

MANAGEMENT TOOL USAGE AND PERCEIVED BENEFITS: INSIGHTS FROM GERMANY'S POLICE FORCES



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Abstract: The purpose of this paper is to highlight the degree to which Germany's police forces have implemented selected Public Management instruments. The authors conducted 154 partially structured interviews about these instruments with key managers in Germany's police forces and then analysed the responses using parametric and non-parametric methods. A principal finding of the analysis is that controlling tools and management by objectives have relatively higher degrees of implementation than product-related tools (e.g. product-related budgeting, product-related cost accounting) and outsourcing. The study therefore concludes that the strategy-and-goal-oriented dimension has a larger impact on the management system of Germany's police forces than the financial dimension does. A literature review shows that these relationships are not peculiar to Germany's police forces.

Keywords: police management; public management reforms; management accounting tools; organisational change; Germany.

INTRODUCTION

Since the mid-1980s, Public Management has become one of the dominant paradigms in administrative science (Pollitt and Bouckaert, 2004). Its main focus is on transferring applied management principles and concepts to the governmental sector in order to improve the efficiency and effectiveness of public administration (Hood, 1991). Public Management, however, does not represent a clearly defined program, but rather a loose, multifaceted concept embodying a 'shopping basket' of various instruments and tools (Christensen and Lægheid, 2001). Most of these tools, though, share a common origin and emphasise business values such as rational decision-making, cost-effectiveness, performance and productivity (Halachmi and Bouckaert, 1996).

In the 1990s, the Public Management paradigm began making significant inroads into a unique

organisation within the public sector: the police. Subsequently, police forces in many countries have incorporated it into their managerial practices (McLaughlin and Muncie, 1994; McLaughlin and Murji, 2001; Vickers and Kouzmin, 2001; Promberger et al., 2006; Cockcroft and Beattie, 2009).

Although Germany's sixteen state and two federal police forces have pursued varying approaches, one can classify their adoption of Public Management into three rough phases (Ritsert, 2005). In the first, or 'pioneering', phase (1995-1998), reformers relied dogmatically on the theoretical *Neues Steuerungsmodell* (new management control model) as their sole standard. Not infrequently, their enthusiasm for this model led to unrealistically high expectations about the benefits to be gained by implementing it.



The practical problems encountered by police forces trying to employ the model generated great disillusionment. These problems prompted a sober reassessment of the underlying reform model during the second, or 'modification', phase (1999-2002). Accordingly, efforts then focussed on putting only selected elements of the new management control model or models used in the private sector (e.g. total quality management, balanced scorecards, and so forth) into effect. Yet implementation of even these reforms remained a 'Sisyphean task', causing considerable irritation among police personnel with operational responsibilities. As a result, interest in creating a new, comprehensive management system for the state and federal police forces declined further.

Since 2002, therefore, higher authorities have found themselves in an 'integration' phase. They have concentrated on introducing modern management methods more pragmatically, employing them in selected subunits for narrower purposes rather than more broadly in entire police forces. Thus, the Public-Management-toolkit, albeit with varying contents, has found its way into Germany's police forces (Lange and Schenck, 2004; Promberger et al., 2006; Ritsert and Pekar, 2009).

