



**European Cooperation  
in the field of Scientific  
and Technical Research  
- COST -**

**Brussels, 21 November 2012**

**IS1207**

## **MEMORANDUM OF UNDERSTANDING**

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**Subject :** Memorandum of Understanding for the implementation of a European Concerted Research Action designated as COST Action IS1207: Local Public Sector Reforms: An International Comparison

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Delegations will find attached the Memorandum of Understanding for COST Action as approved by the COST Committee of Senior Officials (CSO) at its 186th meeting on 20 - 21 November 2012.

**MEMORANDUM OF UNDERSTANDING**  
**For the implementation of a European Concerted Research Action designated as**

**COST Action IS1207**  
**LOCAL PUBLIC SECTOR REFORMS: AN INTERNATIONAL COMPARISON (LocRef)**

The Parties to this Memorandum of Understanding, declaring their common intention to participate in the concerted Action referred to above and described in the technical Annex to the Memorandum, have reached the following understanding:

1. The Action will be carried out in accordance with the provisions of document COST 4154/11 “Rules and Procedures for Implementing COST Actions”, or in any new document amending or replacing it, the contents of which the Parties are fully aware of.
2. The main objective of the Action is to bundle and integrate the fragmented European research activities and knowledge bases about public sector reforms on the local level of government for the purpose of enhancing the conceptual foundations as well as the methodological rigour of the field in an innovative way. Policy relevant knowledge will also be fostered.
3. The economic dimension of the activities carried out under the Action has been estimated, on the basis of information available during the planning of the Action, at EUR 64 million in 2012 prices.
4. The Memorandum of Understanding will take effect on being accepted by at least five Parties.
5. The Memorandum of Understanding will remain in force for a period of 4 years, calculated from the date of the first meeting of the Management Committee, unless the duration of the Action is modified according to the provisions of Chapter V of the document referred to in Point 1 above.

## **A. ABSTRACT AND KEYWORDS**

In the current comparative research concerning public sector modernization, the local level of government is blatantly absent. Databases on local public sector reforms are fragmented, incomparable, incoherent, nationally scattered and confined in their methodological approach. This Action is intended to remedy those deficits. It will generate coherent data bases for systematic comparison with a view to streamlining analytical approaches and synthesizing research outcomes using methodological triangulation (qualitative/quantitative techniques). The Action will provide a platform for establishing a new set of comparative (descriptive, explanatory, and evaluative) knowledge on local public sector reforms and for integrating the fragmented research activities in this neglected area of investigation. It aims to enhance the scope of the conceptual foundations as well as the methodological rigour of comparative public administration. The Action will prepare the basis for a systematic evaluation of local public sector reforms within a European scale of comparison. Action activities will yield policy relevant knowledge concerning local reform measures from a European perspective, which can then be utilized to improve policy making for future public sector modernization.

**A.2 Keywords:** Local Public Sector Reforms, Comparative Public Administration, Local Government, Administrative Modernization, Evaluation of different Public Sector Reforms (managerial, functional/territorial, democratic)

## **B. BACKGROUND**

### **B.1 General background**

Local self-government in European member states has gained increasing attention and relevance in the EU integration process. This growing importance of the local level in EU politics is also reflected in the Lisbon Treaty of 2009, which for the first time legally recognized local self-government (cp. Art. 5 section 2 TEU). In the European multi-level system, local governments represent a level that ensures the close proximity of political problem solving and decision making to the citizens and provides an opportunity for the people to be involved in democratic processes (Bogumil 2001: 17; Kuhlmann 2009: 21). Eurobarometer surveys show that the level of trust in the local and regional authorities is considerably higher than the trust in national governments or

parliaments. This underlines the importance of the local level in Europe for the stabilization of the political system of the EU. There are about 91,200 municipalities and 1,100 second-tier local governments in the EU-27. They employ roughly 50% of total public sector employees and their activities make up a significant portion of the GDP (Ø 16%) and of total public expenditure (Ø 34%) in the EU.

Local governments all over Europe are in a period of increased reform activity and intensity, not least of all because in some countries they have been the level of government most seriously affected by the still expanding global financial and economic crisis. They are simultaneously faced by a variety of – partly contradictory – reform pressures, often aimed at conflicting reform objectives (e.g. efficiency vs. participation). Against this background, it is a cause for concern and also criticism that the analysis of the local level is absent in the current comparative research and literature concerning public sector modernization. Even the most recent comparative studies on public management reform (see Pollitt/Bouckaert 2011) as well as OECD-led investigations (OECD 2010) and World Bank (World Bank 2007) reports deal almost exclusively with central government and national administrative levels.

This COST Action will fill this gap in comparative research. It will assess local public sector reforms from a cross-country comparative perspective, which has so far not been done within a broader research network. It will include New Public Management (NPM) reforms that were largely triggered by international organizations (OECD, EU) and targeted towards marketization, privatization and ‘corporatization’ as well as the more recent ‘Post-NPM’ reforms, which were often aimed at correcting the shortcomings of earlier NPM measures. In addition, it will focus on the more nationally driven territorial and functional reforms (municipal amalgamations, decentralization) that have been fuelled, in part, by recent austerity measures and the hopes of national policy makers that such reforms will facilitate economies of scale. Finally, the Action concentrates on democratic reforms and new instruments of citizen participation (e.g. referenda, direct election of mayors). The effects of these various approaches to local public sector reforms could either intensify or cancel out each other, and could have either positive/intended or negative/unintended consequences (Denters/Rose 2005). Yet, comparative research is conspicuously silent on this matter and practitioners are in clear need of advisory assistance. Thus the overarching question of the Action is:

*Which approaches and effects of local public sector reform can be identified from an international comparative perspective; how can these be explained and what lessons can be drawn for policy making?*

Based on a shared European perspective, this COST Action will bring together researchers and

practitioners of all stages of local public sector reforms in order to: jointly assess the hitherto scattered and dispersed reform information, generate new comparative knowledge, and develop policy-relevant frameworks for the design of future modernization processes in Europe. It thus seeks descriptive, explanatory and evaluative knowledge (see section C.4). The envisaged coherent and co-ordinated longitudinal Action allows for linking together fragmented databases and consolidating concepts, theories and methods, thereby more effectively exploiting the existing knowledge.

