

# Public relations: A moderating variable on public sector effectiveness and trust

## (A comparative study between Bosnia and Herzegovina and Slovenia)\*

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The purpose of this paper is to highlight the importance of public relations for improving the effectiveness and reputation of the public sector while simultaneously comparing citizens' level of trust in public organisations in Bosnia and Herzegovina (B&H) and Slovenia. The results of our study in both countries indicate that as the public sector has good public relations (better communication), its effectiveness tends to increase (organisational goals are more likely to be met) and the levels of trust are higher. However, as expected, in Slovenia, the citizens' trust in the public sector is higher. Further, the implications of these results and cross-country differences are also discussed.

**Keywords:** public sector, public relations, communication, effectiveness, trust, Bosnia and Herzegovina, Slovenia. (JEL codes: H83, H41, L32).

### 1 Introduction

The public sector, which has grown substantially since the turn of the century, plays an important role in shaping societies all over the world despite the fact that we face the presence of substantial cross-national differences in its size. In general, it consists of governments and all publicly controlled or publicly funded agencies, enterprises, and other entities that deliver public programs, goods, or services (Dube/Danescu 2011). Moore et al. (2009) define the *effective public authority* (sector) as “institutions that successfully undertake three main functions: providing protection from external threats and managing external relationships; the peaceful resolution of internal conflicts; and providing and encouraging the provision of collective goods and services.”

In accordance with the growing importance (and emerging dilemmas) of the public sector all over the globe, we are facing a wealth of scientific (theoretical)

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and practically applicable debate around public sector challenges/changes, be it within the literature covering public governance or those that focus on public management paradigm discourse (e.g., Bevir et al. 2003). Approximately three decades ago, many countries reformed their public services in line with ideas taken from private business in an attempt to improve efficiency and efficacy (Hood 1991) in accord with a format referred to as *new public management* (NPM). Through the market orientation and business-style management that continue to coexist as the common core of NPM (Osborne/McLaughlin 2002), such an approach still creates hope for better public-sector performance despite limited, and even adverse and unintended, effects reported in the extant literature (e.g., Lynn 1996; Hughes 2003; Hood/Peters 2004; Drechsler 2009).

NPM doctrines tend to focus on setting clear targets and specifying outputs (finding the support in *rational/public choice theory*), but fail to recognise that efficiency is a relative concept that is based on (institutional) context, different national context and appropriateness of resources (Drechsler 2009). Accordingly, these doctrines were perceived to be disconnected from the political and practical world that they aim to affect (Vining/Weimer 2005).

As a reaction on NPM dilemmas, in the nineties *governance* has emerged as an additional concept, which some see as an enrichment of the NPM philosophy, while others as a paradigmatic shift towards a more outwardly focused public sector, emphasising co-operation, democracy and citizen participation (McBain/Smith 2010). Governance can be understood as the shaping and optimising of the interdependencies between actors in a society that cooperatively attempt to produce public value (Kooiman, 1999; Schedler/Siegel 2005; Benz et al. 2007; Schedler 2007). Cooperation and networking between social actors has gained especially increased importance (Lee 2003; Osborne 2006). Keohane and Nye (2001) note the rise of ‘trisectional partnerships’ involving intergovernmental institutions, private firms, and civil society groups, while Benington (2009) uses the term “networked community governance”, which combines a competitive market with a redistributive state and balances economic innovation with social justice.

These concepts are supported and highlighted by the rise of ideas associated with *Public Value Theory* (Moore 1995; Kelly et al. 2002; Benington 2009). They have re-asserted a focus on citizenship, networked governance and the role of public agencies in working with citizens to co-create public value (PV), generate democratic authorisation, legitimacy and trust and stress the domains within which public managers are working as complex adaptive systems with characteristics that are qualitatively different from simple market forms or private-sector business principles (Moore 1995; Cresswell et al. 2006). PV theory has emerged as a post-NPM paradigm (Stoker 2006; Christensen/Laegreid 2007; O’Flynn 2007) in order to reconcile democracy and, in this sense, PV theory

represents a theoretical challenge to NPM. From the PV theory standpoint, public processes aiming at interpreting what is valued by citizens are the primary instrument through which public value is both expressed and created. Unlike the ideas of NPM, which were based on distrust, contractual relations and competition, the PV ideas are based on trust and collaboration.

In spite of the fact that we are facing a wave of relevant literature concerning different concepts and theories on public sector dilemmas, not much can be found around practical implementation (for public managers). According to Smith (2004:69-70), ‘public officials must engage political authority, collaborate with each other within and across institutional boundaries, manage efficiently and effectively, engage with communities and users of services and reflectively develop their own sense of vocation and public duty’. To operate effectively – within PV principles – public managers need management skills focused on conflict resolution, trust building, information sharing, and goal clarity (Domberger/Fernandez 1999; Entwistle/Martin 2005).

Responding to those lacunas in the literature and practice, we introduce the concept of *public relations* (hereafter PR), placing it as a key entity at the overlap of the existing theoretical concepts with the aim to offer some practical insights into how to implement the best (strong points) of NPM and PV theory in day-to-day public management practice. The *motive of this paper* is to connect public sector effectiveness (meant as the complex and wider concept of assessing results) and trust (on which all PV ideas are based) with the PR activities – enabling continuous, smooth and bidirectional communication between all parties involved in public realm. The *basic aim* of this paper is to test the role of PR activities through discourse with a two-fold contribution: a) practical – how to link public sector organisations with citizens (how to improve this relationship) to raise trust and effectiveness, and b) theoretical one-to-public-sector scholarship – how to link the NPM concept (and public choice theory) with the governance concept (and public value theory) into complementary (not antagonist) paradigms to make the public sector effective. We do so by applying a two-country (Slovenia and B&H) multi-method (qualitative – interviews and quantitative – survey) research design to test our hypotheses on two samples of public sector institutions while simultaneously gathering data from the general public as well as from the PR experts.

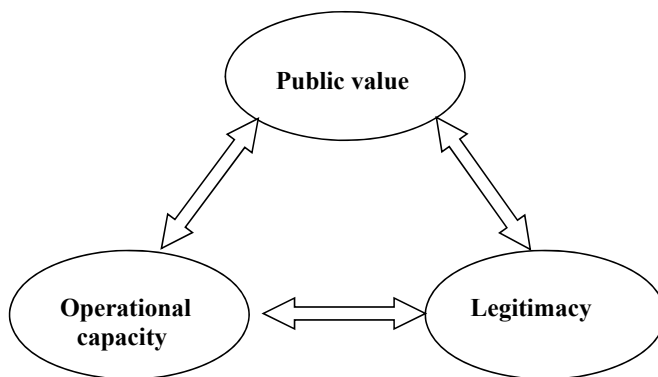
## 2 Theoretical background and hypotheses development

### 2.1 Theoretical background on public value

PV focuses attention both on *what the public values* and on *what strengthens the public sphere*. Public value highlights the processes of value creation and the longer-term outcomes for the public sphere, not just short term activities and outputs. PV highlights the processes of *co-creation*, which are necessary for the

production of public value in much of the public service sector, including the education, health and criminal justice services. An important contribution in developing a concept of strategy in the public sector belongs to Moore (1995), who introduced a “public value strategic triangle”, which describes how governments can develop a *performance measurement* and management system that: 1) force a definition of what exactly constitutes “public value” for a given agency, program, etc.; 2) help mobilise and build legitimacy and support and 3) assist in animating and guiding operational capacity.

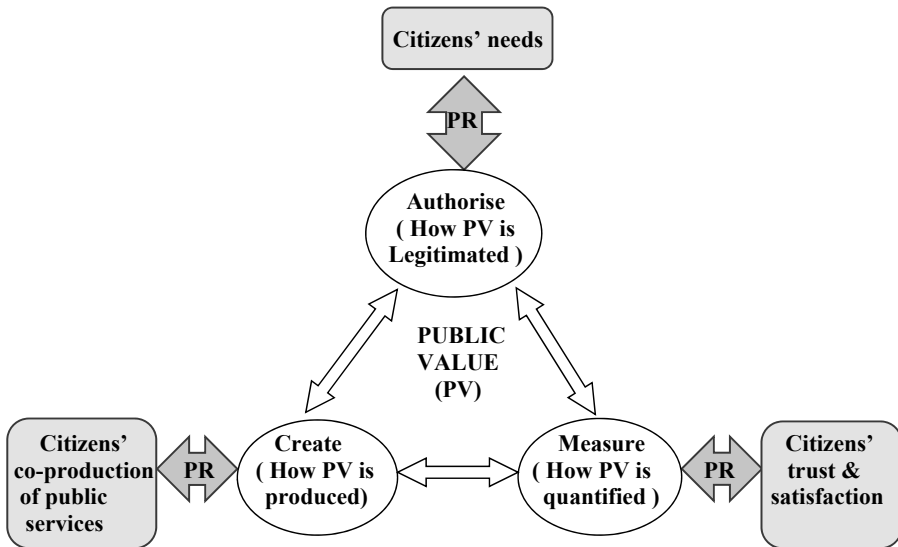
**Fig. 1: Public value strategic triangle**



Source: Moore 1995.

