

Public Value Performance: What Does It Mean to Create Value in the Public Sector?

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*Summary: Public administrations are required by law to contribute to society, thus obliged to shape the common good. What value they have to society is uncovered by their public value. This chapter provides an approach to public value management that is relevant for organizations, NGOs, and governmental institutions, in order to systematically investigate their contributions to society. Previous work on public value serves as a good starting point, providing significant public value perspectives. We follow this by a conceptual delineation of the public value concept according to Timo Meynhardt, who roots the notion of value in psychological needs theory and thereby links public value directly to a *conditio humana*. As cases in point, we identify and discuss two management tools, the Public Value Scorecard (PVSC) and the Public Value Atlas. We conclude with a short reflection on how public value can advance public sector management.*

Keywords: Public Value, Public Sector Management, Public Value Atlas, GemeinwohlAtlas, Public Value Scorecard, Common Good

1 Introduction

All along, public administration has been dealing with implicit or explicit assumptions about how to contribute best to the *bonum commune* or common good (cf. Maier 1986, Waldo 1948/2007). In the late 20th century, a new variation of this discourse was initiated and framed as the public value approach (Moore 1995).

The public value lens is above a narrative or performance notion for public administrations that links traditional ideas on how to legitimize public action with contemporary notions of entrepreneurship (Meynhardt/Diefenbach 2012; Kearney/Meynhardt, in press). Public value creation can be seen as a contemporary attempt to articulate how organizations contribute to the common good. This is resonating around the globe and is stimulating a number of different concepts (cf. Bryson/Crosby/Bloomberg 2015).

Depending on the cultural, political, and legal context (e.g. Westminster style or German *Rechtsstaat*), the public value discourse has various responses and practical implications. A common denominator is the emphasis of a public administration's value to society and the necessity to actively "manage" within predefined levels of discretion. O'Flynn interpreted the public value discourse as "a way of thinking which is post-bureaucratic and post-competitive allowing us to move beyond the narrow market versus government failure approaches." (2007, p. 353)

As a result, ideas of networked governance, co-production, or public entrepreneurship are conceptualized as means to help better define and ultimately manage the ends of public administration (cf. Stoker 2006). In a sense, public value management is an attempt to deal with the rift between politically defined ends and administrative means, thereby rejuvenating the focus on the common good in the public sector (Crosby/Bryson 2005).

In this chapter, we provide a short overview of different perspectives within the public value literature. The main part is devoted to introducing one approach in some detail – the public value concept according to Timo Meynhardt (2009a; 2015; Meynhardt/Bartholomes 2011), which Bryson, Crosby, and Bloomberg (2014, p. 450) characterize as "an important but far less well known approach." Our aim is to show how public managers can use Meynhardt's public value approach to reflect value creation in the public sector.

2 Theoretical background

2.1 The public value debate

Public value research as a distinct field dates to 1995, with Mark Moore's seminal book *Creating Public Value: Strategic Management in Government* (1995). Moore presented a normative theory of strategic management in the public sector, to help public managers to increase the value, to the public, of the organizations that are supposed to serve to them. His approach is somewhat analogous to a shareholder value orientation in the private sector when he asserts that "the aim of managerial work in the public sector is to create *public* value just as the aim of managerial work in the private sector is to create *private* value" (Moore 1995, p. 28) – at a time when the general zeitgeist was very critical of government's capacity to solve society's problems, and public management thinking was embracing *new public management* ideas, which (often) involved shrinking the state. Against this background, seeing the public sector as a value-creating mechanism was a reminder of the importance of the collective. However, Moore (1995) also points out that his work is grounded in earlier work by public management scholars such as Dwight Waldo (1948/2007), according to whom public management is involved in political (and value-laden) dynamics.

Since the publication of Moore's book 20 years ago, the research field has evolved: Public value research frequently appears in major public management journals, and a number of special issues (e.g. *International Journal of Public Administration* 2009, *Public Administration Review* 2014) and edited volumes (e.g. Benington/Moore 2011; Bryson/Crosby/Bloomberg 2015) have been published on public value. In Germany, a special issue of the journal *Organisationsentwicklung – Zeitschrift für Unternehmensentwicklung und Change Management* was dedicated to public value in different sectors (Meynhardt 2013), and the term was included in both the *International Encyclopedia of Civil Society* (Meynhardt 2009b) and the *Handbuch zur Verwaltungsreform* (Handbook of Public Administration Reform) in Germany (Meynhardt 2011).