The general assumption of modernization policies can be roughly summarized: external and internal reform drivers/causes -> reform discourses/approaches/implementation -> institutional changes/performance improvement. A major challenge of the Action will be to discover whether and under which conditions this hypothesized causal chain proves to be true.

The COST Action will be the best mechanism to remedy the aforementioned research gap, as it matches par excellence to the urgent need for concerted international research in this neglected area of comparative public administration. It ensures synergy-building, streamlines methodology, and guarantees the comparability of results. Exchange among the participants is also the best way to generate policy-relevant knowledge for decision makers, as the COST Action combines practical insights and reform experiences with sound comparative analyses and research based on the systematic methodological “triangulation” (see Flick 2008) of various qualitative and quantitative research methods, including case studies, large-scale surveys and secondary analysis. Therefore, the COST framework is better suited to support our Action than any other, single-focused and thematically narrow programme such as ESF, ESA, EUREKA! or the EU Framework Programme. These frameworks are predominantly directed at market oriented R&D, industrial cooperation for strengthening European competitiveness and the coordination of public RTDI.

## **B.2 Current state of knowledge**

The state of knowledge on local public sector reforms is scattered, ambiguous and inconsistent (Houlberg 2010). Current research is characterized by theoretical, methodological and data-related fragmentation among researchers and countries, all of which impedes the generation of synergies, the joint exploitation of existing data, and, thus, real progress in comparative public administration. The vast majority of research concerning the question raised above is intra-national and non-comparative. None of the available studies assess reform effects from a cross-country comparative perspective, which creates a prominent “evaluation gap” in the current literature on local public sector reforms (see Kuhlmann/Wollmann 2011). These deficits in current research notwithstanding,

there are a number of pertinent multi-disciplinary national and European networks and databases upon which the Action will systematically build and with which it will cooperate. These include, inter alia:

- EGPA (European Group for Public Administration) is a *Regional Group of the International Institute of Administrative Sciences (IIAS)* whose purpose is to strengthen contacts and exchanges among European specialists in Public Administration, both scholars and practitioners. LocRef will cooperate with selected Permanent Study Groups (PSGs) of the EGPA, in particular with PSG IV “Local Governance and Democracy”, PSG V “Regional and Local Government”, PSG II “Performance in the Public Sector” and PSG VI “Governance of Public Sector Organisations”.
- GRALE (Research Group on Local Government in Europe) is a national (*country blinded*) multi-disciplinary network on local government and local policy making. The GRALE-observatory of decentralization is tasked with the evaluation and monitoring of decentralization reforms.
- WiDuT (Scientific Documentation- and Transfer-Office for Administrative Modernization) maintains a national (*country blinded*) databank on public sector modernization including all levels of government (federal, state, sub-national).
- LGP (Local Governance Programme) is a national (*country blinded*) research programme on local governance, the results of which directly feed into a databank to be connected with LocRef.
- LIGID (Local Government Improvement and Development) is a professional national (*country blinded*) network which critically assesses the local government modernization agenda of the country (*country blinded*). It maintains a substantial knowledge hub with different network groups on specific local issues/policies.
- NLGN (New Local Government Network) is a national (*country blinded*) network that is aimed at modernizing public services, revitalising local leadership and empowering local communities.
- CESSDA (Council of European Social Science Data Archives) is a European umbrella organisation for data archives that aims to enhance the exchange of data and technologies in the social sciences. Multiple national member organisations (*countries blinded*) provide data for secondary use. It hosts a network of international organisations and professionals that engage in collaborative projects on issues such as data sharing and metadata.

Furthermore, the existing literature and research pertaining to concept diffusion and the implementation of NPM reforms at the central government level will be exploited (see Van Dooren/Van de Walle 2008; Bouckaert/Halligan 2008; Ongaro 2008; Kickert 2011; Pollitt/Bouckaert 2011; Bouckaert et al. 2010; Verhoest et al. 2012). However, although the country-clusters of NPM reforms (“maintaining”, “modernising”, “marketising/minimising”; cp. Pollitt/Bouckaert 2004) proposed by some scholars are analytically useful, they cannot be

straightforwardly applied to the local level. The Action also draws upon available studies on comparative local government research that is concentrated, on the one hand, on political and democratic reforms (Baldersheim et al. 2003; Reynaert et al. 2009; Bäck et al. 2006; Wollmann 2008: 69 ff.; Kuhlmann 2009: 254 ff.; Schiller 2010; Loughlin et al. 2011; Heinelt 2007) and, on the other hand, on territorial and functional re-scaling (Swianiewicz 2010, Baldersheim/Rose 2010; Kuhlmann 2010; Marcou 2010; Kuhlmann/Wollmann 2012). The Action, thirdly, employs evaluation studies pertaining to institutional reforms and administrative modernization (Pollitt/Bouckaert 2004, 2011; Christensen/Laegreid 2001; Kuhlmann/Wollmann 2011: 480; Kuhlmann et al. 2008). In particular, the Action will apply the analytical framework developed in this strand of literature and make a distinction between three ‘loops’ of evaluation (institutional, performance, and outcome evaluation; see Kuhlmann/Wollmann 2011: 480).

The integration of the fragmented European research activities concerning local public sector reform on a large scale cross-national level will be highly inventive and pioneering in the field of comparative local government and administrative research. This innovative COST Action will increase existing research capacities by bundling together the hitherto mostly national research actions as well as generating and upgrading academic networks, building comparative databases and providing a new platform for local government researchers. Thereby, it should help to lay the foundation for a systematic international evaluation of local public sector reforms, through which the reform outcomes can be compared and explained. The Action will enhance the conceptual foundations as well as the methodological expertise in comparative public administration. It will also yield policy relevant knowledge concerning local reform measures in a cross-county comparison, which can then be utilized to improve policy making for future public sector modernization (see C.2 for details about ‘objectives’).