We can summarise the dynamic of public value as the process of answering: a) the what question (what purpose does a certain service exist to fulfil – i.e., authorization); b) the how question (how public value is produced – create); and c) the success question (how public value is quantified – measure). On every corner of Moore’s strategic triangle, the role of PR comes to light, since the whole idea of public value theory (and all triangle components) is based on a close relationship between citizens and public sector organisations. In this context PR activities act as a bridge between all stakeholders involved.

Fig. 2: The public value dynamic



Source: Adapted upon Coats/Passmore 2008.

## 2.2 Hypotheses development

### 2.2.1 Public sector effectiveness

New trends in the management of public sector organisations, as well as more demanding users, have influenced putting performance measures of the public sector on a higher level. Measurement helps a public body to better plan its services, provide better services for users, continue to improve them and increase its support from the public (Pidd 2012). Increased attention to the measurement of results has given rise to a distinction between outputs and outcomes as measures of effectiveness: Outputs are defined as the immediate results of activities and outcomes are measures of the extent to which organisations attain their goals (Berman 2006). Outputs represent what a program actually does, whereas outcomes are the results it produces (Poister 2003). Accordingly, PV theory offers a broad way of measuring public sector performance, moving towards *outcome-based assessment* that represents a shift away from standard approaches, which are focused primarily on outputs and the quantity of service provided, rather than on the impacts of these on service users. It is designed to move the emphasis from activities to results, from outputs to outcomes, and from how a program operates to the good it accomplishes. Outcomes can provide a means of more closely approximating what the user values about the service in question and a more accurate estimation of its PV.

The counterargument of NPM is that, by focusing on cost efficiency, the proponents of competitive solutions overlook the risk that effectiveness—in terms of goal attainment and service quality—may suffer. This is why we examine the *effectiveness* within this study.

Poister (2003) considers that effectiveness measures constitute the single most important category of performance measures because they represent the degree to which a program is producing its intended outcomes and achieving the desired results. Similarly, McCormick (1981) defines effectiveness as a measure of success in achieving a clearly stated objective, whereas Berman (2006) says that effectiveness can be also defined as the level of results. Several models of organisational effectiveness are developed in theory (Cameron 1984) because just one is not applicable in all situations so different circumstances determine which model is the most appropriate.

To determine the level of organisation effectiveness, it is necessary to establish the measures of organisational effectiveness that can be applied to the public sector. Views on effectiveness in practice are different, so formulating the measures of effectiveness is quite a challenging task. According to Sproles (2000), public sector measures of effectiveness evaluate external parameters that are indicative of how well an organisation achieves its goals, so these measures are focused on the stakeholders of a particular organisation. A measure of effectiveness is a statement and not the figure obtained as a result of any measurement process (Sproles 2002).

Thus, we posit the first hypothesis:

*H1: The general public believes that public sector is effective (in achieving its goals).*

### 2.2.2 *The relationship between public sector effectiveness and trust*

The power of public value lies in its advocacy of a greater decision-making role for the public. Thus, from developing the various *consumer-choice-based models* of public service production (e.g., Peters/Pierre 2012), numerous researchers emphasise the importance of bridging the distance between citizens and the public service while sharing ideas of empowering consumers of public services through *coproduction* (Boyle/Harris 2009). Many studies (e.g., Agarwal/Selen 2009) claim that an organisation's innovation capability is increasingly dependent on the quality and extent of its external relationships. Green et al. (2014) discussed effective policy making through the enablement of *mass collaboration* of all stakeholders. Bringing people close to public services is all about establishing *trust*.

Good governance accomplishes its tasks (e.g., conducting public affairs, managing public resources, guaranteeing the realization of human rights, etc.) in a

manner essentially free of abuse and corruption and with due regard to rule of law (Blind 2006). Good governance is synonymous with democratic and *effective governance* because it is participatory, transparent and accountable (UNDP 1997).

Trust, both in its social and political forms, is the sine qua non of good (effective) governance. Good governance and trust feed into each other: trust breeds good governance, and vice versa (Blind 2006). In order for public administration to function smoothly and effectively, it must rely on public support, such as via public trust (Schlesinger in Blind 2006).

Moreover, the *virtuous cycle* of Moore's public value strategic triangle is completed on the basis of trust. When public sector is effective and public value is created, so is greater legitimacy and support (e.g., citizens and elected officials have greater trust in the government), and operational capacity is increased (e.g., financial and other resources could be easier to obtain). When managers firm up the operational capacity perspective, those inputs are more efficiently and effectively turned into outputs that create public value, which then leads to greater legitimacy and support. In short, success begets success (Moore 2013). Public value is grounded in the idea that service effectiveness is best defined by responsiveness to refined public preferences and assumes that public managers will try to both shape public opinion and, in turn, have their views shaped. This is much more of a continuous conversation than an exercise in market research and should be viewed as a serious effort to restore trust in the public realm (Coats/Passmore 2008).

We must take into consideration that – simultaneously with building on “outer trust” (that refers to citizens’ trust towards public sector institutions) – public sector management should build “inner trust” (that refers to trust between public sector employees on all hierarchical levels). In the study conducted by Deforest Molina and McKeown (2012), participants clearly expressed the view that ethical values (such as honesty, integrity, and accountability) were instrumentally significant in their ability to be **effective** in their work. Interviewees report that **trust** among co-workers is the key precondition enabling people to work effectively.

Heintzman and Marson (2005) put the *micro-performance*, service delivery approach into the broader context of a proposed *public sector service value chain* that is reviewing evidence for links between employee engagement (satisfaction and commitment) and client satisfaction in the public sector and between public sector client satisfaction and citizen trust and confidence.

Coats and Passmore (2008) similarly claim that much depends on the quality of relationships between public service employees and the organisations for which they work. Trust is the critical factor here and, if it is absent or if staff are disaf-

fect, alienated and disengaged, then there is very little likelihood that (rising) citizen expectations will be met (and service effectiveness achieved). In that sense, Coats and Passmore (2008:11) have upgraded Moore's theories, saying that "Moore offers only a partial account of how high quality public management can be created and sustained because he says so little about the *management of the people* delivering public services". They suggest that all employees should be motivated and incentivised to view their service from the outside in, or from the perspective of the service user or citizen (the same source). Building inner trust is also important because good reputation is usually developed from inside out, which means that employees who feel trust and commitment towards their co-workers and organisation would bring out that positive emotional stance, thus fostering the development of outer trust in the external environment in turn. The relationship between effectiveness and trust dictates our second hypothesis.

*H2: Public organisations' effectiveness and general public trust in these organisations are positively correlated.*

### 2.2.3 *Public relations: A moderating variable on public sector effectiveness and trust*

Legitimacy of public sector organisations is readily achieved if citizens trust in the government and their representatives. One way to promote trust through the strengthening of political legitimacy is to bring communities closer to their governments and their governments to them. Here, we see *the role of PR* as being essential.

We posit that public sector institutions first need to exhibit effectiveness; it will, in interaction with PR activities, result in higher levels of general public trust in public sector organisations. Positive outputs of public sector, such as its effectiveness, can be expressed in many ways including revenue generation, cost reduction, and cost avoidance through risk reduction (Likely et al. 2006). Weiner (2009) gives an overview of factors that link PR performance to ROI, but we should keep in mind that most public sector investments generate results over a longer period of time, and these future flows of efficiency are often ignored in such analyses (Mihaiu et al. 2010). In general, according to Paine (2007) results of *public relations effects* can be categorized as outputs, outtakes and outcomes.

