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Corporate Governance ARC Project



CORPORATE GOVERNANCE IN THE PUBLIC SECTOR FROM THEORY TO PRACTICE

Old Parliament House, Canberra

8-10 March 2006



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Session 2

Cross-disciplinary Perspectives on Key Corporate Governance Challenges in the Public Sector: The Governance Perspective

“Changing Conceptions of Governance”

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Organisational conceptions of governance

- **Basic concept of governance in public sector**
 - ‘the processes by which an organisation is directed, controlled and held to account’ (ANAO)
- **Broader view of organisation and its relationships:**
 - agency management
 - structure and operation of boards
 - values & behaviours
 - relationships with stakeholders
- **Different types of governance arrangements within public sector**



Towards new governance

- **Governance, corporate governance & public governance**
- **Towards corporate governance**
 - CG response to importing range of private sector practices
 - As use of concepts that fit corporate structures & relationships of CAC bodies
- **Moving away from public management**
 - Governance as means of responding to consequences of disaggregation etc under new public management
- **Integrated public governance as emergent model?**



Integrated public governance

1. Central agencies strengthening

- Budgeting & estimates (Finance)
- Monitoring performance & values (APSC)
- Strategic, integrating & monitoring (PM&C)

2. Whole-of-Government agenda

- PM&C driven range of initiatives

3. Central monitoring of delivery

- Cabinet Implementation Unit
- Cabinet as gateway & checkpoint



4. Departmental integration

- **Uhrig review of portfolio public agencies & bodies**
- **Reabsorbing agencies**
- **Resurrection of comprehensive ministerial department?**



Implications & directions

- **Trends**
 - Reconfiguring of portfolios
 - Reduction of number & influence of public agencies & bodies
 - Rebalancing of centre and line
- **Tensions between integrating elements**
 - Functional departments
 - Central agency mechanisms
 - Inter-departmental relationships
- **Implications for public governance of:**
 - Reconciling horizontal and vertical?
 - How networked in practice?
 - Whole-of-government?
 - Modes of integration?