### **B.3 Reasons for the Action**

This Action will have a strong societal and political impact in several respects. Local public sector reforms are carried out in close proximity to the citizens. They affect the institutional performance and quality of public service delivery, whereby they can contribute to enhancing the legitimacy of the politico-administrative system in general. Discontent with local institutions can lead to distrust in upper-level governments whereas well performing local institutions can enhance citizens’ satisfaction with politics in general. Furthermore, local democracy is the most perceptible and easily accessible form of citizen participation; hence participatory reforms at the ‘grassroots level’ can be assumed to influence democratic values and trust in government in general. The COST Action is

being launched in order to connect the different research traditions within Europe, which are characterized by a high degree of variation. The added value of the Action can be summarized in the following points concerning the immediate (1) and future (2) benefits/outcomes:

(1) Immediate benefits/outcomes: Within the COST Action, a broad appraisal of local public sector reform in Europe will be carried out using the expertise of high-ranking scholars and officials as well as junior researchers in the field. The Action will provide a platform to discover, discuss and classify the numerous country specific references about local reform effects that have remained undiscovered due to problems of linguistic and institutional accessibility. Participating scholars will exchange methodologies, replicate validated methods and share techniques of mapping and analyzing reform changes in order to organize comparative research. This will be connected with existing international Permanent Study Groups, e.g. within the EGPA, in order to promote synergies. Junior scientists will share research findings and learn from the experiences of others. Through the involvement of academics and practitioners, the Action can yield policy relevant knowledge and practical insights. This benefit will be overseen and carried out by an advisory board (see C.3/E.1) consisting of renowned practitioners.

(2) Future benefits/outcomes: The Action will enhance the conceptual foundations as well as the methodological rigour of comparative public administration. Results will help to single out local reform policies that are potentially transferable, both in terms of content and strategies, to future reform processes. Pertinent practitioners' networks will be approached to guarantee the effective dissemination of research results. The Action will also serve as a long-term exchange platform for researchers and practitioners in the field. In the future, it is envisaged to include additional (also non-COST) countries and reform areas, ones which may arise in the course of prospective reform debates. The participation in the Action by leading scholars in the field will ensure a multiplication effect by attracting other scholarly participants to join the network. The PhD platform will contribute to encouraging young academics to self-coordinate and network, which will promote their future careers.

#### **B.4 Complementarity with other research programmes**

Several national and European research programmes, funded by country specific funds and EU funds, have aspects in common with the LocRef Action. Their results will be integrated into the Action and existing data adapted and complemented. Projects of relevance for the Action are inter alia:



### *European projects:*

- COCOPS - Coordinating for Cohesion in the Public Sector of the Future (FP7)
- WELSTAREF - Understanding the Ongoing Process of Welfare State Reform (FP7)
- SOURCELEG – Sources of Legitimacy in Global Environmental Governance (FP7)
- WILCO - Welfare Innovations at the Local Level in favour of Cohesion (FP7)
- FLOWS - Impact of local welfare systems on female labour force participation and social cohesion (FP7)
- LOCALISE - Local Worlds of Social Cohesion (FP7)
- Call for Innovative and Open Government (OECD 2011)

### *National projects:*

- National Observatory of Decentralisation Programmes (*country/funding institution blinded*)
- Local Government Capacity Programme (*country/funding institution blinded*)
- Causes of Local Budgetary Deficits (*country/funding institution blinded*)
- Performance Comparison and Benchmarking in the Public Sector: A European Cross- Country comparison (*country/funding institution blinded*)
- Local Government Studies Programme on governance and accountability, community empowerment, leadership and cohesion, outcome evaluation and performance management (*country/funding institution blinded*)
- The Transformative Power of Europe (*country/funding institution blinded*)
- Local Government and Public Service Reform Initiative (*country/institution blinded*)
- The Intrinsic Logic of Cities (*country/funding institution blinded*)
- Research Programme on Local Government (*country/funding institution blinded*)
- Contracting out local public services and consolidated financial statements: national and international trends (*country/funding institution blinded*)
- The public sector in the age of the Web 2.0 (*country/funding institution blinded*)
- Challenges to Local Government (*country/funding institution blinded*)

## **C. OBJECTIVES AND BENEFITS**

### **C.1 Aim**

The aim of the Action is to bundle and integrate the fragmented European research activities and knowledge bases about public sector reforms on the local level of government for the purpose of enhancing the conceptual foundations as well as the methodological rigour of the field in an

innovative way. This will foster policy relevant knowledge and practical insights concerning administrative modernization from a cross-county comparative perspective.

## C.2 Objectives

*Objective 1: Enhancing European interdisciplinary multi-method research in an innovative manner*

This COST Action will advance theoretical and empirical knowledge regarding the following main areas of reform, which represent the most prominent international trends in modernization at the local level of government: (Post)-NPM reforms, democratic renewal and territorial-functional re-scaling. The recent fiscal crises, which in many countries (such as Greece, Spain, Italy, but also Germany) has affected the local level of government most seriously, has become an essential driver of reform and prompted national and local actors to initiate or intensify their modernization efforts. The COST Action will enhance and integrate the nationally scattered knowledge bases on the approaches, implementation strategies and effects of local public sector reforms in the following four core areas: (1) Privatization, contracting out, competition and (re-)municipalization: this reform area refers to the re-allocation of tasks between the local governments and the market or civil society and covers the ‘external’ dimension of NPM/Post-NPM; (2) Performance management and internal re-organization: this segment of reform embraces administrative modernization measures within the local administrative units, covering organization, processes and staff (‘internal’ dimension of NPM/Post-NPM); (3) Democratic Renewal: political and democratic modernization at the local level of government represents a third major trend of reform, one which includes such activities as stronger citizen participation, inclusion of civil society in local policy making, direct democracy and enhanced local leadership; (4) Territorial-Functional Re-Scaling: this reform component deals with the re-allocation of competencies between levels of government (de-/re-centralization, devolution) and the (often connected) territorial up- and trans-scaling of local government jurisdictions (amalgamations, inter-municipal cooperation).