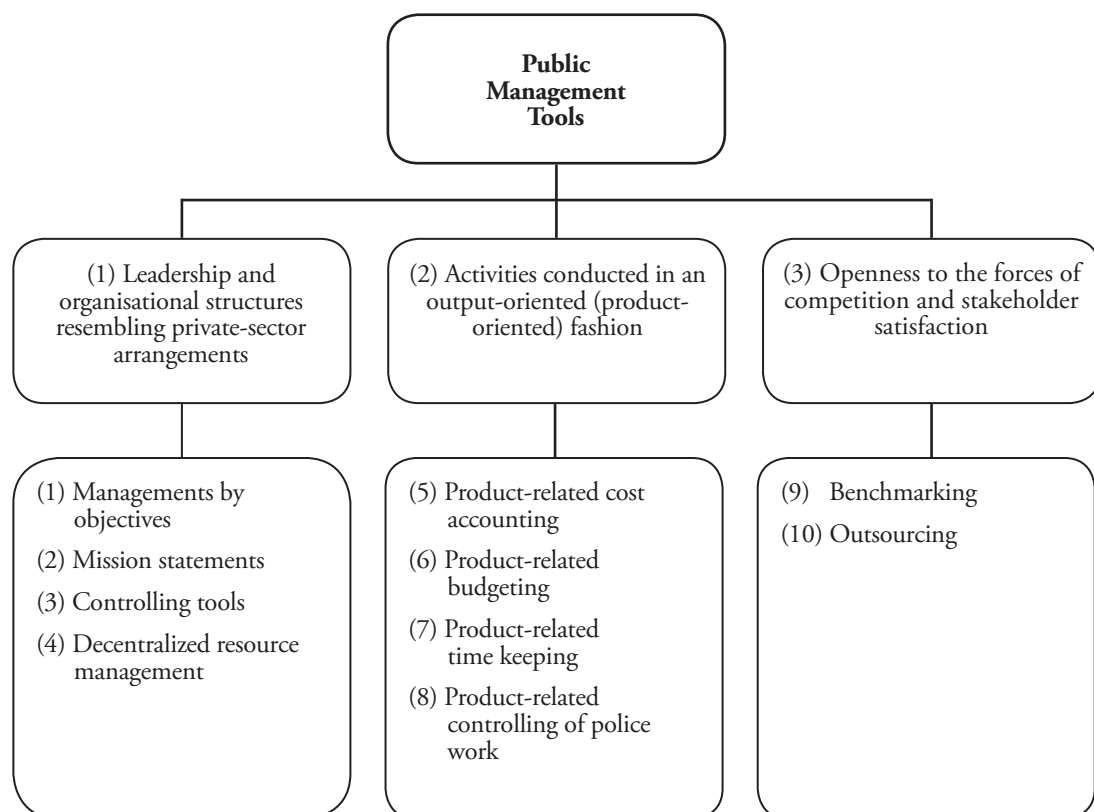
In view of this history, the following key questions arise: Which management instruments do Germany's police forces mainly use? What do police managers perceive to be those tools' benefits?

To answer these questions, we first present a methodological framework. Next, we identify significant instruments which Germany's police forces have incorporated into their operations in the context of Public Management reforms. We then describe selected impacts associated with these innovations. Finally, we discuss insights into the police managers' perceptions of the benefits gained.

METHODOLOGICAL FRAMEWORK

The new management control model, an early variant of the New Public Management Model, initially served as the dominant reference concept for reforming Germany's police forces. Hence, this model constitutes the framework for analysing the management approaches studied. As depicted in Figure 1, it consists of three elements, encompassing a total of ten instruments (Jann, 2005).

Figure 1. New Management Control Model — Tool-Kit ⁽¹⁾



⁽¹⁾ Taken from Jann (2005).



After discussions with the participating ministries confirmed these instruments' importance for the reform process, we fielded a survey. The research design involved our questioning a sample of experts from Germany's sixteen state and two federal police forces. We used partially structured telephone interviews because even experts often have quite different understandings of Public Management terms. The resultant interactive inquiry allowed us to clarify this terminology with the respondents to ensure collection of truly comparable data. In addition, we assured the experts' anonymity by omitting their names and police force affiliation from data collection.

The questionnaire administered during the interviews had four main parts, three of which are relevant for the research reported here. The first section contained nine questions about the interviewee's position and qualifications. The second part consisted of 22 items pertaining to the degree of implementation and perceived importance of selected Public Management tools. The third section comprised 30 items asking about the interplay between Public Management reforms and their impact on organisational change.

Overall, we intended to select between 10 and 12 experts from each state and federal police force for interviewing. Given the three-tiered administrative structure common to German police forces, we chose those experts as follows:

- **Group 1** (Experts from top-level federal or state institutions, such as interior ministries or their equivalents): from each institution, we chose one or two individuals who had major responsibilities in the area of Public Management reforms.
- **Group 2** (Experts from intermediate federal or state authorities): we selected five or six officials from each agency whose job descriptions indicated their responsibilities lay predominantly in the area of Public Management reforms.
- **Group 3** (Experts from lower-level federal or state agencies): we identified five or six staff members per agency whose current responsibilities largely concerned Public Management reforms and who had at least one year of job experience in that area.

When more people met the criteria than envisioned for a contingent's size, we randomly selected the requisite number. With the exception of the Hessian state police, all German police forces participated in the study. Because some police forces did not have a sufficient number of experts meeting the selection criteria, though, not every contingent contained 10-12 experts. In the end, 154 experts participated. From September 2009 to January 2010, telephone interviews averaging 25 minutes apiece took place with all the experts. Accordingly, both the participation rate and the interview completion rate were 100 %.