This approach has also been applied to public management practice, most notably in the UK, where it was embraced by the Blair administra-

tion and even became part of the BBC's mission statement (Crabtree 2004). In Germany, public value ideas were also welcomed to reconcile traditional notions of public administration and management principles imported from the private sector (Hill 2006; 2007; Meynhardt 2008; 2009a; 2009b; Meynhardt/Metelmann 2009). Hill (2006) argued that after the *lean state* and the *activating state*, the *value-creating state* is needed (Hill 2006, p. 82). For Stoker (2006), public value could even serve as an "emerging paradigm" for networked governance.

Germany's Federal Labor Agency (FLA), Europe's biggest bureaucracy, has used the approach to demonstrate its value to the public, which goes beyond mere task fulfillment (Meynhardt/Metelmann 2009; Weise/Deinzer 2013). In Austria, the public broadcaster ORF systematically evaluates its activities against a public value measure (Unterberger 2013). German Schools Abroad, a highly prestigious school, evaluated its public value on a global scale (WDA 2014). Another example is the Public Value Award for public baths in Germany, which was initiated in 2010 to better appreciate and better legitimize public baths (Ochsenbauer/Ziemke-Jerrentrup 2013). The Goethe Institute applied this methodology to determine its public value creation (Meynhardt/Maier/Schulze 2010).

This wealth of published research and practical applications has made the field more diverse, and it has been noted that there is uncertainty about what public value is and what the most important elements of the public value literature are (Williams/Shearer 2011). We follow the recent categorization of major theoretical approaches according to Bryson, Crosby, and Bloomberg (2014; 2015). They distinguish between *Mark Moore on Creating Public Value*, *Barry Bozeman on Public Values*, and work concerning *Psychological Sources of Public Value* by Timo Meynhardt (Bryson/Crosby/Bloomberg 2015, pp. 2-11). We will now give concise overviews of the work by the main protagonists – Moore, Bozeman, and Meynhardt (Bryson/Crosby/Bloomberg 2014; 2015). We will also describe Meynhardt's psychological approach in more detail, since it provides the theoretical basis for the *Public Value Scorecard (PVSC)* and the *Public Value Atlas* (in German: *GemeinwohlAtlas*) we will then present.

2.2 Creating public value according to Mark Moore

As noted, Mark Moore's book (1995) marked the beginning of the public value research field. Importantly, Moore (1995) makes clear, at the outset, that his theory is a normative theory of managerial behavior. Thus, he is not concerned with explaining observed managerial or organizational behavior or with making recommendations for organizational issues. Moore's focus is on what individual public managers should do. To help public managers identify opportunities to increase public value, he provides them with a strategic management framework – the *strategic triangle* – that is based on the notion that strategic management in the public sector must align three components: First, any strategy must be substantively valuable, which means that public value is produced. Second, the strategy must be considered politically legitimate by the authorizing environment, which is composed of individuals and groups that can control flows of resources (e.g. authority, money, co-production, etc.) that are needed for achieving valuable results. Third, the strategy must be feasible in terms of operational capacity, i.e. the organization must be capable of delivering the stated results (Moore 1995, p. 71). The strategic triangle supports managers in evaluating strategies from all three perspectives and “helps them maintain a sense of purposefulness that allows them to challenge and lead their organizations toward the production of greater public value” (Moore 1995, p. 72).

Moore's work (1995) has been generally well received, particularly concerning describing tactics and behaviors of the process of creating public value. However, there has also been harsh criticism, including questions whether it is a theory at all. Rhodes and Wanna (2007) have criticized the approach for being incompatible with (Westminster style) democracy, as public managers are given a political role even though they are not elected. In 2013, Moore published the follow-up book, *Recognizing Public Value*, which is mainly concerned with measuring public value performance. Here, he further develops the strategic triangle into his version of a public value scorecard by providing a generic public value account and concrete checklists (Moore 2013). Interestingly, to date, Moore has provided neither an explicit behavioral concept of value nor one of the public – two key terms of his approach.