PR outputs are identified with quickly-reachable results when publicising communication messages (Kazokiene/Stravinskiene 2011). Outputs show short-term results. Measurement of outputs includes, for example, the total number of press release placements in the media, the number of people who participated in a given activity, the number of mentions by the media in a positive light, the number of visits to the organisational web site etc. Measuring PR *outtakes* means mea-

suring the level of understanding and acceptance of messages by the public. PR outtakes determine if the key target audience groups actually received the messages directed at them, paid attention to them, understood and/or comprehended the messages, and retained the messages and can recall them in any shape or form (Lindenmann 2002). *Outcomes* are measures of effect of the PR effort on attitudes, opinions and behaviours. According to Gregory (2000) outcome is the degree to which PR activities changed the target public's knowledge, attitudes and behaviour. Outcomes show the long-term results and the long-term relationships. Outcomes are correlated to overall organisational goals.

In the long term, PR measurement and evaluation involves assessing the success or failure of much broader PR efforts that have, as their aim, seeking to improve and enhance the relationships that organisations maintain with key constituents (Lindenmann 2002). According to Hon (1997) PR activities can be assessed at four different levels, including individual practitioners, programs, organisations and society. Szondi and Theilmann (2009) also emphasise also the importance of the media in the field of evaluation and on the level of PR effectiveness. These orientations and levels of assessment are described in Table 1.

**Table 1: Orientations and levels of PR effectiveness evaluation**

<b>Orienta- tion</b>	<b>Aim of evaluation</b>	<b>Levels</b>
Media	Quantity and quality of coverage	Programme, societal
Publics	Effects on publics how they changed their knowledge and attitudes as a result of PR activities	Programme
Organiza- tion	To demonstrate how public relations can contribute to achieving organizational goals	Organizational
Persua- sion	Demonstrates return on investment (ROI) to clients or management; value of public relations; accountability of public relations professionals or departments	Individual, programme
Relation- ship	Client/agency, organization/publics	Individual, organizational

Source: Szondi/Theilmann 2009.

Building trust and good reputation should not only remain in the domain of the PR department. Actually, every member of the organisation is responsible for it, and management tools and HR practices also play an important role. However, PR is specifically important because its professionals 1) advocate for their organisations and in the same time they are also activists seeking to engage, enlighten, and energise an organisation's many stakeholders (presenting the stakeholders' interests and views to management); 2) play an important role in organisational culture development and building mutual trust; 3) are counsellors who actively advise and guide organisations in honestly communicating and behaving

in the best interests of society and all constituents; 4) are enablers and connectors, helping organisations to stay grounded, human and sensitive to the needs and desires of their communities (Corbett 2015).

In that sense, PR – as practical tool for bridging public sector organisations and citizens – fits perfectly into PV theory. The role of PR is rising with the doctrine of contemporary governance, with the so-called ‘Networked Community Governance’ (Benington 2009), where not the state (governance through hierarchies within traditional public administration) nor the market (within NPM), but civil society plays the crucial role in functioning of public sector. Here, PR should weave the necessary nets between all actors connected into public realm. PR enables the dialogue between effective demand and effective supply (e.g., the capacity to provide services, outcomes and trust).

Anyway, when discussing the role of PR within the relationship between public sector effectiveness and citizens’ trust, we must also urgently consider cultural specifics, values and ideology. Grunig and Hunt (1992), for example, believe that in *post-transition economies* the dominant worldview in PR is the asymmetrical view in which PR is seen as a way of getting what the organisation wants without changing its behaviour and without compromises. Therefore, in the post-transition economies, PR has some additional roles that have been examined by Tampere (2006) and Lawniczak (2001). After the *managerial, reflective, educational, and operational* roles presented by Van Ruler and Verčič (2002), *transitional public relations* fulfil a fifth role as an *effective instrument for systemic transformation*. In a transition society, discussion has not yet emerged, communication is asymmetric and chaotic, and there is no social responsibility in the sense of democratic society at the very early stages of transition. To address this, Tampere (2006) suggests one additional role of PR, the *integrative role*: In the European context, it is important to discover opportunities for cooperation (integrating the experiences of different economic systems, societies, cultures and ideologies).

Together with PR’s integrative role, it is possible to find new dimensions in the actions of PR practitioners: They will be in a much more diplomatic position, acting as translators between different approaches to existence.

Regardless of the cultural specifics, according to Grunig et al. (1992), the contribution of PR to beneficial outcomes such as trust is seen in helping to reconcile the organisation’s goals with the expectations of its strategic constituencies and also by building quality, long-term relationships with strategic constituencies. The quality of relationships with strategic publics is a key indicator of the long-term contribution to which public relations can contribute (Grunig et al. 2002). Therefore, in the interaction, we expect that PR plays a significant role in building trust in public sector organisations, particularly by communicating that the public sector is effective. We, thus, propose the moderation hypothesis:

*H3: Public relations in public sector organisations moderates the relationship between public organisations' effectiveness and their reputation (general public trust); the higher the level of public relations, the more positive the relationship between public organisations' effectiveness and their reputation.*

#### *2.2.4 Trust in public sector organisations in Slovenia and B&H: A cross-cultural comparison*

While investigating the role of PR as a moderating variable on public sector effectiveness and trust, it seems interesting to check if this subtle result of more or less effective public sector differs within the two very different countries included in our study. We deliberately chose two countries that have some similarities (such as the common past, living in ex-Yugoslavia) and numerous considerable differences related to national culture, economic development, and the institutional system, indicated in what follows.

There are evidential cultural differences between them. Studies conducted by Goić and Bilić (2008), Podrug et al. (2006), and Hirt and Ortlieb (2012) have used theoretical lenses of either Hofstede's (2001) or Trompenaars's (1994) national cultures dimensions in order to map and empirically test those differences between Slovenia and B&H. Goić and Bilić (2008) concluded that the Slovenian culture is relatively homogenous and influenced by central European culture. B&H, on the other hand, is more heterogeneous (in terms of language, culture and religion) and influenced fundamentally by Oriental and Dinaric cultural traits. Research by Podrug et al. (2006) and Hirt and Ortlieb (2012) informs us that simultaneously accounting for all five of Hofstede's national culture dimensions, Slovenia and B&H are quite different, while B&H is culturally more similar to Croatia than to Slovenia.

In addition to national culture dimensions, numerous other indicators speak about the differences among Slovenia and B&H and support the premise that trust in the public sector should be higher in Slovenia than it is in B&H. For starters, numerous bodies of evidence show the economic development and public sector effectiveness correlate, just like the most developed countries in terms of income, longevity and literacy are also ahead in the quality of institutions (Kunčič 2014). Similarly, there are a lot of indexes that represent cross-cultural variety on different fields. Many of them can help us when developing our idea about higher/lower trust in the public sector in the two countries under investigation within this study. For example, we have been comparing *institutional quality* (Kunčič 2014) – a composite indicator which combines the information of several empirical measures that can be based on a simple average of more variables or they are extracted as the latent factor with factor analysis (truly representing the underlying institutional dimension, which is the institutional proxies

share). The empirical proxies are grouped into three relatively homogenous groups of formal institutions: legal, political and economic<sup>1</sup> (the same source).

Cluster analysis allows us to cluster similar countries, in terms of institutional quality together, and forms homogenous groups. The quality of institutional proxies within each group is best examined when comparing the average values for each proxy between clusters for legal, political and economic institutions, respectively. Based on that, we can also interpret the average cluster characteristics (five clusters appear from analysis).

Cluster 4 is considered to express good results with having most of the institutional proxies that are well above the average (Slovenia belongs to that cluster). However, the other former Yugoslav republics that were involved in this research, such as Serbia and Croatia, belong to cluster 2 and we can assume that B&H is more similar to those countries than to Slovenia. We definitely cannot assume B&H to come to cluster 4, considering its level of development, taking into account the presence of Muslim religion in B&H that, unfortunately, influences worse results when considering the quality of the institutional environment (Kunčič 2012 a).