SELECTED RESULTS OF THE STUDY ACCORDING TO TOPIC

DEGREE OF IMPLEMENTATION AND THE IMPORTANCE OF PUBLIC MANAGEMENT TOOLS

Experts assessed the degree of implementation of the ten instruments in their respective police forces on the following scale: (1) not operative; (2) planned, but not yet in force; (3) piloted in individual areas; (4) established throughout the entire police force; and (5) routine — with constant evaluation and improvement. 'Don't know' responses were excluded from the analysis.

In this connection, the authors identified three groupings with regard to the degree of implementation. Category 1 (mean value > 4.0) consists of controlling tools (4.1, n=152) and management by objectives (4.1, n = 150). Decentralised resource management (3.4, n=146) mission statements (3.3, n=145) and benchmarking (3.0, n=146) comprise Category 2 (3.0 ≤ mean value ≤ 4.0). Category 3 (mean value < 3.0) encompasses the product-oriented instruments and outsourcing (2.4, n=135).

In addition, the experts were asked to give their opinion with regard to the importance of the selected management tools. For the assessment of the tools' relevance, the following scale values were available: (1) unimportant, (2) rather unimportant, (3) indifferent, (4) rather important, (5) important, or 'don't know'. Based on the resulting assessments by the respondents, the authors identified three groupings with regard to the importance of selected management



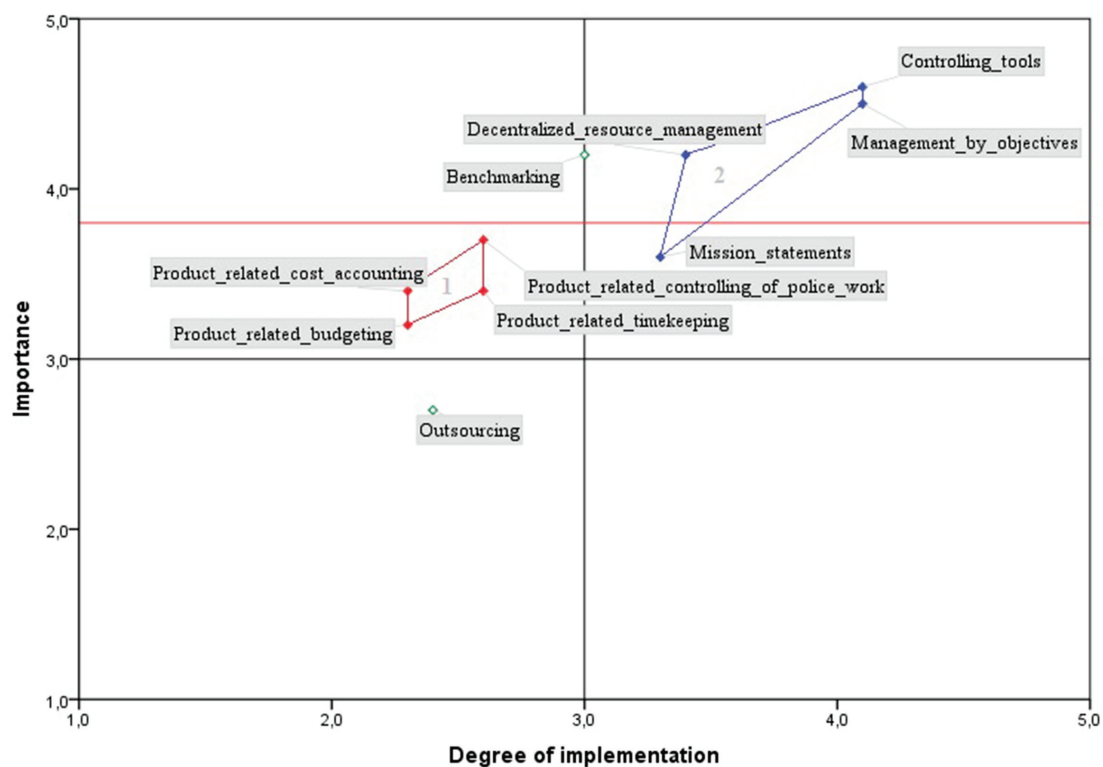
tools. Category 1 (mean value > 4.0) contains controlling tools (4.6, n=152), management by objectives (4.5, n=154), decentralised resource management (4.2, n=152) and benchmarking (4.2, n=153). Product-oriented instruments and mission statements (3.6, n=152) comprise Category 2 (3.0 ≤ mean value ≤ 4.00). Category 3 (mean value < 3.0) encompasses outsourcing (2.7, n=145).