2.3 Public values according to Barry Bozeman

In contrast to Moore's managerial perspective, Bozeman's work is more concerned with the societal level (Bryson/Crosby/Bloomberg 2014; 2015). This is evident in Bozeman's definition of public values as "those providing normative consensus about the *rights, benefits, and prerogatives* to which citizens should (and should not) be entitled; the *obligations* of citizens to society, the state, and one another; and the *principles* on which governments and policies should be based" (Bozeman 2007, p. 17).

A central theme in Bozeman's approach is the idea of *public-value failure*, describing situations in which neither the market nor the state provides the necessary outputs and conditions to achieve public values (Bozeman 2002). Thus, Bozeman's approach focuses on values held in society and whether these are met, regardless of the delivering organization's status as either public or private (Meynhardt 2009a; 2009b). To consider collective values in policy-making decisions Welch, Rimes, and Bozeman (2015) propose a *public value mapping* process, a four-step process that involves the identification of public values, the assessment of public value failures and successes, the actual mapping of values, and the consideration of public value as well as market failures and successes.

2.4 Creating public value according to Timo Meynhardt

The psychology-based public value approach was first mentioned by Meynhardt in 2007 and further detailed in his article *Public Value Inside: What is Public Value Creation?* (2009a). Unlike Moore's (1995) and Bozeman's (2002; 2007) approaches to public value, Meynhardt provides a basis for a more refined conception of value: He not only anchors public value in a relational approach to values and embeds it in an ontological foundation in basic human needs, but also relates it to a notion of public that is rooted in individuals' representations and interpretations. Put simply: Public value reflects basic needs, and basic needs form the fundament for public value.

In a first step, Meynhardt forms a relational notion of values (Meynhardt 2009a; 2015). He rejects both subjectivist (i.e. value is not determined by factors external to a subject or dependent on object's properties) and

objectivist (e.g. values are independent of a subject's evaluation and mere characteristics of an object) conceptions. He makes this distinction by following Heyde (1926), who describes value as the result of a relationship between subject and object. Hence, value exists neither independently of an evaluating subject nor independent of an object with certain characteristics that is evaluated. For instance, a car (object) does not unfold its qualities in a magical way without an individual (subject), who evaluates and values the qualities it brings into his or her life. The use of a car to facilitate life or its aesthetic appeal is therefore inscribed into the relationship (value), and rooted neither solely in the object nor in the evaluating subject. Values are therefore created in an active process.

But on what basis do subjects evaluate objects? Can we outline common ground to systematize this notion of value? Given this alignment of values to an individual's evaluation, we can find support in psychological basic needs theories. According to this theoretical perspective, human experience and behavior result from a set of basic needs, which human beings aim to satisfy in order to live healthily (Deci/Ryan 2000). Epstein (2003) outlines four basic needs, which are nowadays firmly established in psychological knowledge: the need for positive self-evaluation, the need for maximizing pleasure, the need for gaining control and coherence, and the need for positive relationships. This fundamental structure underlying human personality allows us to trace back subjective evaluations. They are triggered whenever an object is *forceful* towards the basis of subject's evaluation – the four dimensions of basic psychological needs. The dimensions are displayed in Table 1, along with their central themes. Furthermore, the need dimensions are translated into basic value dimensions (Meynhardt 2009a; 2015). Empirical support for the outlined structure was found in a study with Germany's Federal Labor Agency (Meynhardt/Bartholomes 2011), demonstrating that such a holistic perspective goes beyond mere task fulfillment; it appreciates the full range of being human.

Basic need for...	Translation into a motivation for... (examples)	Basic value dimension
... positive self-evaluation	<ul style="list-style-type: none"> • ... positive self-concept and self-worth • ... consistent relationship between self and environment • ... feeling of high self-esteem (in social comparison) 	Moral-ethical
... maximizing pleasure and avoiding pain	<ul style="list-style-type: none"> • ... positive emotions and avoidance of negative feelings • ... flow experience • ... experience of self-efficacy owing to actions taken 	Hedonistic-aesthetical
... gaining control and coherence over one's conceptual system	<ul style="list-style-type: none"> • ... understanding and controlling environment • ... predictability of cause-and-effect relationships • ... ability to control expectations to cause desired outcomes 	Utilitarian-instrumental
... positive relationships	<ul style="list-style-type: none"> • ... relatedness and belongingness • ... attachment, group identity • ... optimal balance between intimacy and distance 	Political-social

Figure 1: Relation between basic needs and basis value dimensions
Source: Adapted from Meynhardt 2009a.