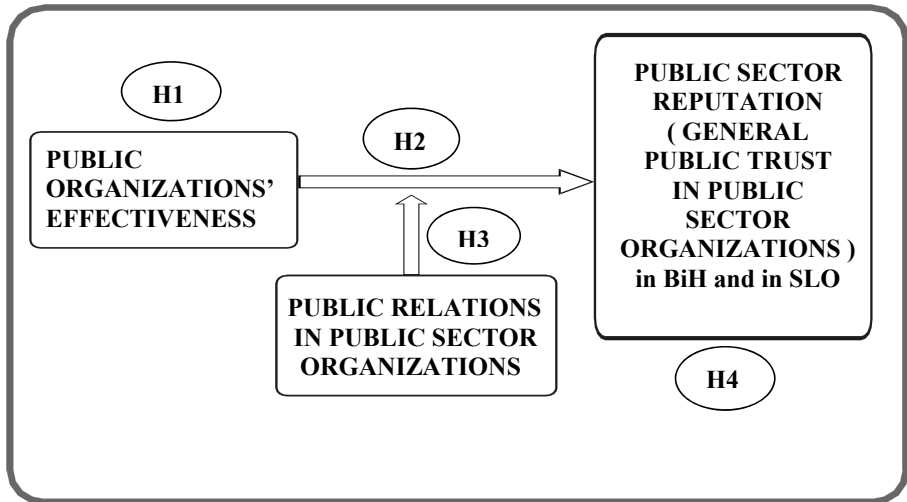
Observing the means of factor values for legal institutions, Slovenia is on the 19th place (with the mean factor value 0.24), while B&H's score is much lower and actually negative: -1.51. Similarly, the mean factor value for political institutions is 0.34 for Slovenia (placing it in the 17th position, while Switzerland is on the first place), and B&H is among the worst countries with the mean factor value -0.93 (Kunčič 2012 b). Within the same study, B&H is mentioned as an example of the country that is the closest to the 10<sup>th</sup> percentile, be it for "Legal Structure and Security of Property Rights: Legal Enforcement of Contracts" or for "Political Rights: Electoral Process" (the same source).

Besides comparing institutional quality between Slovenia and B&H, the idea for developing H4 is also based on other relevant indexes, such as the *human freedom index* (Vásquez/Porčnik 2015), where Slovenia always shows better results than B&H. Also, when evaluating the *public sector ethics index*, B&H is 21.5 and Slovenia is 49.3. Moreover, similar results appear when observing the *judicial/legal effectiveness index*, which is 12.4 for B&H and 51.1 for Slovenia<sup>2</sup> (Kaufmann 2004). Therefore, based on the numerous above mentioned indicators, we propose H4:

- 1 Kunčič (2012 a) chose the three homogenous groups of formal institutions, legal, political and economic, since they capture, to a large extent, the complete formal institutional environment of a country.
- 2 For all indices, a higher value implies a higher ethical standard rating given by the country's enterprise sector.

*H4: The general public's trust in public sector in Slovenia is higher than it is in B&H. We present our research model with hypotheses in Figure 3.*

**Fig. 3: The research model with operationalized constructs and hypotheses**



### 3 The research methodology

#### 3.1 Research design and instrument

Empirical research applied both qualitative and quantitative methods. The qualitative method was used to explore the public relations status in Slovenia, simultaneously helping to develop questionnaires (the quantitative methods) for investigating PR practices in B&H, as well as to provide more depth when interpreting quantitative results. In addition, the quantitative method was used to explore public opinion about the public sector and levels of public trust in the public sector of both countries (B&H and Slovenia).

The key research instruments for the empirical research of the thesis are two online questionnaires that enabled a collection of responses from PR professionals in B&H and people randomly chosen in B&H and Slovenia. Responses from Slovenian PR experts were gathered through online interviews which helped in creating parallels between B&H and Slovenia about PR practices. Different types of research were used for the public sector in B&H and Slovenia. Online interviews were chosen because such responses helped us to obtain a bigger picture about the topic and an in-depth insight into research problems. Also, the interviews significantly helped in developing questionnaires used in the quantitative research. Questionnaires are an appropriate way to obtain information from a large number of respondents. Getting as many responses as possible in B&H was a key factor for having a representative sample. Considering the nature of

the public sector organisations in B&H, their fear that someone could find out “top secrets” about their organisations and their limited openness to speak face to face about these topics, the questionnaire enabled respondents to state their views privately without concerns about possible consequences.

The development of questionnaires was based on theory and secondary data obtained through literature reviews from journals, publications and books, but also from in-depth information obtained from interviewees. The research methodology used deductive reasoning: moving from the existing literature’s theoretical concepts to primary data collection, aiming to explain the causal relationship between the three explored constructs: PR practices, public sector effectiveness and trust. Most questions (statements) in the questionnaire were designed in a way that the respondents were expected to indicate their agreement with the statements on a Likert scale.

### 3.2 Sample

Surveys with people randomly chosen from B&H and Slovenia were conducted in May 2014. The questionnaires were placed on Google Drive, an online platform for forms. Cover letters with a first questionnaire link were sent via email to the PR practitioners (questionnaire attached in Appendix 1) of about 300 B&H public sector organisations. The other questionnaire for general audiences (attached in Appendix 2) from B&H and Slovenia was distributed through Facebook and the email addresses of 300 people in an attempt to obtain a stratified sample that would be representative of the population. In total, 50 people in Slovenia and 120 in B&H responded by providing fully completed questionnaires that were useful for the analysis. Research streams about PR practices in B&H and Slovenia were simultaneously conducted. The survey with PR practitioners from B&H was conducted in March 2014. The number of useful responses was 63. Online interviews with Slovenian PR experts were also done in March 2014. Invitations for an interview were sent to 5 people, only 2 of whom responded.

### 3.3 Data analyses

The collected empirical data were processed in Excel and in SPSS version 21. The collected empirical data from these surveys were first analysed in terms of descriptive statistics, frequency distributions, and simple correlation analyses. After that, we applied a series of *hierarchical linear regression analyses* to test the relationships among our focal constructs. These tests also included a *moderation analysis* and *consequent plotting* of the interaction in the Excel spreadsheet (Aiken/West 1991; Dawson 2014).

## 4 Results

After the research process has been carried through (in the empirical part), the results were expected to demonstrate the current situation of public sector effectiveness and wider public trust in public organisations. Actually, PR outputs were identified with quickly-reachable results when publicising communication messages (Kazokiene/Stravinskiene 2011). In this sense, outputs show short-term results. The measurement of outputs includes, for example, the total number of press release placements in the media, the number of people who participated in a given activity, the number of mentions by the media in a positive light, the number of visits to organisational web site, etc.

Descriptive statistics are presented in Tables 2 and 3. The first hypothesis was supposed to determine whether or not the *general public believes that public sector is effective*. The results in Slovenia (mean = 2.536 on a scale 1-5), as well as in B&H, the mean (2.1558 on a scale 1-5) were not significantly higher than the scale average (3) – in fact, they were lower. Therefore, we can fully reject hypothesis 1. To add to those findings, trust levels are the highest for cultural institutions, public schools and public hospitals. Public trust in the government is at the lowest level (Table 2).

**Table 2: Public level of trust into public sector (item summary) – Slovenia and B&H**

Type of organization	Mean*		SD	
	Slovenia	B&H	Slovenia	B&H
Government/Ministries	2.16	1.85	0.791	0.872
Public agencies	2.56	2.15	0.674	0.894
Public enterprises	2.58	2.38	0.758	0.861
Public schools	3.85	3.05	0.584	0.915
Public hospitals	3.66	2.65	0.658	0.984
Cultural institutions	3.94	3.34	0.619	1.041
Police	3.46	2.70	0.813	0.983

N (Slovenia) = 50; N (B&H) = 120

\* Mean is measured upon 5-point Scale: 1 = No trust; 5 = Complete trust.

**Table 3: Means, Standard Deviations, and Correlations**

Variable	Slovenia						Bosnia & Herzegovina				Mean	SD
	Mean	SD	1	2	3	4	1	2	3	4		
1 Age <sup>1</sup>	2.32	.82	-				-				2.06	.75
2 Gender <sup>2</sup>	1.46	.50	.08	-			-.02	-			1.45	.50
3 Public relations	3.44	.61					-.01	-.19 <sup>+</sup>	-		3.22	.64
4 Public sector effectiveness	2.54	.63					-.03	.10	.34 <sup>**</sup>	-	2.16	.61
5 Public sector reputation	3.17	.46					-.03	.01	.34 <sup>**</sup>	.55 <sup>**</sup>	2.59	.68

<sup>1</sup>Categorized in classes: 1 = 18 – 25; 2 = 26 – 35; 3 = 36-45; 4 = 46 – 55; 5 = 55+

<sup>2</sup>1 = Female; 2 = Male.

