

PUBLIC AND PRIVATE ADMINISTRATION

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INTRODUCTION:

- ◉ Organization and management of men and material to achieve the desired goals undertaken by the government – centre, state and local bodies are called as Public administration, while those performed by private agencies are called Private administration.
- ◉ There are two different views regarding the relationship between Public and Private Administration.
- ◉ A group of thinkers like, Henry Fayol, M.P. Follet and Urwick, is of the view that all administration is one and the same.
- ◉ According to these writers both possess the same fundamental characteristics and therefore it is undesirable to separate Public from Private Administration.

SIMILARITIES BETWEEN PUBLIC AND PRIVATE ADMINISTRATION:

- ⊙ There is much in common between public and private administration.
- ⊙ Some of the similarities between the two may be listed as under –
 1. Both are based on law,
 2. Common services to people,
 3. Common skills & techniques,
 4. Hierarchically organized,
 5. Both face risks and difficulties,
 6. Research and improvement,
 7. Influence each other, etc.

1. BOTH ARE BASED ON LAW:

- ⦿ Both public and private administration are based on law.
- ⦿ Activities of the government agencies are authorized either by the constitution or statute or the executive orders.
- ⦿ In the similar manner the private organizations are also function according to law.
- ⦿ The law restricts and regulates the activities of both public and private organizations.
- ⦿ However, the duties and responsibilities of public administrators are described by law in greater detail than that of the private agencies.

2. COMMON SERVICES TO PEOPLE:

- ⊙ Both provides the people such common services as public utilities, social services, scientific and technical services, etc.
- ⊙ Both public and private sectors believe that there should be maximum contact with the masses. If that contact is lost, administration is bound to be a failure as it(PA) may not come to know about the needs and necessities of the people whom they are required to serve.

3. COMMON SKILLS & TECHNIQUES:

- ◉ There are many skills, techniques and procedures, which are common to both public and private administration.
- ◉ For example, accounting, statistics, office management and many other activities are common to both public and private administration.
- ◉ An engineer or a statistician or a lawyer may be doing the same kind of work whether he is employed in public or private concern.
- ◉ In India, many retired civil servants are re-employed by big private concerns which indicates the fact that skills & techniques of administration are common to both.

4. HIERARCHICALLY ORGANIZED:

- ⦿ There is a certain kind of hierarchy and administrative set up both in public and private sectors.
- ⦿ Both have some kind of organizational structure, higher and lower status employees and both have clear demarcation of work, duties and responsibilities.
- ⦿ In both the cases we find that there are people who are responsible for taking policy decisions while others are there to implement them.

5. BOTH FACE RISKS AND DIFFICULTIES:

- ⦿ Both public and private administration involves a lot of risks and common difficulties.
- ⦿ They face the problems of recruitment, routine discipline problems, organizational hierarchy, promotion, etc.
- ⦿ Both suffer from rigidities of procedures and delays which are more complex in public administration.

6. RESEARCH AND IMPROVEMENT:

- ⦿ Both public and private enterprises feel that there is always sufficient scope for improvement
- ⦿ None of them can claim perfection both in quality and quantity of work done by them.
- ⦿ That is the reason why the research work and investigations are always being carried out in both the public and private administrations to improve upon procedure and techniques.

7. INFLUENCE EACH OTHER:

- ◉ Both public and private administrations influence each other in a number of ways.
- ◉ For example, the business practices and standards used in private concerns have been influencing the methods & organizations of public administration.
- ◉ Like-wise, the whole idea of ‘public corporation’ is the influence of private administration and shows the close affinity between the public and private administration.
- ◉ Similarly, big business organizations are influenced by governmental practices in matters such as staff welfare, retirement benefits, etc.

8. COMMON TRAINING CENTRES TO BOTH:

- The institutions like the Administrative Staff College at Hyderabad imparts training to personnel drawn from industry, commerce and government organizations in the belief that administration in these different spheres has many common features.

9. IMPERSONAL CHARACTER:

- ◉ Both public and private administrations are impersonal in their dealings with the public.

10. NATIONALIZATION OF PRIVATE CONCERNS:

- The similarities between public and private administration becomes evident when a private undertaking is taken over by the government.
- The taking over of the LIC by the Government of India in 1956 in no way added any fresh problems to the government.

DIFFERENCE BETWEEN PUBLIC AND PRIVATE ADMINISTRATION:

- In spite of their similarities there are major differences between the public & private administration.
- Public Administration has certain special characteristic features on the basis of which we can distinguish it from that of the private administration.
- Following are the main differences between the two -

DIFFERENCE BETWEEN PUBLIC AND PRIVATE ADMINISTRATION...

◎ Main areas of differences are –

1. Greater social prestige,
2. Political Direction,
3. Profit motive,
4. Uniformity of treatment,
5. Legal frame work and procedure,
6. Essential services,
7. Scope of activity,
8. Monopolistic,
9. Public responsibility,
10. Financial control,
11. Social necessity,
12. efficiency,
13. Public criticism,
14. Anonymity, etc.

1. GREATER SOCIAL PRESTIGE:

- ⦿ Public administration enjoys greater social prestige when compared to private administration, especially in the developing societies.
- ⦿ This is due to the sovereign power vested in the government machinery.
- ⦿ As public administration is rendering more services to people and hence it commands more respect than private administration.