Against this background, Meynhardt (2009a) relates this individual process of valuation to his notion of the public. Since knowledge about the public can never be complete and depends strongly on the evaluating individuals' experiences, Meynhardt develops the public as an internalized fiction, because people cannot help but generalize experiences and to act "as if". According to him, public value is the subjectively perceived value creation in the relationship between an object (e.g. an organization) and the public as indispensable fiction. This active public value making process is driven by the evaluating individual's basic needs. Thus, public value creation comes into being when people perceive a positive contribution to what they regard as society, societal or-

der or those values representing it. At best, such a perception serves as a resource for the individual's life and strengthens a sense of personal identity and belonging. In this view, public value is a matter of attitudes linking the individual and society, describing the societal dimension of human life.

This approach provides a microfoundation for the public value debate by relating the construct to an ontology of being human. Furthermore, it overcomes the distinction between private and public in respect to value creation. Demands in the private sector may differ greatly from demands in public administrations. However, Meynhardt's value conception provides a basis for both sectors, regardless of whether the objects being evaluated are products, services, investment opportunities, or organizations. The question then is how these objects create or destroy public value for society along the four dimensions – always in the eye of the beholder. In this vein, a new model of corporate entrepreneurship in the public sector was developed, which stipulates the public value dimensions as the primary outcome dimension (Kearney/Meynhardt, in press).

3 Public Value Scorecard (PVSC)

3.1 A management tool to measure public value creation

Following these theoretical assumptions, public value redefines how organizational behavior can contribute to individual as well as societal well-being. Therefore, the concept of public value creation offers not only a new theoretical perspective in the discourse of organizational legitimacy (Suchman 1995), but also reveals the relationship between an organization and its public and the potential for improvements. In other words, the concept of public value can help organizations to better engage with their community and to benefit from this.

Independently of what organizations address by dealing with societal demands, their managers should measure and analyze public value drivers, understand what they should stop doing, what they should keep doing and what they might start doing.

As stated before, according to Meynhardt's (2009a) conception, public value must be perceived subjectively in order to exist, and should therefore be evaluated on the same level or, as Talbot (2006, p. 7) puts it, "public value is what the public values." Thus, organizations need a tool that can be integrated into management systems in order to assess their current public value creation, as perceived by their relevant public(s). Value measurement must be linked to individuals' perceptions and interpretations, otherwise the measures would have no meaning. Yet, this approach must not be equated with measuring individual values. Public value evaluations by individuals solely indicate how individuals assess an object's public value, for instance, a certain project, action, or initiative.

The scorecard approach provides a set of measures to consider impacts in several areas simultaneously. The great advantage of a scorecard is that it provides a fast yet comprehensive view of organizational performance (Kaplan/Norton 1992). In that sense, "the scorecard brings together, in a single management report, many of the seemingly disparate elements of a company's competitive agenda" (Kaplan/Norton 1992, p. 73).

Building on Kaplan and Norton's (1992) *Balanced Scorecard*, Moore (2003; 2013) also introduced a *scorecard for measuring public value*, which was basically the same as his strategic triangle. Yet, Moore's version is only concerned with organizations in the public and non-profit sectors, primarily related to a U.S. context, i.e. not considering the European traditions (Westminster style or German *Rechtsstaat*), where similar processes have long taken place.

Meynhardt (2015), on the other hand, introduces a very different *Public Value Scorecard* that focuses directly on de facto public value creation along the four theory-based basic public value dimensions: moral-ethical, hedonistic-aesthetic, utilitarian-instrumental, and political-social. Within the instrumental-utilitarian dimension, Meynhardt additionally incorporates a fifth dimension (financial-economic), since management practitioners are unlikely to accept frameworks without a financial measure. To sum up, by using the *Public Value Scorecard*, "a manager (or an institution) can now more systematically address the trade-offs

between financial and nonfinancial goals and can better identify societal needs and concerns” (Meynhardt 2015, p. 157).

The Public Value Scorecard has been used in private as well as public organizations. The German soccer club FC Bayern Munich (Berlinger/Bernard 2013; Meynhardt/Strathoff/Berlinger/Bernard 2015) as well as Fresenius Medical Care (Armsen/Moeller/Lampe/Gatti 2013), a leading provider of dialysis products and services, have identified their public values by using the Public Value Scorecard. Within the public sector, the FLA discovered, through the Public Value Scorecard that public value creation and customer satisfaction are not the same (Weise/Deinzer 2013). We will now outline how other public managers could benefit from utilizing this management tool.