To tests other hypotheses, we applied a series of hierarchical regression analyses and present the results in Tables 4 and 5. The second hypothesis predicted that *public organisations' effectiveness and general public trust in these organisations are positively correlated*. Results in both Slovenia and B&H support this hypothesis (Model 1: Slovenia –  $\beta = .67, p < .01$ ; B&H –  $\beta = .54, p < .01$ ).

**Table 4: Hierarchical linear regression analysis results for public organizations effectiveness as the dependent variable a**

	Slovenia		B&H	
	St. error	Beta	St. error	Beta
Age	.167	.105	.070	-.029
Gender	.103	.077	.107	.169 <sup>†</sup>
Public relations	.139	.394 <sup>**</sup>	.084	.369 <sup>**</sup>
R <sup>2</sup> (F, df)	.17 (3.200, 49)		.14 (6.402, 119)	

<sup>a</sup> n (SLO) = 50, n (B&H) = 120.

<sup>\*\*</sup>  $p < .01$ , <sup>†</sup>  $p < .05$ , <sup>†</sup>  $p < .10$

**Table 5: Hierarchical linear regression analysis results for public sector reputation as the dependent variable a**

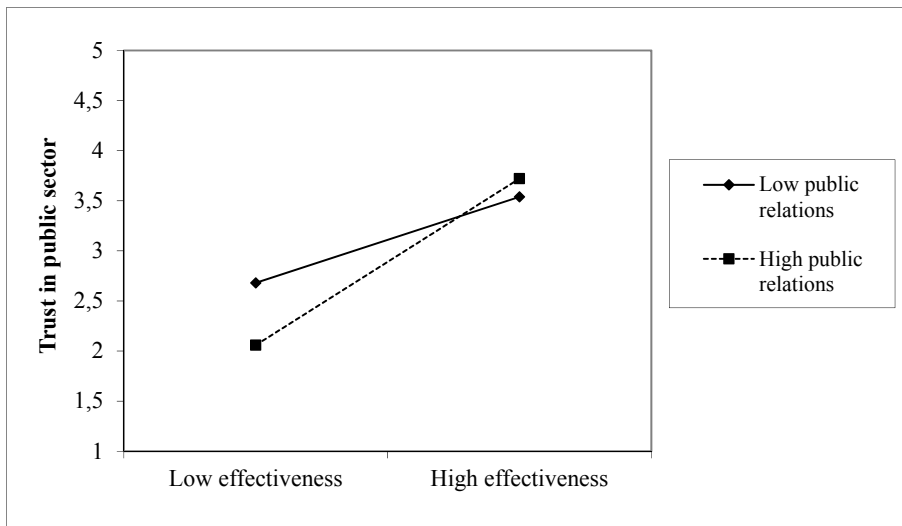
	Slovenia				B&H			
	Model 1		Model 2		Model 1		Model 2	
	St. error	Beta	St. error	Beta	St. error	Beta	St. error	Beta
Age	.063	.007	.062	.001	.070	-.011	.071	-.039
Gender	.103	.130	.101	.113	.109	-.030	.108	-.034
Public sector effectiveness	.090	.674 <sup>**</sup>	.089	.637 <sup>**</sup>	.093	.537 <sup>**</sup>	.092	.534 <sup>**</sup>
Public relations	.092	-.092	.090	-.107	.090	.051	.089	.048
<i>Interaction effects</i>								
Public sector effectiveness × Public relations			.112	.201 <sup>†</sup>			.128	-.141 <sup>†</sup>
R <sup>2</sup> (F, df)	.45 (9.266, 119)		.49 (8.432, 119)		.31 (12,793, 115)		.33 (11.080, 114)	

<sup>a</sup> n (SLO) = 50, n (B&H) = 120.

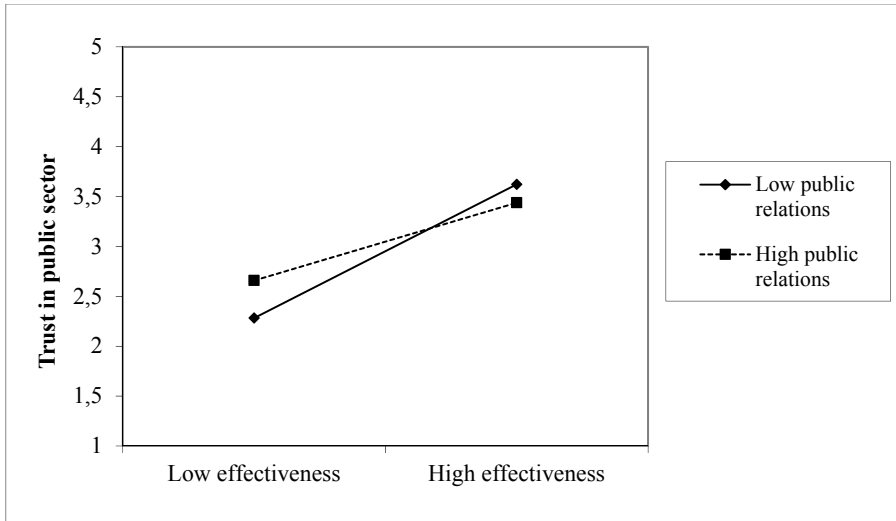
<sup>\*\*</sup>  $p < .01$ , <sup>†</sup>  $p < .05$ , <sup>†</sup>  $p < .10$

With hypothesis 3, we tested the main premise of our study – that the PR in public organisations variably moderates the relationship between public sector effectiveness and general public trust in public organisations. This interaction was tested in Model 2 (Table 5) for Slovenia and B&H. In both cases, the interaction term was marginally significant (at  $p < .10$ ). After plotting the interaction and testing the simple slopes (which were significant in both countries), the same pattern of interaction in both countries can be observed, but with just the opposite effect (Figures 4 and 5). In Slovenia, we can support the hypothesis – when the PR variable is at higher levels, the relationship between public sector effectiveness and general public trust in public organisations is more positive, with the highest levels of public sector reputation at both high levels of public relations and public sector effectiveness. However, in B&H, when public relations are at highest levels, public sector effectiveness actually results in lower levels of perceived public sector reputation among the general public.

**Fig. 4: The relationship between public sector effectiveness and reputation by the level of public relations (Slovenia)**



**Fig. 5: The relationship between public sector effectiveness and reputation by the level of public relations (B&H)**



Since the corruption is more diffused in B&H than it is in Slovenia (Shkaratan 2005), and other indexes point into that direction, the fourth hypothesis was also tested – whether or not *the general public's trust in public sector in Slovenia is higher than it is in B&H*. The mean differences using the independent sample t-test revealed that the mean of general public's trust in the public sector is indeed higher in Slovenia (3.17) than in B&H (2.59) at  $p < .01$ , supporting hypothesis 4.

In order to provide additional validity, as well as an explanation of these quantitative findings, we also report some *brief results of our qualitative research* conducted among PR experts in Slovenia. According to the experience of the respondents, the importance of the role of PR in strategic management in the Slovenian public sector has decreased. As they say, because of the nature of public organisations, PR should be included in strategic management, but that is not the case in practice.

The Slovenian public is well acquainted with the work of most public organisations. Openness differs from organisation to organisation, but organisations are mainly transparent. Almost all public organisations do have their web site, all their basic documents and all of the Slovenian legislation are also available on the Internet; the majority of Slovenian public institutions has a department for PR (or at least one person) that publishes the annual work programs and annual reports. Such practitioners are legally required to offer free access to information so that most of the information is public, etc. We discuss the results and their implications in more detail in the following section.

## 5 Discussion and implications

*The research results* did not support the hypothesis that the *general public believes that public sector is effective*. In Slovenia, the perceived effectiveness of the public sector is higher than it is in B&H; however, on average in both countries, the general public does not think that public organisations are effective (transparent, accountable or open to the public). At the same time, results in both Slovenia and B&H support the second hypothesis (H2), stating that *public organisations' effectiveness and general public trust in these organisations are positively correlated*. The results of the verification of H1 and H2 imply a further need for improving the effectiveness of the public sector in both countries, especially in B&H, where perceived effectiveness is far from the desirable level.