The aim of the Action is to identify, bundle and compare nationally based knowledge on the respective institutional changes at the local level of government, implementation strategies and the evaluation of (un-)intended consequences of reform effects. In its aim to achieve synergies through integrating the nationally and disciplinarily scattered theories, methodologies and databases and to transcend single-country (case study-based) and conceptually disconnected national research, this Action will truly advance science. The Action will be innovative in that it will enhance the European perspective in comparative public administration, considering that research on public sector modernization has hitherto largely been concentrated on the Anglo-American debate and

literature.

*Objective 2: Advancing evidence-based policy making and knowledge utilization for European practitioners*

This COST Action will transfer the comparative knowledge gained from the network's activities into practice. A major objective is to yield policy-relevant data and evidence that can be applied in decision-making and future modernization processes. The Action will elaborate specific guidelines, checklists and criteria to be taken into account by policy makers, think tanks and civil servants when designing modernization projects and implementing reform measures. The aim is to provide policy recommendations and decision guidance based on theoretical rigour and sound comparative evidence. Accordingly, the community of European practitioners and policy makers from the local level as well as from the upper levels of government – supervisory boards, state agencies, audit institutions etc. – will benefit from the Action.

*Objective 3: Promoting young researches in a gender-balanced network*

Young researchers will be specially addressed by certain network activities. The aim is to strengthen the methodological skills as well as the country-specific knowledge of participating young researchers. The COST Action will explicitly involve the two sexes equally at the level of young researchers with the goal of mainstreaming multiple gender perspectives.

### **C.3 How networking within the Action will yield the objectives?**

*Concerning objective 1: Enhancing European interdisciplinary multi-method research in an innovative manner*

In this COST Action multiple research disciplines will work together: political and administrative sciences, law, economics/public management, sociology, history, regional sciences, and spatial planning. As research on local government reform is mostly mono-disciplinary, findings on reform trajectories and effects are limited to single disciplines and their specific methods and theories. This poses serious problems for generalization and knowledge consolidation. The Action seeks to connect these different research traditions that are characterized by a high degree of variation across Europe (e.g. more legally versus more economically oriented; more policy- versus more management-focused). The Action gathers together researchers familiar with either qualitative and/or quantitative methods of comparative administrative sciences and keeps thereby both kind of methods balanced.

*Concerning objective 2: Advancing evidence-based policy making and knowledge utilization for European practitioners*

The Action will draw on specific means to advance knowledge utilization and evidence-based policy making from the side of the European practitioners' community. Besides policy-oriented publications and open-format conferences that will include international participants from the academic and practitioners' world, the COST Action will be equipped with an 'advisory board' of highly renowned national practitioners who are/were key actors in their countries' respective national reform processes and who will give special insights as well as comments on the evaluation process. The advisory board also provides a mean to spread the accrued knowledge to the broader community of practitioners.

*Concerning objective 3: Promoting young researchers in a gender-balanced network*

A special platform for young PhD students and junior scientists will be created in order to encourage young scientists to participate in the research. In doing so, women will be especially targeted. Additionally, this COST Action will reserve special funds to help young researchers with Short-Term Scientific Missions (STSM), conference participations and publication options.

*Concerning the means needed to achieve the objectives*

The (technical) manpower and equipment needed for the Action concern above all the establishment and maintenance of the network homepage/databank, as well as the operative coordination of the Action's organization and scheduling. In order to achieve fine tuning of methodology, secure interdisciplinary cooperation, advance evidence-based policy making and promote young researchers, special thematic forums will be established on the homepage.

#### **C.4 Potential impact of the Action**

As mentioned in section B.1, the Action aims to gather descriptive (a), explanatory (b) and evaluative (c) knowledge regarding the core areas of local public sector reform.

(a) First, the actual institutional changes and varying degrees of reform implementation will be assessed from a comparative perspective in order to generate new *descriptive* knowledge: To what extent have the reforms been implemented at the local level of government? Are there varying modes, degrees, and intensities of reform implementation between different countries or groups of countries? Network participants will compile findings on the four core areas of local public sector

reform – their respective instruments, components and measures – in order to understand trends and trajectories of local modernization in Europe. On this basis, different models of reform and patterns of modernization will be clustered, which will help to explain the dramatic changes that have occurred on the local level over the past decade.

(b) Secondly, the large sample size of countries will offer the possibility to search for the causes of variations in reform. This will enable research teams to enhance *explanatory* knowledge on local public sector reforms: What are the main driving forces, the causes and stakeholders of reform activities in the various countries; what logic do they follow and why? Are there significant differences between countries or clusters of countries and how can these be explained? The Action assumes that country-specific ‘starting conditions’ markedly influence reform trajectories and results. Therefore, the Action includes those countries that represent basic variations/types of administrative regimes (c.f. Kuhlmann/Wollmann 2012: 11; Kickert 2010; Painter/Peters 2010) and that significantly differ in their starting conditions.

(c) Thirdly, LocRef serves to gather together available information about the reform effects on local government performance in the different countries, thereby contributing to the amplification of *evaluative* knowledge in the research area under scrutiny: What reform effects have resulted from the modernization efforts? What have been the positive/intended and negative/un-intended consequences or side effects of the reforms on performance as well as on relevant stakeholders and the civil society in a wider context? The Action will include input changes (e.g. cost savings), output changes (quantity, quality, effectiveness of services delivered; c.f. Pollitt/Bouckaert 2004: 98; Grossi/Mussari 2008: 22 ff.) as well as the more far-reaching system and cultural changes (behaviour/role perceptions of the administrative staff) that are brought about by local public sector reforms (see Marcou 2010: 23 ff.).

## **C.5 Target groups/end users**

This COST Action addresses academic as well as non-academic end-users.

- Academic end-users: This Action addresses the academic community in the field of administrative science and related scientific fields (political science, law, economics, sociology, history, spatial planning etc.).

- Non-academic end-users: Policy makers and administrators at the local as well as the upper levels of government are targeted as end-users since they are relevant promoters, initiators and implementers of the aforementioned reforms. To reach these end users efficiently, the Action will systematically approach, inter alia, the International City/Council Management Association, the

European Federation of Local Government Chief Executives, the Council of European Mayors and Regions, and the High Level Meeting of Local Governance. The Action will target end-users who are either actively involved or interested in the design, implementation and/or evaluation of local public sector reforms.