3.2 How public sector managers can use the Public Value Scorecard

Public managers can use the Public Value Scorecard in various ways and in many fields. In the following, we present the five inquiry techniques on using the Public Value Scorecard, which Meynhardt (2015) presented in his article *Public Value: Turning a Conceptual Framework into a Scorecard*. The Public Value Scorecard can be applied via five different inquiry techniques: prioritizing, screening, surveying, exploring, or sensing. The data collection methods may vary but the presented five dimensions of the Public Value Scorecard always remain constant. Finally, each method provides either a public value score or a profile (Meynhardt 2015).

Version 1: Prioritizing

This Public Value Scorecard forces its respondents to rank the five value dimensions in a specific context concerning opportunities and risks. Thus, it presents 18 questions that refer to different situations: six questions deal with a general assessment, six address the short-term perspective, and six the medium-term and the long-term perspective. Each respondent is asked to rank each of the given value statements according to their relative importance from 5 (highest importance) to 1 (lowest importance). Together, this version of the Public Value Scorecard is based

on a survey consisting of 90 items (18 x 5). Completing the questionnaire takes approximately 15 to 20 minutes.

The gathered data leads to a pentagonal profile, thereby focusing management attention to perceived opportunities and risks of public value creation within the five value dimensions. The illustrating scorecard can be easily computed from the ranking results (Meynhardt 2015). Public sector managers should label the pentagonal edges according to their context and interest (see Figure 2). Typically, the defined labelling fits, but concerning public sector management issues, an adjustment of the profitability dimension may be useful.

Version 2: Screening

This Public Value Scorecard consensus allows to build in a dialogical communication setting. A common method is to set up facilitated group discussions, for instance, in workshops with specific target groups to get insights about their perceived public value creation. In such workshops, public sector managers can let participants evaluate for instance prospective projects in relation to each of the five value dimensions (Meynhardt 2015). Beforehand, it might be useful for public sector managers to characterize the value dimensions according to key indicators in the given public organizational contexts.

This screening methodology of the Public Value Scorecard has been used since 2010 to select Germany's best public bath concerning public value creation (Ochensbauer/Ziemke-Jerrentrup 2013). Besides this public sector award, the same approach has been applied for a global Public Value Award, open for any organization and student around the globe (iF 2015).

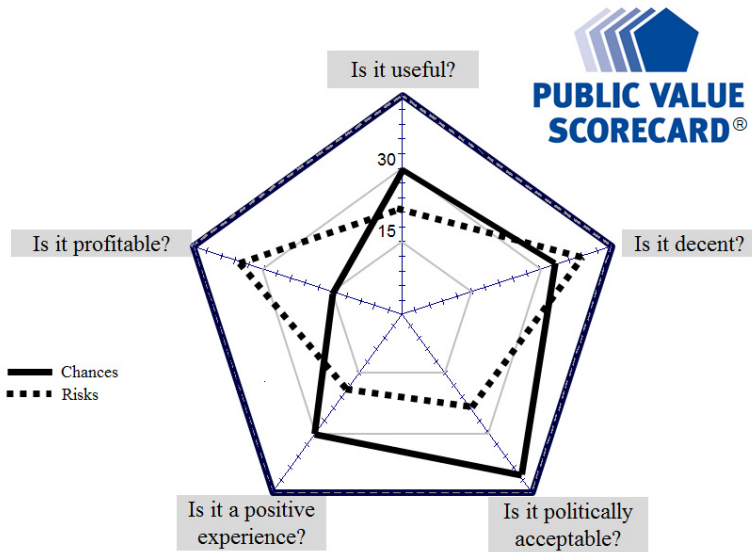


Figure 2: Public Value Scorecard
Source: Adapted from Meynhardt 2015.

Version 3: Surveying

This Public Value Scorecard is adapted for use in large-scale surveys. Since it is very difficult for public sector managers to force thousands of respondents to rank public value depending on different statements, the indicators can be adapted into a question battery with Likert scales from 1 to 6, which we will discuss in some detail in the next section. Such large-scale surveys enable public sector management to ask different stakeholder groups to assess their specific public value creation and to gain comparable data. Descriptive and inference statistics may then be used to examine new relationships and dependencies of public value creation, giving public sector managers new insights into their work's worth (Meynhardt 2015).