Hierarchical moderated regression analyses supported H3, which predicted that, in the case of *higher levels of public relations, the relationship between public organisations' effectiveness and their reputation would be more positive*. However, we only found support for this hypothesis in the Slovenian case. Thus, we can only partially establish the same for B&H. At first sight the interpretation that the bigger the activity of PR departments within public sector organisations in B&H, the higher is public organisation effectiveness, while the level of trust in public organisations remains low seems to be contradictory. However, taking into account the differences between countries, their culture and economic and institutional systems, we can conclude that PR alone cannot increase the effectiveness and trust; other moderating variables should be examined. This conclusion can be supported also with a confirmed H4: the general public' trust in public sector in Slovenia is higher than it is in B&H; there are key differences in other variables, as discussed in the sections below, that need to be accounted for when interpreting our results.

### 5.1 Theoretical contributions

The empirical research findings represent a significant *contribution to research on public sector organisations*, since the results support the main thesis of this paper, saying that strategic public relations are the basis for organisational and societal effectiveness of public organisations, which in turn positively influences the public sector's reputation and public trust in it. Consequently, the *main message* that this paper brings to public sector management is as follows: Public relations should have a more important role in ensuring higher levels of trust in public sector organisations because of the characteristic value that they can bring both to organisations and to society.

These contributions are based on our overarching theoretical frameworks, most notably (new) public management (Hood, 1991), derived from public choice theory, and public governance, founded in public value (PV) theory (Moore 1995; Kelly et al. 2002; Benington 2009.) Based on the results of our study and

theoretical conceptualisation, public management and PV should, rather, be considered as a complementary (not antagonist) paradigm. While respecting the PV theory ideas, management should provide inner and outer support, enabling theoretical ideas to be implemented within management strategy and action. Some other researchers (e.g., Boyne<sup>3</sup> 2003) arrived at similar findings while observing that the relationship between management and public service performance has not been extensively theorised, even though his analysis suggests that the most likely sources of service improvement are extra resources and better *management* (the same source). Besides an influence of management on public sector *effectiveness*, Carnevale and Wechsler (1992) discovered that the most important determinants of *trust* are found in the organisational climate established by supervisory relations, which also sheds light on the very important (but often neglected) role of management in public sector institutions.

This finding indicates that perhaps the NPM known from the 1980s should be interpreted in novel ways in order to mirror new societal developments. Management as such is exposed to continuous change. In the case of public sector change (reform), management should adopt new, fresh, workable ideas (even from PV theory). In this sense, some researchers already re-named NPM as “*outcome-oriented public management*” (e.g., Schedler/Proeller 2010). Similarly, the goal of Kettl’s framework (2002) is to suggest how managers can use the lenses of stakeholder and public interest values, institutions and service *markets* to improve service delivery (e.g., by *contracting* public services). While NPM involves the introduction of private sector elements into the public sector, NPG allows for collaboration between both and seems to represent a more holistic approach.

This also speaks along the lines of our chosen measure of consequences of public sector effectiveness (and in interaction with PR). Namely, we focused on measuring *outcomes* as a measure of effect of the PR effort on attitudes, opinions and behaviours (Gregory 2000). Outcomes show the long-term results and the long-term relationships. Trust, as one of the most important results (goals) of PR activities, definitely belongs to this group because of its complexity or regarding its long-term nature of formation. Thus, the relationship “effectiveness – trust” is not necessarily already positive by definition. The case of B&H supports this statement. From the supported moderation hypothesis, it seems that PR activities are fruitful in the sense of spreading information and sharing awareness among the public. However, when more complex and long-term results of PR activities are to be achieved (such as measuring the public’s trust, attitudes and behaviour), numerous obstacles are impeding these processes.

- 3 Boyne (2003) identified five theoretical perspectives – determinants of public service performance/effectiveness:  
resources, regulation, markets, organisation, and management.

## 5.2 Practical implications

The post-war context in B&H remains characterised by a complex institutional structure, deeply entrenched ethnic and political divisions, and a general lack of transparency and accountability. After the war, the automobile, computer, and steel industries have collapsed and very few people are working in the jobs that they had before the conflict. Some of additional real-life problems in B&H include a large public sector (that dates back to Yugoslav times) and limited private wealth creation, a large tax wedge that swallows over a third of even the lowest paid workers' salaries, an economy based on consumption rather than production, and an under-performing export sector (World Bank 2015). Against this background, both petty and grand forms of corruption are present in the country, affecting all sectors of society, including public utilities. In fact, a study by Hirt and Ortlieb (2012) found bribery and networking to be the common approach in B&H. According to this study, improvements in the B&H system have only been noticed in the private sector, while much more time will be needed for implication in the public sector. The corruption pattern in B&H (among other characteristics) is denoted by (a) high level of public concern with corruption, (b) low level of public trust in the governments, and (c) state capture and conflict of interest. Thus, we see corruption as one of the potential reasons for low trust in Bosnian public sector institutions.

While Slovenia's score (indicating the perceived level of public sector corruption<sup>4</sup>) is 58 (and rank: 39/175), B&H has a score of 39 (rank: 80/175). We can see that corruption is a problem for both countries that we have been comparing. However, the problem in B&H is much bigger than it is in Slovenia, and there are several *good practices* that are being conducted in Slovenia that could be transferred to B&H. The first *good practice* is the Slovenian Commission for Prevention of Corruption (CPC), which has consolidated its role in seeking to 'uphold the rule of law through anti-corruption efforts', as recognised also by the Slovenian Constitutional Court. In spite of limited resources, the CPC has a solid track record of implementation, with over 1 000 reviews and investigations per year (European Commission 2014).

Another good practice is *tracing public money* – CPC's online application labelled *Supervisor* that provides information on the business transactions of the legislative, judicial and executive branch, autonomous state bodies, local communities and their branches with legal personality, etc. The application indicates the contracting parties, largest recipients, related legal entities, dates, amounts

4 The Corruption Perceptions Index ranks countries and territories based on how corrupt their *public sector* is perceived to be. A country or territory's *score* indicates the perceived level of public sector corruption on a scale of 0 (highly corrupt) to 100 (very clean). A country or territory's *rank* indicates its position relative to the other countries and territories in the index. The year 2014 index includes 175 countries and territories (Transparency International 2014).

and purpose of transactions. This transparency system facilitates the detection of irregularities in public contracts and expenditure (European Commission 2014). In B&H, although an anti-corruption legal and institutional framework<sup>5</sup> has been put into place in recent years, mainly as a result of international pressure, there are neither signs of progress nor of a firm political commitment against corruption (Bosso 2014).

This situation is very much compatible with low trust in the public sector (that was also confirmed within our research), regardless of PR interventions, which (be it deliberately or accidentally) bring some positive results and do contribute to higher effectiveness of public sector. The main practical message that this paper brings to its readers is that the trust in public sector organisations should be built only on highly respected ethical standards, accompanied with strong sense of social responsibility (Heintzman/Marson 2005). Thus, it is important for public institutions to engage in policies and activities that help in developing affective bonds among community members, as this is likely to promote general trust in the public sector. They should support social, community, and other civic organisations that can help community members to interact (Nunkoo/Ramkisson/Gursoy 2012). Such interactions generate social capital, which is likely to spill over to trust in public institutions.

Another practical avenue for public sector institutions in order to generate higher levels of trust among the public is media and journalism trust and autonomy (Hanitzch/Berganza 2012). Our results reveal that, while establishing trust between the public sector and the general public, emphasis should not be put on PR activities as such, but on every single person's behaviour, as it can be generalised on the whole organisation or – even worse – on the whole sector.