2. POLITICAL DIRECTION:

- ⦿ Public administration is subjected to political direction.
- ⦿ In Public administration the administrators has to carry out the orders of the political executive.
- ⦿ It is the minister who lays down broad policy outlines, under which the bureaucrat has to implement the policy.
- ⦿ The ends and objectives of private administration never depend upon political decisions.
- ⦿ Thus, private administration is not subject to any political direction.

3. PROFIT MOTIVE:

- ⦿ Public administration is service oriented and profit making is not its goal.
- ⦿ A private administrator will never take up a work if it does not bring profit to him.
- ⦿ In public administration there is no co-relation between income and expenditure, since most government departments are spending departments and even in the so called revenue producing departments, the primary motive is always public service.

4. UNIFORMITY OF TREATMENT:

- ⦿ Public administration should show equal treatment to all people and follow uniform procedure.
- ⦿ The public officials cannot show favour to some people and disfavours to others.
- ⦿ Private administration need not worry very much about uniformity in treatment.
- ⦿ For example, a shop keeper may pay more attention to a regular customer than to a occasional visitor.
- ⦿ But a booking clerk at the railway station should strictly follow the principle of 'first come first serve' while attending the customers.

5. LEGAL FRAME WORK AND PROCEDURE:

- ⦿ The public administration has to operate strictly according to law, rules and regulations.
- ⦿ The strict adherence to law makes public administration more rigid than that of the private administration.
- ⦿ Private administration is relatively free from legal constraints.
- ⦿ They are free to select their own activities that brings them profit.

6. ESSENTIAL SERVICES:

- The services performed by the state are more urgent than those performed by private institutions.
- Public administration deals with matters which are of vital importance, for the very existence of the people.
- For example, the defense of the country, maintenance of law and order, education, health and other essential services in the interest of the public.
- Private administration, on the other hand, does not deal with matters of such importance.
- For example, it may undertake less significant areas like manufacture of sugar, cotton textiles, etc,

7. SCOPE OF ACTIVITY:

- Public administration is more comprehensive especially in a socialistic or developing country.
- Its jurisdiction extends to all types of activities pertaining to the individuals.
- Private administration on the other hand mostly deals with the economic needs of life or less important functions like cloth, sugar etc,
- Thus, public administration is wider in scope than that of the private administration.

8. MONOPOLISTIC:

- Many services rendered by the public administration to the society are monopolistic in character.
- Public administration alone runs railway, manages post and telegraph, maintains army, etc.
- No such monopoly can be seen in private administration.

9. RESPONSIBILITY TOWARDS THE PUBLIC:

- ⦿ Public administration has responsibility towards the public.
- ⦿ Public accountability and public scrutiny is one of the important characteristic feature of public administration.
- ⦿ Public administration has to face the criticism of the public, press and political parties.
- ⦿ The public officials have to act in accordance with the wishes of the people expressed through their representatives.
- ⦿ That is the reason why the public administrators are required to keep elaborate records and accounts of their actions.
- ⦿ Private administration on the other hand, does not have any such direct responsibility towards the public.

10. FINANCIAL CONTROL:

- ⊙ Public administration is subjected to very extensive financial control exercised by the legislature.
- ⊙ The executive does not control finance but the legislature does so.
- ⊙ Thus there is a complete dichotomy between administration and finance.
- ⊙ But such complete divorce of finance and administration does not exist in private administration.

11. SOCIAL NECESSITY:

- ⦿ Public administration exist to meet the social needs of the people.
- ⦿ For example, government is undertaking many social welfare measures to promote the interests of the weaker sections of the society.
- ⦿ Private administration does not operate for social necessity.
- ⦿ Private administration undertakes only such services which will bring profit to it.

12. DEGREE OF EFFICIENCY:

- The degree of efficiency in a private concern is measured in terms of profit earning which implies that with the use of minimum resources to earn the maximum profit.
- In that sense private administration functions on a level of efficiency superior to that of public administration.
- In private administration the incentive of more profit forces the individual to devote himself fully to his business.
- However, this incentive is lacking in the administration of public affairs and hence we find less efficiency in public administration.

13. PUBLIC CRITICISM:

- ⦿ The actions of public sector organizations are much more exposed to the public gaze.
- ⦿ An achievement rarely gets publicity, but a little fault hits the newspaper headline.
- ⦿ This wide public criticism is not to be found in private administration, nor is it so very closely watched by the public and the publicity media.

14. ANONYMITY:

- ⦿ The government official always remain anonymous while performing his official duties. He never acts in his personal capacity.
- ⦿ Due to the principle of ministerial responsibility, the minister concerned is held responsible for the work of the official under him.
- ⦿ The principle of anonymity does not apply to private administratin.

CONCLUSION:

- ◉ To conclude, public accountability, uniformity of treatment, impartiality and public services are essential characteristics of public administration which distinguishes it from private administration.
- ◉ But the dividing line between the two is not a sharp one. There is a constant and growing interaction between public and private administration.
- ◉ Therefore, the differences between the two is only of degree and not of kind.
- ◉ As a matter of fact, public and private administration are the two species of the same genus, but they have special values and techniques of their own, which give to each its distinctive character.