Version 4: Exploring

This Public Value Scorecard represents a hybrid between qualitative and quantitative approaches. It builds on the value knowledge guide (Meynhardt 2004) and is the most demanding for the respondent. Its application is especially interesting and relevant for decoding the frames in which a public organization's public value is perceived. In other words, how and under which circumstances do respondents interpret the behavior of a public organization concerning its public value? Therefore, the guiding question for public management in this approach is: What makes our organization valuable to society?

Version 5: Sensing

Taking into account the new possibilities of big data analysis, this Public Value Scorecard presents an inquiry technique for social media data, such as provided by Twitter, Facebook, Google+, or blogs (Meynhardt 2015). The developed machine-learning algorithm makes public value-related content in big data visible for managers. It automatically detects given statements and interprets to what extent they are attached to the public value dimensions. Furthermore, it evaluates the statements as positive, negative, or neutral. The great advantage of such an approach for public management is its real-time sensing of public value dynamics (Meynhardt 2015).

4 Public Value Atlas (GemeinwohlAtlas)

4.1 Giving a voice to society

In 2014, the Center for Leadership and Values in Society of the University of St. Gallen published the first *Public Value Atlas* for Switzerland. The Public Value Atlas is aimed at making transparent the public value of important firms, non-governmental organizations (NGOs), and public administrations and ranks these according to their public value. Following the scorecard's logic, it is designed for very large samples.

A representative sample of the Swiss population comprising nearly 4,500 people was asked to evaluate the public value of 62 organizations across various sectors – given that the respondents knew the organization well enough.

The respondents assessed each organization via an online survey along the four aforementioned public value dimensions. We used a previously validated single-item measure (cf. Meynhardt/Bartholomes 2011) to evaluate each dimension: moral-ethical (Organization behaves decently), hedonistic-aesthetical (Organization contributes to the quality of life in Switzerland), utilitarian-instrumental (Organization does good work in its core business), and political-social (Organization contributes to social cohesion in Switzerland). The respondents indicated how well each organization fulfills their basic human needs by answering the items on a six-point Likert scale, ranging between 1 (*disagree*) and 6 (*agree*). Accordingly, a higher satisfaction of personal needs leads to a higher public value (Meynhardt 2009a). The public value of one organization was calculated from the unweighted mean across all public value dimensions. All organizations were then ranked in decreasing order of their overall public value score. However, since matters of analysis differ, the Public Value Atlas allows one to reconfigure the weights of the public value dimensions. This results in a new order that is valid for the specific analysis.

The first Public Value Atlas has enjoyed broad attention throughout society, represented not only by heavy media coverage, but also by avid interest from organizations in the study, leading to a deeper understanding of the results. Furthermore, results yielded strong relevance for society: 68% of the Swiss respondents were concerned that too little attention is devoted to the common good in their country. And those who believed that the Swiss public administration usually pays interest to the common good reported a higher life satisfaction (Meynhardt/Strathoff/Brieger 2015).

These developments paved the way for the second data collection, which followed a year later. In 2015, the number of organizations had been doubled and complemented by important multinational corporations. The subsequent results led to the second Public Value Atlas for Switzerland

and allowed us to observe first developments in public value over time. Furthermore, the first Public Value Atlas for Germany was published in 2015; more than 7,800 people evaluated the public value of 127 national and international organizations, of which 16 were public sector organizations.

In both countries, the results indicated the topic's great relevance (detailed results and a detailed description of the study design are available for Switzerland at www.gemeinwohl.ch and for Germany at www.gemeinwohlatlas.de). The Public Value Atlas makes transparent organizational contributions to society by providing an empirical database for the discourse on how organizations contribute to the common good. Thus, it gives the public a voice, fosters the dialogue within society and among stakeholders, and increases awareness for public value creation. What is and is not considered to be valuable for society is left to the public's perception. The evaluation lies in the eye of the beholder; thus, it is an emotional-motivational process that is intentionally open (Meynhardt 2009a).

4.2 How public sector managers can use the Public Value Atlas

Since the Public Value Atlas uncovers what organizations contribute to society and what is appreciated most about them, it stimulates reflection about an organization's place in society.