### *5.3 Limitations and future research suggestions*

Despite our contributions, this study is not without limitations. The first set of limitations is connected with the research design and setting. The size and structure of the sample (the sample including the Slovenian unit is relatively smaller than in B&H) is not ideal. Differences in the sample size by the two countries thus limit the reliable comparisons by Slovenia and B&H. In addition, since the data were gathered in a cross-sectional manner, we cannot infer causality in the proposed relationships. This is why future research should adopt a longitudinal perspective in order to establish causal links between the examined variables. Such research designs, which would collect data over a longer period of time, not only establish causality, but also tackle some additional dynamics, such as the effects of corruption on general public trust into public sector institutions. The time of conducting research should also be accounted for when interpreting

5 Agency for the Prevention of Corruption and Coordination of the Fight against Corruption was formed in 2009.

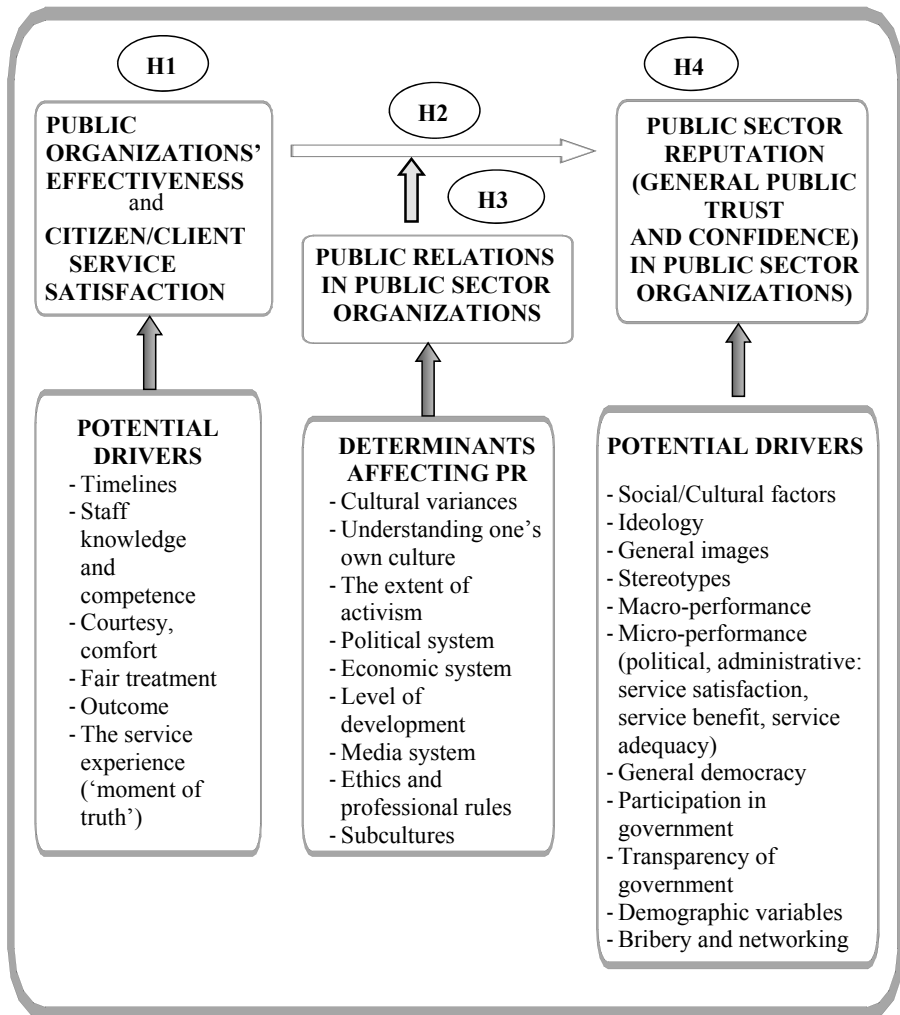
the results, as in Slovenia, the surveys were conducted a couple of months before the elections in 2014, which could influence public perceptions in public institutions.

The setting of testing our research model in relatively small transition economies also has some specifics, as country size and economic position directly influences communication and media market, channels used by public sector, PR function and its effectiveness and efficiency. Both countries suffer a scale problem that influences the quality of PR. Therefore, comparing the effects with the ones found in larger and developed countries, as well as discussing specific cross-country comparisons between the developed and transition economies in this matter, seems a viable future research option.

The second set of limitations within our research is related to some of the constructs and their conceptualisations. For example, the relationship between PR activities of public sector and general public trust in public sector's institutions is perhaps not positive *per se* (even though this positive relation has been already supported by numerous studies, as also cited within our paper). In addition, the reputation of the public sector, measured through the general public's trust, is in itself very complex and subtle and, as such, is so delicate and hence difficult to analyse with a simple and direct effect of properly driven PR activities. PR may be as well a tool for hiding poor effectiveness and replacement for other core functions. Trust in the public sector is also an intangible construct that is dependent upon individuals' perceptions and preferences. Therefore, future research would benefit from the use of more objective measures, pending their availability, such as the European Value Survey for evaluating trust in specific public institutions.

The third set of limitations refers to scope and subject of research. For example, in the long term, PR measurement and evaluation involves assessing the success or failure of much broader PR efforts that seek to improve and enhance the relationships that organisations maintain with key constituents. Therefore, additional constructs may help shed the light onto the examined relationships, be it as potential boundary conditions or explanatory mechanisms. With the aim to aid future research, we have conducted another literature search and present potentially interesting future research opportunities (determinants that could potentially influence the constructs in our model, as well as their interrelationships) in Figure 6.

Fig. 6: The extended conceptual model with future research proposals



Source: Adapted upon Heintzman/Marson 2005; Hirt/Ortlieb 2012; Kim 2010; Norris 1999; Sriramesh/Verčič 2012; Verčič et al. 1996; Zhao/Hu 2015.

Some additionally potentially interesting variables that could enrich our model first relate to *factors of public organisations' effectiveness and citizen service satisfaction*, such as timelines, staff knowledge and competences, courtesy, fair treatment, outcomes, and the service experience. Namely, a recent study of Zhao and Hu (2015) indicated that the variables of citizen satisfaction with the quality of public services, general democracy, participation in government and the trans-

parency of government are positively associated with public trust in government.

Moreover, evidence in both the private and public sectors suggests that improving citizen satisfaction is only half the story and appears to be closely linked to improving the *satisfaction and commitment of public employees* – another challenging relation for future research.

Additionally, *determinants affecting PR* also ask for further investigation. In fact, the intersection of culture and PR, both at the macro (societal) and micro (organisational, interpersonal) level, has been explored by a number of scholars (e.g., Verčič et al. 1996; Curtin/Gaither<sup>6</sup> 2007; Sriramesh/Verčič 2012). From research (e.g., Verčič et al. 1996), it also appeared that (besides the significant role of national culture), activism, political system, social system development, media system, ethics and professional rules (introducing a professional culture into the interaction between societal culture and public relations) are important determinants that support the development of PR. All of these determinants provide different opportunities and challenges to PR.

The level of development and the state of the economy also play a key role in the nature, as well as the level, of activism. In addition, subcultures and counter-cultures influence PR as well (Sriramesh 2009).

Finally, potential *drivers influencing our dependent variable* (public sector reputation and trust in public sector) would be very interesting to test in future research. Citizen trust and confidence in public institutions is clearly an enormously complex phenomenon with many contributing factors. There should be no doubt that societal factors, including important shifts in values, culture and identities, play a role, probably the major role, in altering citizen trust and confidence. Citizens' trust in government institutions seems to be a complex mix of general images, ideology and stereotypes, and the actual macro- and micro-performance of specific public services (Heintzman/Marson 2005). Zhao and Hu (2015) add the following determinants affecting citizen trust in public sector: social/cultural factors, democracy, participation in government and transparency of government. Potential bribery/networking can also influence citizen trust (Hirt/Ortlieb 2012). In accordance with the findings from some previous research (Kim 2010; Norris 1999) that younger citizens with higher education and higher income (named *critical citizens*) have less trust in the government, it would be reasonable that demographic variables (gender, age, education, income etc.) are also included as independent variables of trust in public sector.

6 Curtin and Gaither (2007:12) even say that: 'cultural constructs are the essences of PR practice'.

## 6 Conclusion

In summary, the main contributions of our study can mostly be found in the comparison of the studied relationships between the two countries that have certain similarities and significant differences that make our cross-national comparison relevant. The results highlighted a moderating role of PR whereby this construct helps public sector effectiveness to result in citizens' trust in public sector. Our research identified the whole complexity of the studied constructs and their interrelationships, resulting in a proposed model offering promising future research opportunities. Besides holding value for further academic investigation, our research results can also be beneficial for practitioners in the field under investigation, since they – among others – shed light on the real-life problems that post-socialist economies need to combat in the very near future. Based on the cross-national comparison, we can conclude that both, but especially the B&H government, will need to make serious efforts in order to rebuild public trust in public sector institutions and authorities. The low level of trust also suggests that it is important to involve stakeholders – different interest groups within the government and representatives of different civil society groups. Again, the role of PR departments, if they are appropriately executed, seems to play an important part in this (post-transition) reform process.