We present these findings on a four-field diagram to illustrate the development potential of selected Public Management tools (Figure 2). Defining the location of a given Public Management tool

within the four quadrants are the corresponding values of its degree of implementation and its importance.

Due to the fact that experts probably assess the selected management tools more positively than would other comparison groups within the police forces, we redefined the axial cross. The horizontal position of the new axial cross stems from calculation of the mean for all values with regard to the degree of implementation. The same applies to the vertical position in relation to importance. Accordingly, the axial cross now is at (3.0/3.8).

Figure 2. Importance and degree of implementation of the selected Public Management tools.



Box 1 contains Group 2's management tools (numbered 5-8 in Figure 1). These instruments are not well regarded, being characterised by both a low degree of implementation and low perceived importance. In this context, two interpretations are plausible: (a) the low importance is a consequence of the low degree of implementation; (b) the low degree of implementation is a consequence of the low importance. In the first case, an investment strategy would be logical if boosting the degree of implementation would lead to greater benefits and, hence, higher perceived importance. In the second case, a divestment strategy would be

logical, due to the tools' perceived unimportance and, thus, weak expectations for their beneficial employment.

Box 2 holds Group 1's management tools (numbered 1-4 in Figure 1). High degrees of both implementation and importance characterise these instruments. In combination, the two characteristics indicate good suitability and most likely ought to lead to additional investment to promote further enhancements, refinements and innovations regarding them. Only the mission statement tool potentially faces decreasing implementation on account of its lower



perceived importance. In its case, consolidation or divestment strategies would be logical.

Outsourcing and benchmarking (Group 3 in Figure 1, the toolkit of 'openness to the forces of competition and stakeholder satisfaction') lie outside the two boxes. In terms of outsourcing, the low importance or low degree of implementation most likely will lead to divestment strategies, too. In the case of benchmarking with its high importance, growth strategies seem appropriate in order to increase its degree of implementation. Nonetheless, benchmarking also appears to hold only a moderate potential for reforms or innovations.

IMPACT OF PUBLIC MANAGEMENT TOOLKIT USAGE

To analyse the effects of Public Management toolkit usage in police force management, the questionnaire operationalised police management along selected dimensions such as strategy-and-goal-oriented or finance-oriented. The respondents' agreement with items indicated the reform toolkit's overall impact on a given dimension. Values on the agreement scale were: 1 = strongly disagree; 2 = disagree; 3 = agree; and 4 = strongly agree.

The results show respondents believe the strategy-and-goal-oriented dimension has the largest impact on police forces' management systems with an overall arithmetic mean of 3.15. By favouring this dimension, respondents also indicated their support for the public management instruments composing it, namely a long-term orientation on strategic objectives, setting measurable goals, and developing methods for measuring and managing performance.

With regard to the financial dimension (arithmetic mean of 2.54), we discovered a surprising lack of influence. Public institutions generally have faced economic pressure due to increasingly constrained budgetary resources. Hence, financial goals such as efficiency and effectiveness have become crucial elements of public management concepts. In contrast, the study's results show that the associated reforms have had only a moderate impact on the financial dimension. This finding stems from respondents' assessment of the degree to which public management instruments facilitated:

an orientation on financial and budgetary transparency as well as on strategic goals; delegation of responsibility for the efficient and purposeful use of monetary resources; heightened cost awareness; and creation of greater room for manoeuvre in resource allocation decision-making. With a mean of 3.45, only decentralised resource management has attained a moderate degree of implementation.

To analyse whether the observed differences among the selected dimensions were significant, we employed several statistical tests. First, we ran a Kolmogorov-Smirnov test. The results showed the data for the financial dimension to be normally distributed ($p > 0.05$).

Because the data for the strategy-and-goal oriented dimension were not distributed normally, though, we then used the Friedman test for non-parametric location as well as Wilcoxon signed-rank tests with a Bonferroni correction (at $p < 0.003$). These tests demonstrated that the financial dimension was significantly different from the strategy-and-goal-oriented dimension.