## **D. SCIENTIFIC PROGRAMME**

### **D.1 Scientific focus**

This COST Action focuses on four core areas of local public sector reforms which have penetrated the local level in all European states and beyond. Belaboured in four Working Groups (WGs), these reform strains are (1) External and (2) Internal (Post)-NPM Reforms; (3) Democratic Renewal; (4) Territorial-Functional Re-Scaling. The respective WGs (see D.2) will approach these core areas of reform in the following *analytical steps/tasks*:

- (A) Investigation of actual institutional changes and explanation of (varying) degrees of reform implementation from a comparative perspective;
- (B) Scrutiny of reform drivers/causes, promoters/stakeholders and implementation strategies;
- (C) Evaluation of (intended and un-intended) reform effects.

In doing so, they will have to address these research challenges to be resolved in each of the four respective Work Packages (WP I-IV).

#### *Work Package I: Indicators, data collection, state of the art assessment (months 1-12)*

To begin with, every WG will develop appropriate analytical categories and indicators for comparative reform assessment in the four core areas of reform. They will map out the already existing national bodies of knowledge, databases and materials regarding local administrative levels that have remained undiscovered or disconnected due to linguistic and institutional access problems. The WGs will deliver a systematic appraisal of pertinent national and comparative datasets and other empirical information in order to provide a sound 'state of the art' assessment.

#### *Work Package II: Identifying research gaps, developing new research tools (months 13-24)*

Work Package II is directed at identifying research gaps resulting from missing or incomplete data as well as theoretical and/or methodological shortcomings. On this basis the WGs will elaborate strategies and instruments to upgrade research methods, concepts and procedures of data analysis. Since the data and concepts necessary for assessing institutional changes, reform impacts and implementation may be available in some countries, but not in others, the WGs will be confronted

with certain information deficits (data, theory, methods). The comparability of data and concepts may be limited due to country specificities and differences in measurement. In these cases, the WGs will develop research tools, theoretical frameworks, and methodological approaches better suited for a comparative scrutiny of local public sector. These will be tested and refined so that the missing data can be added in the next step of research. Specifically, the Action will create a databank that can be continuously updated and also complemented with additional country case studies. Moreover, the Action envisions linking this database with existing resources. The aim is to reduce the data deficits discovered in the comparative mapping of the national knowledge bases; to collect and compare existing data in order to reveal the strengths and weaknesses of available knowledge bases.

*Work Package III: Data comparison; inclusion of complementary data (months 25-36)*

After the systematic data collection and compilation these data will be analyzed using qualitative and quantitative methods. In order to organize the comparative research, participating scholars will exchange methodologies, replicate validated methods and share techniques of mapping and analyzing reform changes. Different methods, such as aggregate data analysis, Fuzzy Set/qualitative comparative analysis (QCA), and case studies will be discussed and evaluated as to their possible benefits for comparative research in this specific research area. This analytical step is also meant to produce empirically informed answers to the crucial question of the causal explanation for variances in reform trajectories from a cross-country comparative perspective. Finally, drawing on qualitative as well as quantitative methods complementary data gathered in the participating countries will be included into the comparison to broaden, deepen and consolidate the empirical basis of the Action.

*Work Package IV: Synthesis of network results; dissemination to practice (months 37-48)*

The final WP of the Action will, firstly, concentrate on interaction effects of the four core areas of reform and the overall impacts of modernization from a comparative perspective, in order to find out whether the effects of various approaches of local public sector reforms have intensified or cancelled out each other. In joint sessions, the WGs will scrutinize to what extent the reforms analyzed in their core-area have had an (intensifying/weakening) impact on the results in other reform areas. Guiding questions are: How do the external NPM reforms influence the outcomes of the internal NPM, democratic and territorial/functional reforms? To what extent do the internal NPM reforms shape the outcomes of the external, democratic and territorial/functional reforms? Which impact do the democratic reforms have on the outcomes of the external/internal NPM and

the functional/territorial reforms? How do the territorial/functional reforms affect the outcomes of the external/internal NPM and the democratic reforms? In this phase the WGs will have to intensify their mutual exchanges in order to develop a classification system for different reform trajectories across the four reform areas. Secondly, the new knowledge basis established through the Actions' activities will be disseminated to the scientific and practitioners' community.

The human and technical means to achieve the objectives are:

- The COST Action will explicitly integrate researchers from different disciplines into the same WGs in order to foster interdisciplinary exchange. Bringing together different research traditions in the field of local government studies and comparative public administration will also advance the methodological and conceptual basis of the research, allowing the strengths of different research perspectives to compensate for the weaknesses in others.
- For the aforementioned combination of qualitative and quantitative methods, the individual WGs will contain at least one expert from the qualitative and one from the quantitative methodological tradition, with the goal of integrating both perspectives.
- To foster knowledge utilization by European practitioners and decision makers, there will be policy oriented publications/guidelines/checklists, open conferences, and an 'advisory board'.
- The PhD platform will promote network activities for PhD Students.
- Regarding technical aspects, a webmaster and/or a computer supervisor will develop the databank and update the homepage.

## **D.2 Scientific work plan methods and means**

The scientific programme will be carried out by four Working Groups (WG 1-4) which correspond to the four thematic core areas of local public sector reform.

*WG 1 - External (Post-) NPM Reforms:* The NPM doctrine focused on far-reaching externalizations of local services to private or non-profit providers (contracting-out, functional/asset privatization, corporatization, competitive tendering). The more recent Post-NPM reforms are, however, targeted towards re-municipalization and re-integration of previously externalized local functions.

According to the three-steps-model explained further above, three questions need to be answered:

(A) To what extent have local services been externalized to the market/civil society and/or re-integrated into the local governments and what factors explain the varying degrees of externalization/re-integration in different European countries? (B) What are the reform-drivers and who are relevant stakeholders of the reforms and which implementation strategies do they pursue?



(C) What are the effects of these reforms?