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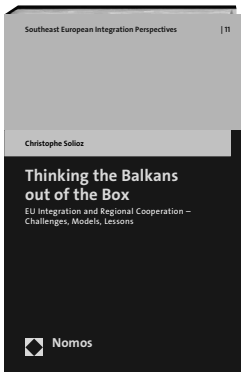
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## Appendix 1: Questionnaire for PR practitioners

Q1: What are the dominant areas of your department's work? (Choose 3)

- Strategy and coordination communication
- Consultancy, advising, coaching
- Media relations (Conducting research and evaluations, media training, press conferences, handle media enquires)
- Online communication, social media
- Internal communication, change
- Governmental relations, public affairs, lobbying
- Crisis communications and conflict management (Act as intermediaries between the organization and the public, persuade public to accept the organization's viewpoints)
- Community relations (handle public enquires)

Q2: Please rate these statements based on your experience within the last 12 months.

Scale 1 (less important, decreased, reduced) – 5 (more important, increased, increased)

Communication has become more important for the overall success of organizations	1	2	3	4	5
The influence and status of my current role as a communication professional has increased	1	2	3	4	5
Budgets for communication have been increased above average, compared to other functions	1	2	3	4	5

Q3: Please indicate the extent to which you agree or disagree with the following statements about communications (public relations) and your organization.

	Strongly Dis-agree	Dis-agree	Neither agree nor dis-agree	Agree	Strongly agree
Communication is critical to our organization's efforts to educate the public on issues we work on.					
Our organization uses communication to show transparency and accountability.					

Q4: How aware is each of the following audiences of your organization's purpose, activities, and services?

Scale 1 (not at all aware) – 5 (very aware)

Public/General community	1	2	3	4	5
Opinion leaders	1	2	3	4	5
International community	1	2	3	4	5
Partners and donors	1	2	3	4	5
Existing or potential donors/partners	1	2	3	4	5
Media	1	2	3	4	5

Q5: In your opinion, the level of public trust in your organization is?

Scale 1 (very low) – 5 (very high).

1	2	3	4	5
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Q6: Is a PR (communication) plan part of the overall strategic plan of your organization?

- a) Yes
- b) No
- c) No answer
- d) No strategic plan/No communications plan

Q7: How important is communication in your organization for each of the following objectives?

	Not at all important	Not too important	Neutral	Somewhat important	Very important
Raising awareness of the organization					
Maintaining the organization's reputation					
Demonstrating transparency and accountability					
Publicizing or advocating for an issue					
Attracting staff					
Raising money					
Influencing government policy					

<b>Managing a crisis</b>					
<b>Changing social norms and behaviors</b>					
<b>Communicating the organization's value to members and constituents</b>					
<b>Influencing corporate policy</b>					

*Q8: How important is each of the following to the successful achievement of your organization's goals?*

	Not at all important	Not too important	Neutral	Somewhat important	Very important
<b>Advertising</b>					
<b>Speaking or participating in community events</b>					
<b>Participating in conferences and special events</b>					
<b>Networking/collaborating with peer organizations</b>					
<b>Meeting directly with community, opinion or legislative leaders</b>					
<b>Electronic communications (web, e-mail, blogs, e-newsletter)</b>					
<b>Publishing reports and position papers</b>					
<b>Seeking media coverage</b>					
<b>Storytelling</b>					

*Q9: How frequently does your organization use each of the following communication assessment activities?*

	Never	Rarely	Sometimes	Often	Always
<b>Conduct audience research</b>					
<b>Track your organization's or its issues presence in the media</b>					
<b>Track the number of publications or other materials you disseminate</b>					
<b>Collect feedback from your audiences on the usefulness of your communications</b>					
<b>Track traffic or usage on your website or other electronic communications</b>					

Track blogs or social networking activity (Facebook, Twitter, etc.) about your organization					
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*Q10: What are the main challenges to evaluating your communication efforts? (Please mark all that apply)*

- Inadequate budget for evaluation
- Not an organization priority
- Limited evaluation expertise within organization
- Activities not easy to evaluate
- Other
- No challenges

*Q11: In your opinion, what are the biggest challenges of PR practitioners in the public sector communications that affect PR activities and PR roles? Scale: 1-Never; 2-Occasionally; 3-Fairly Many Times; 4-Very Often; 5-Always*

Politics	1	2	3	4	5
Legal frameworks	1	2	3	4	5
Media pressure	1	2	3	4	5
Poor public perception (public cynicism)	1	2	3	4	5
Limited professional development opportunities	1	2	3	4	5
Lack of management support for communication	1	2	3	4	5
Devaluation of public sector communication's importance	1	2	3	4	5
Limited financial resources	1	2	3	4	5

*Q12: In your organization, how seriously do senior managers take the recommendations of the communication function?*

Scale 1 (not seriously) – 7 (very seriously).

1	2	3	4	5	6	7
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*Q13: How likely is it, within your organization, that communication would be invited to senior-level meetings dealing with organizational strategic planning?*

Scale 1 (never) – 7 (always).

1	2	3	4	5	6	7
---	---	---	---	---	---	---

*Q14: Please indicate the extent to which you agree or disagree with the following statements about communication (public relations) and your organization.*

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
<b>Leaders (decision makers) in my organization understand the importance of communications to advancing our organization's goals.</b>					
<b>Our department get support we need within organization to fully implement the communications activities required to advance our goals.</b>					
<b>Evaluation and measurement of public relations efforts is very important for overall success of our organization.</b>					

*Q15: Where do you work (organization)?*

- Public organization profit oriented
- Public agency
- Government/Ministry
- Other public sector organization

*Q16: Size of PR department (employee number): \_\_\_\_\_*

*Q17: What is your position in the organization? \_\_\_\_\_*

*Q18: How many years of experience do you have in communications (PR)?*

- More than 10 years
- 6 to 10 years
- Up to 5 years

Q19: *How many years of experience do you have in communications (PR) of public sector?*

\_\_\_\_\_ Years

Q20: *What is your educational background?*

- Journalism
- Communications
- Political science
- Economics
- Business and management
- Other: \_\_\_\_\_

Q21: *Highest academic degree you hold?*

- Doctorate (Ph.D., Dr.)
- Master (M.A., M. Sc., Mag., M.B.A.), Diploma
- Bachelor (B.A., B. Sc.)
- No academic degree

Q22: *What is your gender? (Male or female)*

Q23: *AGE: How old are you? \_\_\_\_\_*

## Appendix 2: Questionnaire for citizens of B&H/Slovenia about public sector

### *Definition of the public sector:*

*In general terms, the public sector consists of the governments and all publicly controlled or publicly funded agencies, enterprises, and other entities that deliver public programs, goods, or services. (Dube and Danescu, 2011, p. 3) the public sector in B&H includes government organizations (cantonal government and ministries, entity and state governments and ministries...) education(schools), healthcare(hospitals), police, military, public roads/transport, cultural institutions etc.*

*Q1: Please rate the level of your trust in the following public organizations: (Scale 1 = No trust; 5=Complete trust)*

Public organization	1	2	3	4	5
1 Governments/Ministries					
2 Public agencies					
3 Public enterprises					
4 Public schools					
5 Public hospitals					
6 Cultural institutions					
7 Police					

*Q2: Please indicate the extent to which you agree or disagree with the following statements:*

Public organization	Strongly Disagree	Dis-agree	Neither agree nor disagree	Agree	Strongly agree
1. Public organizations in B&H/Slovenia are transparent.					
2. Public organizations in B&H/Slovenia are citizens-oriented.					
3. Public organizations in B&H/Slovenia are accountable to the public.					
4. Public organizations in B&H/Slovenia educate the public about important societal issues.					
5. Public organizations in B&H/Slovenia are open to the public.					

6.	Public organizations in B&H/ Slovenia communicate in a good way with the public.					
7.	The public sector in general is ef- ficient.					
8.	The public sector organizations in Slovenia have a good reputa- tion					
9.	If I had the chance, I would be glad to work in the public sector					
10.	When a certain institution from the public sector is raising mon- ey by charity events, I usually do- nate, even a small amount of money.					

*Q3: Where do you get information about public sector organizations?*

Source	Never	Rarely	Some- times	Often	Always
Media (TV, radio, newspapers)					
Internet portals					
Web site of particular public organization					
Social media (Facebook pages, Twitter...)					
Family and friends					

*Q4: How useful are the provided information to you?*

*(Scale 1 = not at all useful; 5 = very useful)*

1	2	3	4	5
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*Q5: What is your age?*

a) 18 – 25; b) 26 – 35; c) 36-45; d) 46 – 55; e) 55+

*Q6: You are:*

a) Female; b) Male

*Q7: In which city do you live?*