detailed a few examples of European countries that succeeded in achieving these objectives, by implementing various measures as parts of a sustained reform in public administration.

Thus, a modality to obtain the previously mentioned results consists in creating a single administrative unit, usually entitled „one-stop-shop”, which can provide multiple public services. Various European countries have already implemented similar projects, either as decentralized centres for specific geographic areas (Cypriot project named „One-stop-shops at the service of citizens” or Italian project AIDA 2009), or as a single point of contact on the internet (A national project from Luxemburg - Guichet.lu, or a project from Bulgaria entitled National Health Portal and Electronic Personal Ambulatory Books).

Another modality is to place responsibility on employees from the lowest possible levels. This means to empower the front-line employees and give them the freedom to make decisions and perform certain activities, in order to respond better to citizens’ requests. A representative example is specific to a local project from the United Kingdom: Transformation of the Revenue and Benefits Service in Basildon.

**4 Conclusions**

Since public services play an important role in the economic and social life of any nation, the
quality of the public offer should correspond to the consumers’ requirements and expectations. The administrative and financial decentralization of certain public services, after the change of the political regime in Romania, and the integration of our country into the European Union were prerequisites for intensification of competition in this field. The consequence of these actions is favorable for Romanian consumers, because they can select those public services which meet their needs utmost. At the same time, public service providers will initiate necessary steps to deliver the best offers in terms of cost, quality and delivery time. These measures are useful to all public service providers, whether they compete to obtain more money from the state budget or from European Union, either directly from consumers. It is therefore important to involve consumers in the process of designing public services.

Another aspect that needs attention is the delivery of services which cannot be separated from public employees. The public official are the link between customers and public service organizations, and their attitude and professional training, besides the existence of clear rules and procedures influence directly the quality of final public service.

The market orientation of public enterprises should be done by the interface of civil servants, in this context the personnel management playing a crucial role. Therefore, it is recommended to identify appropriate sources of motivation of public employees, which may include in addition to an advantageous salary package, the possibilities to advance in career, a pleasant ambience and the lack of stress at work.

A chain of influences is obvious, as satisfied employees provide qualitative public services, leading at the same time to a solid competitive advantage of public organization, to satisfied consumers, and to an improved perception of life quality.

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