The public value concept fosters a broader perspective on performance in the public sector, a perspective that is more challenging, because it goes beyond complying with given processes or meeting budget restrictions (Meynhardt 2009a). In doing so, it explicitly calls for a more active role, fostering self-initiative and entrepreneurship.

Furthermore, it confronts public sector managers with the question whether their actions bring value to society, which is far more difficult to measure than mere financial performance. The latter is one of many aspects that inform public sector managers about their value creation. Thus, it is not sufficient to solely refer to the facts – for instance the investments made – when analyzing what makes public administrations valuable for society. The Public Value Atlas provides a measure that

could be translated into internal key performance indicators, which operationalize the societal perspective not captured in citizen or customer satisfaction.

There is not always a direct link between investing and creating public value. Investments made for instance to increase internal security do not automatically translate into citizens feeling safe. The value of such investments and the question whether the efforts paid off in the end, depend on the public's perception (Meynhardt 2008). Interestingly, the public value lens sheds new light also on the debate about advantages and disadvantages of modern cameralistics vs. double bookkeeping. A comparison reveals that cameralistics provides a perspective that favors public value creation more easily than double bookkeeping (Meynhardt/Schulze 2010).

Public sector managers can use the results of the Public Value Atlas as a starting point to find out whether their actions contribute to public value. It may be interesting to reflect on the public value dimensions on the organization's self-perception and its strategy. Public managers could derive fruitful hints for pertinent questions, such as: For whom do we (the organization) want to create which kind of value? Do we really create value by fulfilling our legal mandate? How can we discover frictions and tradeoffs between political goals and public value concerns? Different approaches towards answering these questions could be examined by considering the Public Value Atlas. For instance, potential results could reveal that the core business activities are appreciated by the public, but that the organization's contribution to social cohesion is considered low. Another promising approach might be to examine the dimensions from different perspectives such as age or gender differences, employment status, family status, or distance to the organization. It would allow for differentiated statements regarding specific effects of certain dimensions. We will now provide an overview of the public sector results and will discuss the results for Germany's Federal Labor Agency in some detail.

The German Public Value Atlas indicates that the public sector is highly rated by Germans: Fire department (5.72), German Federal Agency for Technical Relief (5.45), German Federal Police (5.07), Federal Constitutional Court (5.06), Die Dritten (TV program) (4.91), ARD (4.67), ZDF

(4.52), Techniker Krankenkasse (4.50), AOK Baden-Württemberg (4.40), AOK Bayern (4.26), German Armed Forces (4.23), Barmer GEK (4.17), DAK-Gesundheit (4.12), Federal Government (4.07), Germany's Federal Labor Agency (3.57), and the European Central Bank (3.49).

In the overall ranking, every public sector organization lies either in the middle (7 organizations) or in the best-performing group (9 organizations) of the public value atlas. The average public value score of the public sector is 4.51. Compared to the average public value score of all other organizations (3.76), the total difference is 0.75, resulting in an effect size of $d_{\text{Cohen}} = 1.23$. With a d_{Cohen} above 0.8, reflecting a large effect size (Cohen 1988), the public sector outperforms the average of all other 111 organizations. Within the 16 public sector organizations, the fire department marks the peak, and is contrasted by the European Central Bank on the other end. In line with the fire department's high public value score, the German Federal Agency for Technical Relief, the German Federal Police, and the Federal Constitutional Court follow on the second, third, and fourth place, respectively. One could speculate that this reflects a strong sense of safety in the German population. In the fifth, sixth, and seventh place, the public television programs are tied together and are followed by health insurance organizations, with the German Armed Forces eleventh. The fourteenth and fifteenth places are held by the Federal Government and the Federal Labor Agency. Of the 16 organizations, only two are below the average of all organizations in the public value atlas (3.85): Germany's Federal Labor Agency and the European Central Bank. This implies that public sector managers in these organizations should consider the following: First, how public value creation can be communicated to society; second, how the own organization can contribute better to the common good than it already does.

If public sector managers use the results of the Public Value Atlas, they should consider the differentiation in the evaluation of the four public value dimensions. The German Public Value Atlas shows that contribution to social cohesion is the least appreciated public value dimension across all public organizations, except for minor deviations. This is an important finding for all public health insurance organizations. Surprisingly, this is not the case for the Federal Government, displaying its strengths in the contribution to social cohesion and life quality, but less

so regarding moral conduct. The highest-rated organizations in the public sector, on the other hand, not only perform well on the moral-ethical dimension, but also on the other dimensions, and especially in performing their core businesses.