*WG 2 - Internal (Post-) NPM Reforms:* Based on the NPM inspired principles of performance orientation and target steering, local governments have pursued various strategies of internal re-organization, process re-engineering and HRM (Human Resource Management) modernization. Three sub-categories can be distinguished: organizational re-structuring (flattening/re-establishing hierarchies; creation/abolishment of quasi-autonomous local agencies etc.); new steering instruments and process innovations (performance management, controlling, contract management etc.); modern HRM (introduction/cancellation of performance related pay, improvement of working conditions/motivation). The three core questions are therefore: (A) To what extent have internal (Post-) NPM reforms been implemented at the local level of government and how can possible variations be explained from a cross-country comparative perspective? (B) What are the major reform drivers and implementation strategies and who are the major stakeholders? (C) What reform effects have resulted from the internal modernization efforts? In particular, the issues of fragmentation caused by internal NPM reforms and new instruments of strategic control/steering will be addressed.

*WG 3 - Democratic Renewal:* Major attempts at local modernization have been directed at the reinforcement/revival of ‘old’, as well as to the introduction of ‘new’, participatory instruments at the local level of government and the inclusion of civil society into local policy making. The Action will focus on examining the strengthening of direct democracy (referenda, direct election/recall of local executives) on the one hand and on new forms of participatory and cooperative democracy on the other (citizen forums, consultations, youth/ neighbourhood councils, E-democracy). Following the three conceptual steps, the Action seeks answers to the following questions: (A) To what extent have new instruments of direct and participatory/cooperative democracy been introduced at the local level and what explains the cross-country variations? (B) Which are the drivers of the local democratic renewal, who are the relevant stakeholders in the local arena and to what extent do they utilize the new participatory instruments? (C) Which (positive and/or negative) consequences can be discerned as a result of the democratic reforms?

*WG 4 - Territorial-Functional Re-Scaling:* European local governments have been – to varying degrees – subject both to territorial up-scaling (amalgamation) and/or trans-scaling (inter-local cooperation) of sub-national jurisdictions as well as to the re-allocation of competencies between levels of government. Both reform segments are often combined when initiating respective reforms,

since there is a close relationship between territorial consolidation and functional decentralization. Concerning the territorial sub-dimension, the Action will concentrate on both amalgamations and inter-local cooperation. With regard to the functional sub-dimension, a distinction between political decentralization, administrative decentralization and de-concentration (or re-centralization/re-concentration respectively) of tasks will be made. Again, three questions will be raised and answered: (A) To what extent have local government units been merged/inter-local cooperation bodies established and/or major functions re-allocated between levels of government; how can country differences been explained? (B) What are the causes and drivers of territorial and functional re-scaling, who are core actors and stakeholders in the process and how do they implement the respective reform measures? (C) What are intended/unintended consequences of the territorial consolidation and functional de-/recentralization?

Concerning the three analytical steps (A), (B) and (C), every WG has to be especially aware of the following questions:

- a. Investigating institutional changes, the WGs have to cover the reforms of the last twenty-five years. In doing so, special attention is given to the last five years in order to analyze reform trends caused, in particular, by the recent financial crisis. The covered period allows for the systematic evaluation of the reform effects, as reform measures take a certain amount of time to have an impact. Furthermore, the Action will explore expected future trends of reforms and prospective modernization issues concerning the local level of government (White Papers etc.).
- b. In seeking the drivers and causes of local public sector reforms, every WG has to consider the impact of the recent financial crisis, since it can be assumed that many of the most recent reform measures were initiated by the national/local policy makers as a reaction to growing fiscal pressures and economic constraints. Therefore, this COST Action will scrutinize the impact of the fiscal crisis on local public sector reforms. Concerning reform actors and stakeholders, the WGs will identify whether the reform activities were driven by local initiatives or led by central government actors.
- c. This COST Action serves to gather together available information about the reform effects on local government performance in the different countries examined. Therefore, the WGs will consider three aspects of reform outcomes: input changes (e.g. cost savings), output changes (quantity, quality and effectiveness of services delivered) as well as the more far-reaching systemic and cultural changes (behaviour/ role perceptions of the administrative staff; legitimacy/acceptance of the local government) that are brought about by local public sector reforms.

## **E. ORGANISATION**

### **E.1 Coordination and organisation**

The MC is in charge of developing, supervising, and implementing the Action. It will be supported by the WGs in order to share the workloads and extend the Action to a broader community. The MC is responsible for project management as well as content planning for the expert panels, workshops, conferences, PhD forums and joint publications. Its first meeting will be used to lay the procedural foundations of the MC activities and to prepare the Action's kick-off conference. Milestones of the Action are the large-scale annual conferences that serve to discuss and to transfer research results. In addition to the network participants, pertinent academics and practitioners from outside the Action will be invited to join and contribute to these events. Further milestones of the Action are the launching of the website, the creation/consolidation of the comparative databank and the network publications.

#### *Activities*

- (1) General plenary meetings of the Action will be organized twice a year by the MC in coordination with the four WG Leaders. The purposes of the plenary meetings are as follows:
- The MC will come together and discuss the achieved network results as well as the further strategic planning of the Action and the dissemination measures to be taken.
  - The four WGs will meet separately to present their interim findings and debate the next steps of their research in a focused manner. During the open plenary sessions, to be organized at the beginning and at the end of the general meeting, the WG Leaders will present their ongoing research and the preliminary results. Young researchers and PhD students will be particularly encouraged to join the meetings of the WGs.
  - A meeting of the four WG Leaders will take place in order to guarantee the coherency of the research and to integrate the activities of the individual WGs, also with regard to joint publications and other means of dissemination.
- (2) Once a year the general plenary meetings will take the format of an open large-scale conference (kick-off conference in year 1; mid-term conferences in year 2 and year 3; concluding conference in year 4), marking milestones of the Action.
- The kick-off conference of the Action will be organized in year 1 and fulfil the function of presenting/summarizing the 'state of the art' in the field (Work Package I).
  - The purpose of the two mid-term conferences is to present interim results and to determine the next steps to be taken. They will focus on the outcomes to be gained from WP 2 and 3.
  - The objective of the concluding conference is to synthesize the achieved results, to integrate the

findings of the WGs and to present policy relevant outcomes to decision makers (WP 4).