In addition, the study used an analysis of internal consistency to test the impact of Public Management toolkit usage on the organisational management system of Germany's police forces. For the purpose of measuring the internal consistency of items within the selected dimensions, a Cronbach's α value of 0.70 generally is an acceptable threshold for reliability (Nunnally and Bernstein, 1994). For both dimensions, values of the test statistic exceeded 0.75.

In summary, it is noteworthy that:

1. Instruments 1-4 (Group 1) serve to introduce private-sector leadership and organisational principles and thus lend a goal-and-result orientation to police management. Their high degree of implementation and perceived high importance are consistent with the experts' belief that these instruments' effects are greatest in the area of strategy and goal orientation.
2. Given that tools 5-8 (Group 2) enjoy less perceived importance and a lower degree of implementation, these results also are consistent the experts' opinion that the financial dimension (cost transparency, efficient resource usage) has relatively little influence on police management.





DISCUSSION

At first glance, it may seem surprising that financial aspects have had only small observable effects on Public Management within Germany's police forces. After all, the demands for higher efficiency were, and still are, a core concern of the administrative reforms (e.g. Drummond et al., 2000; Brunetto and Farr-Wharton, 2005). On the other hand, it is worth remembering that a special feature of administrative organisations is the dominance task-related goals enjoy over efficiency goals. This dominance is especially evident in agencies, which are responsible for exercising a state's sovereign safety and security functions. For example, product-specific costing has been unable to establish itself in practice. Indeed, some police forces (e.g. the Federal Criminal Police Office, the Federal Police and North Rhine-Westphalia's police) have abandoned their attempts to create product definitions for a variety of police service outputs and outcomes.

Because decentralised budgeting achieved good results in pilot agencies, it persists in some of them (e.g. in Baden-Württemberg). Still, although initially successful elsewhere, the general experience with decentralised budgeting developed differently, too. When police agencies had to transfer their budget savings partly or entirely to the state or federal governments, their interest in managing more efficiently declined markedly. In summary, it seems that police authorities loosely couple some of their proclaimed formal financial practices with their actual behaviour in order to gain legitimacy with influential stakeholders. Collier pointed out that the introduction of management accounting change in a police force (West Mercia Constabularies) can, through loose coupling and a devolved budget, lead to a shift in power (Collier, 2001).

The large influence strategy, goal and controlling instruments have also can be explained partly by police work's high reliance on a division of labour. Police forces favour them because these instruments are helpful in coordinating their manifold activities. Moreover, previous reforms of Germany's police organisations had flattened their hierarchies and thinned out middle management. Hence, higher level authorities found it harder to manage subordinates through personal directives. As tools facilitating indirect administration, strategy, goal and controlling instruments have partially compensated for the elimination of middle management personnel. This effect explains why

strategy, goal and controlling procedures tend to be employed most often by the police forces of larger states (North Rhine-Westphalia, Lower Saxony, Bavaria and Baden-Württemberg).

A review of specialised literature shows these relationships are not peculiar to Germany's police forces. Other countries' police forces display similar patterns of toolkit usage. For example, in the Netherlands studies endeavour 'result-based agreements', a management by objectives approach, containing contracts between the ministry of the interior and subordinated police authorities (Hoogenboezm and Hoogenboezem, 2005; van Sluis et al., 2008; Terpsta and Trommel, 2009). In addition, police forces in England and Wales relied heavily on performance related management concepts (e.g. Police Performance Assessment Framework and Assessment of Policing and Community Safety) to compare police forces' efficiency and performance (Drake and Simper, 2003; Loveday, 2006; Barton and Beyon, 2011). Strategic management concepts, such as the balanced primary, attracted attention in several European police authorities, in particular in Germany (Baden-Württemberg and Lower Saxony), Scotland (Wisniewski and Dickson, 2001), and Sweden (Carmona and Grönlund, 2003) but meanwhile face, at least in Germany, decreasing interest.

CONCLUSION

The frequently made demand that Germany's police forces introduce the Public Management concept as a holistic model and adjust their control systems accordingly has not been met in many places. All the same, the understanding of 'leadership' has changed somewhat, especially with respect to the adoption of a more strategic, output/output orientation for administrative actions. The experiences of many European police forces are broadly similar. That is a particularly important development because it surely would be a huge challenge to develop the classic instruments of intra-organisational coordination sufficiently to be useful for inter-organisational coordination. Yet such coordination among agencies similarly charged with safety and security responsibilities is crucial for protecting Europe's external borders, combatting internationally organised crime and defeating both domestic and international terrorism as well as attaining other objectives.



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