This cross-organizational comparison on the various public value dimensions reveals interesting insights for public sector managers. Based on these findings, further in-depth analyses can help public sector managers to examine how an increase of value for society can be maintained and how their efforts need to be adjusted. The Public Value Atlas offers multiple opportunities for analyzing public value performance. Besides the general results (which are presented on the websites), public sector managers can also contact the Public Value Atlas team to undergo an in-depth analysis for their organization by considering further information based on individual-level variables that are not presented in the Swiss and German Public Value Atlas websites.

5 Conclusions

The public value discourse in public administration over the past 20 years indicates a renewed interest in the roles of state institutions in society. Public value thinking provides a narrative and potentially a case for a more active, entrepreneurial role for public managers. It spells out what management in a public administration would mean, both beyond the traditional Weberian idea of bureaucracy and a new public management notion that would call for importing private sector models of efficiency. Public value brings the question of effectiveness to the forefront: Public administration exists owing to a legal obligation to serve and enhance the common good. In this sense, public value reminds us of public administration's reason for being.

Such a reminder was warmly welcomed in times when state institutions were under attack. However, it is not just about the idea of rebalancing and reorienting public administrations towards a positive force in society. The public value discourse calls for an understanding of entrepreneurship in the public sector, which is perhaps the biggest challenge ahead. Bearing in mind the poor performance of the Federal Labor Agency in Germany's first Public Value Atlas in 2015 it becomes clear

how difficult it is to help “translating” new performance imperatives in a way that is appreciated by society – be it a communication problem or a far deeper-reaching public value challenge – is a tough top management challenge. What is at stake is far more than reputation; it is about the very license to operate in a constantly contested world of uncertainty and complexity. It has also been short-sighted to operationalize and legitimize public administration’s existence only by its legal mandate. Public value asks for actual positive impacts on people’s minds and hearts. It will be hard for a public administration to legitimize its operations without acknowledgement from society. It’s not just a pun: public value is what the public values – it is a call to face verification by people. Who else could be the final arbiter when it comes to common good in a secularized world?

Evidently, the task at hand is to better conceptualize subjectivity’s role in constructing the common good. While Moore’s approach (1995) and Bozeman’s framework (2002; 2007) opened the doors for a public value discourse, only a behavioral foundation allows for rigorous empirical work. Without confronting the sphere of pre-rational and value-loaded dispositions, public administration runs the risk of alienation from its citizenry. Public value thinking provides the opportunity to harness the – to date often unseen – value an administration creates for society. Clearly, it provides a compass for public sector leaders concerning strategic challenges, which requires entrepreneurial spirit within a given legal mandate (Meynhardt/Metelmann 2008).

Meynhardt’s theorizing may among others be a candidate to advance our understanding of how psychological factors determine public administration’s impacts on our living conditions.

Public sector managers must constantly question their activities in order to understand how they can create value for society. Thus, it is important to engage in public dialogue. This should form the basis for a shared understanding of public values. What is valuable for society varies over time and across cultures. Therefore, it cannot and should not be completely determined, but – along Kant’s notion – should rather be understood as a regulative idea of living together (Meynhardt 2009a). Nonetheless, we should seek out an approximation in the sense of a shared

understanding of what is seen as valuable for society at a certain point in time. This is an iterative process and can only be achieved in dialogue. Schuppert (2010) suspects that public value management could be an appropriate means to frame it.

In this process, the Public Value Scorecard – among others – provides a useful instrument to weigh future decisions and analyze likelihoods and risks of public value contribution goals. Thus, building on basic human needs as a frame of reference, the Public Value Scorecard fosters a holistic view of managerial actions by considering societal needs. However, public value cannot simply be created; activities must have an impact and must be acknowledged at the individual level (Meynhardt 2009a).

Critics might argue that organization's public value cannot be recognized by the public, but who if not society is in the position to know what is valuable for society? In this view, there are no public value laymen. The Public Value Atlas condenses collective opinions and takes them to heart. In doing so, it does not dictate to organizations how to behave or how to change; nonetheless, public sector managers may see and use the Public Value Atlas as a starting point to become aware of their influence on society and to think about how they can contribute to a joint coevolution.

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