The four milestone conferences will also be visible and accessible to the broader academic community as well as invited practitioners, policy makers and civil servants. A call for papers will be organized by every WG. In year 1 of the Action, these calls will mainly focus on the state of the art in the respective reform area. In year 2 and 3, the WG Leaders will encourage their members to present the preliminary results of their research. In addition to the activities to be conducted during the general plenary meetings of the Action, the open-format large-scale conferences will have the following purposes:

- A PhD forum will be organized to gather together the members of the PhD platform who will have an in-depth exchange on research concepts, methods and data analysis in a well-structured manner. An established scholar or a distinguished member of the Advisory Board (AB) will give a key note address during the PhD forum.

- The members of the AB will join the WG discussions in order to bring in the policy makers' and civil servants' points of view.

(3) An electronic newsletter will be established and circulated quarterly. External researchers and practitioners can register for the newsletter on the Action Website (see below). The electronic newsletter serves two purposes: It will inform external researchers and practitioners about the Actions' activities and relevant publications. The newsletter also keeps the members of the different WGs up to date about each others' activities and research outcomes. WG Leaders are responsible for providing the relevant information to the MC.

(4) The WGs will organize research workshops with a relatively small number of participants and will include both academics and practitioners in order to discuss selected issues from the four core areas of local public sector reform. The COST Action will partly attach these workshops to existing activities of EGPA in order to achieve further synergies.

(5) Short-Term Scientific Missions will be conducted by up to four scholars per year on average in order to foster closer cooperation and exchange between young researchers from the partner institutions participating in the Action. The stays will enable scholars from different countries to jointly prepare research and publications. The face-to-face contacts over a period of about 2-3 months will contribute to develop joint research perspectives.

(6) A PhD platform will be created that allows for exchange, knowledge sharing and learning amongst young researchers coming from the Action's partner institutions. Therefore, particular value will be placed on the targeted inclusion of junior scientists in the network, with women specifically addressed. The Action will organize PhD training schools of up to one week that are aimed at discussing ongoing research projects.

(7) The publication strategy of the Action, which will be developed during the first meetings of the MC and WGs, includes a series of (edited) books that will present research results to the wider academic community. Special attention will be given to comparative contributions. Furthermore, the Action aims also to produce policy-oriented publications, focused on the applicability of the results and on their transfer from science to the practice.

### *Website*

The launch of the Action Website will mark a milestone and has the following purposes: (1) it will be a platform for exchange between the members of the Action to supplement the face-to-face meetings and conferences. (2) The website will host the Action Databank, which will be created in the first phase of the Action and will be continuously updated as well as complemented by additional country case studies. Moreover, the Action envisages linking this database with existing resources (see section E.3). The database is thus the key source of information for network participants of the Action. (3) An open-access approach will contribute to the dissemination of the results beyond the running time of the Action. The research communities as well as practitioners are to be informed about the ongoing research, the latest publications and external events of the Action. A webmaster will oversee the website including the databank. He/she will be responsible for transferring the information from the WGs into ready-made files that can be used by other Action Members.

### *Advisory Board*

The Action will be supplemented by an Advisory Board (AB) composed of renowned practitioners and (former) policy makers in the field of local public sector reforms. To recruit the AB members the MC will approach, inter alia, the International City/Council Management Association, the European Federation of Local Government Chief Executives, the Council of European Mayors and Regions, United Cities and Local Governments, the International Urban Development Association, Eurocities and the High Level Meeting of Local Governance. The AB has two essential purposes: (a) to advise and critically convey the research of the WPs from a practitioners' perspective (b) to disseminate network results to the broader community of pertinent practitioners and relevant policy makers in the field. The Action will benefit from the AB since these practitioners and actors in previous reforms possess highly relevant knowledge and experience on past and present local public sector reforms. The AB will meet once a year at the same time as the MC, thus allowing for exchange between the MC and AB. Individual members of the AB will also participate once a year in the WG's meetings and in other activities of the Action so that they can comment on the interim

results and gather information for policy-relevant applications.

## **E.2 Working Groups**

The Action is based on four thematic WGs, each of which focuses on one of the four core areas of local public sector reforms identified in sections C.2 and D.2. Each of these WGs will be chaired by a WG Leader who steers the WG's activities and coordinates the interaction between their own and the other WGs as well as with the MC and the AB. He/she also reports to the MC. In general the WGs will act independently in determining the operational subjects of research. There will also be regular interaction between the four WGs in order to guarantee theoretical, methodological and empirical exchange and the comprehensive implementation of the major strategies of the Action. As each WG integrates different disciplines, methodological preferences, and research perspectives they will not be restricted to a uniform conceptual approach or a certain methodology, but will exchange and share their own individual methodological, conceptual and theoretical approaches to be subsequently integrated in all the WGs.

## **E.3 Liaison and interaction with other research programmes**

One of the main purposes of the Action is to bring together existing European and national research programmes (see sections B.2 and B.4). Through bundling the available national databases on local public sector reform, the Action provides an interdisciplinary and inter-national platform for exchange. It will build on and enhance the research capacities that exist in the participating countries and which are financed by other national/European research programmes. All central results will be taken into account in order to generate the maximum potential for synergy-building. Key researchers of those programmes will be invited to join workshops and conferences to facilitate information exchange. To ensure a high level of comparability amongst the different data sources, a standardized analytical framework to capture local public sector reforms will be developed.

## **E.4 Gender balance and involvement of early-stage researchers**

Notably, the Action will make extra efforts to encourage women to join the network. Gender mainstreaming will be explicitly supported by the Action, female academics will be especially sought after and encouraged to join LocRef and to become a MC or WG member. The PhD platform will take a central role in this respect. It seeks to strengthen the self-coordination of young

scientists, bring them together in an international context and develop their networking skills at an early stage of their careers. Crucial elements of the PhD platform will be a PhD forum on the Action Website, STSMs in one of the partner institutions, PhD training schools, paper presentations in WG meetings or workshops and participation in the plenary sessions.

## **F. TIMETABLE**

The total duration of the Action will be four years. Table 1 provides a timescale which presents the planned scientific events and the related activities in each year of the Action.

Table 1: Timetable

Timescale <i>Action</i>	Year 1	Year 2	Year 3	Year 4
<i>Scientific programme</i>	<i>Work Package 1: Developing indicators, data collection, state of the art assessment</i>	<i>Work Package 2: Identifying research gaps (concerning theoretical, methodological, data deficits); developing new research tools</i>	<i>Work Package 3: Data comparison; inclusion of complementary data</i>	<i>Work Package 4: Synthesis of network results; dissemination to practice; feedback</i>
<i>Activities</i>	Annual large- scale conference (kick-off; state of the art); PhD platform (kick-off); MC meetings and AB meetings; WGs meetings (kick-off); STSM	Annual large- scale conference; MC meetings and AB meetings; PhD training school; WGs meetings and research workshops; STSM	Annual large- scale conference; MC meetings and AB meetings; PhD training school; WGs meetings and research workshops; STSM	MC meetings and AB meetings; PhD training school; WGs meetings and research workshops; STSM; Concluding conference
<i>Milestones</i>	Typology for comparison; Website; Large-scale conference; Publication strategy	Publishing first results (volume articles); Extended/upgraded databank; Large-scale conference	Publishing results(e.g. articles) in international journals); Consolidated databank; Large-scale conference	Large-scale (concluding) conference; Open access to databank; Publishing results (policy-oriented volume, articles)



## **G. ECONOMIC DIMENSION**

The following COST countries have actively participated in the preparation of the Action or otherwise indicated their interest: BE, CH, CZ, DE, ES, FR, HR, HU, IT, NL, NO, PL, PT, SE, TR, UK. On the basis of national estimates, the economic dimension of the activities to be carried out under the Action has been estimated at 64 Million € for the total duration of the Action. This estimate is valid under the assumption that all the countries mentioned above but no other countries will participate in the Action. Any departure from this will change the total cost accordingly.

## **H. DISSEMINATION PLAN**

### **H.1 Who?**

Each type of dissemination addresses different end-users and depends on the stage of the Action. In addition to the academic community as the main target group and key recipients of the Action, the dissemination of results will also be targeted at practitioners and policy makers. The target audience will be in particular: young and renowned researchers in the field of comparative public administration and public management and their respective academic institutions as well as policy makers of all levels (local, regional, national, European).

### **H.2 What?**

Working Papers will be used to disseminate preliminary research findings, especially those resulting from Work Packages 1 and 2, mainly in year 1 and year 2 of the Action. These papers are targeted at academics as well as practitioners. For this purpose a dedicated LocRef Working Papers series will be established. The papers will be placed on the Action Website. This allows for the near-term dissemination of results, especially in the first two years of the Action. The LocRef Working Papers also form the basis for manuscripts to be submitted by WG members to high-ranking international journals. The Action will encourage WGs to publish special issues and individual articles in highly ranked double blind peer-reviewed international journals, preferably using a cross-country comparative perspective.

The publication strategy envisages covering a wide range of journals from different disciplines, e.g. public management, public administration, but also economics, political science, sociology and law. This will foster the widespread distribution of the network's results. Research outcomes of the Action will also be published in special issues of international journals, edited volumes and co-

authored books. More specifically, this COST Action aims – amongst other things – to publish a co-authored volume on “Local Public Sector Reforms from an International Comparative Perspective” with Oxford University Press. Another major output of the Action will be a textbook on “Local Governance” to be co-authored by network participants and published with Routledge.

### **H.3 How?**

The results of the Action will be disseminated via a) ‘conventional’ publications (books, articles etc.); b) electronically (website, blogs, newsletter, databank, new social media like Facebook and Twitter); and c) workshops/conferences. The summary table (see below) also shows that a significant share of the dissemination efforts will happen via the website and the databank of the Action. These dynamic forms of information sharing will take a prominent place alongside the different types of ‘conventional publications’.

Table 2: Dissemination Plan

<b>Stage of the Action</b>	<b>What? (H.2)</b>	<b>How? Type of dissemination (H.3)</b>	<b>Who? Addressed end users (H.1)</b>
<b>Work Package 1:</b> <i>Developing indicators, data collection, state of the art assessment (months 1-12)</i>	Scientific state of the art	Large scale (kick-off/state of the art) conference Report on the state of the art; E-Newsletter	Academics and practitioners
	Available national data, indicators, concepts of comparison	Working Papers; Website; New social media	Academics and practitioners
	Analysis of the strengths and weaknesses of existing data	Working Papers; Website; E-Newsletter; Individual articles by WG members	Academics
	Advertisement of the new COST Action; visibility of the COST Action	Website; E-Newsletter; New social media	Academics and practitioners
<b>Work Package 2:</b> <i>Identifying research gaps (concerning theoretical, methodological, data deficits); developing new research tools (Months 13-24)</i>	Identifying research gaps (scrutinizing survey questionnaires and case study protocols)	Website; Working Papers	Academics
	Quantitative/qualitative data collection (survey; case studies);	Website/databank; Individual articles; PhD platform; Edited volumes;	Academics and practitioners

	summarizing available and proposing new research tools	Large-scale conference	
	Pre-Test	Internal report on the website	Academics and practitioners
<b>Work Package 3:</b> <i>Data comparison; inclusion of complementary data (months 25-36)</i>	Explanatory comparative Analysis of upgraded / complemented data	Consolidated databank; Articles in international journals, special issues; Large-scale conference	Academics
<b>Work Package 4:</b> <i>Synthesis of network results; dissemination to practice; feedback (months 37-48)</i>	Explanatory comparative reports from advanced analysis  Overall synthesis of the research results of the Action	Consolidated databank; Articles in international journals, special issue  Concluding conference; Updated website/ databank (open access); Articles in international journals;  New social media; Policy-oriented (edited) volume;  Book with overall synthesis of network results;  Textbook (Local Governance)	Academics and practitioners  Academics and practitioners