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Politicisation in Public Sector Organisations Through the Lens of Information Asymmetry

[A quantitative Analysis of Civil Service Executive Perceptions]

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Executive Summary

Research has shown that politicisation is on the rise in many countries in Europe. However, this research has been overly-concentrated on qualitative country-level case studies. This thesis attempts to explain what factors may cause different levels of politicisation on the organisational level using a quantitative analysis. The dependent variable politicisation was broadened into three separate variables; political appointments, respect for expertise and interference in routine activities, all of which are different methods of politicisation. The theory of information asymmetry was used as a guide in choosing the factors that may be an influence. It was thought that the greater the information asymmetry between a politician and an organisation, the more likely it is that they will politicise it. Therefore the size of the organisation, the policy area dealt with and the distance of the organisation from central government were all chosen as factors that may influence the level of politicisation due to a need to control them.

The analysis was carried out using a data set of civil service executives' perceptions in European countries. The results of the multiple regression analysis were quite surprising. Distance from government was the most influential factor, but most of the hypotheses proved to be incorrect; it was expected that agencies further from central government would show higher perceptions of political appointments and higher levels of respect for expertise, but this was not the case. Larger organisations are shown to have higher levels of politicisation, and the results correspond with the predicted hypotheses. No conclusive results about the influence of policy area were found on measurements based on the technical level of the policy area or the political saliency of the policy area. It can be concluded that information asymmetry does not seem to play a momentous role in explaining the phenomenon of politicisation. However closer attention must be paid to this phenomenon, as increased politicisation may lead to negative consequences such as corruption and inefficiency. Further research should be conducted to establish the extent of the problem. Appropriate action can then be taken such as allowing more regulated politicisation or taking action to prevent it completely. The researcher would recommend the latter.

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Jennifer Fitzsimons

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1. Introduction

1.1 Introduction

The primary aim of this opening chapter is to introduce the research question: A*re there different levels of perceived politicisation in public sector organisations and if so how can they be explained, from the perspective of information asymmetry?* It will do this through providing background to the topic, and detailing why politicisation is seen as a problem. This will be followed by an explanation of the research question and sub-questions, an explanation of its relevance both theoretically and socially, and it will end on a guide to the subsequent chapters of the thesis.

1.2 Problem Statement

1.2.1 The Weberian Dichotomy

The concept of administration and politics being two separate entities goes back to Max Weber and Woodrow Wilson. In this dichotomous relationship, the politician makes the executive decisions, with the help of the technical expertise of the civil servant. The civil servant carries out and implements the decisions of his political master without getting involved in the politics of decision making, while the politician listens to the objective expert advice of their civil servants without interfering in the day to day running of the organisation or the personnel management. This translates into one of the most basic principles of government; politics should only influence the input side in decision making, not the output side which falls under the remit of the bureaucrat (Stensöta, 2011).

The reasoning for this is that by having two sets of people with different interests, the professional bureaucrat and the elected politician, efficiency should increase. The goal conflict mainly arises from the length of time in the job. Politicians do not have job security and must attempt to get re-elected every few years. Being self-interested individuals, this results in a short-term mentality. On the other side, bureaucrats (in the Weberian bureaucracy) have jobs for life and thus are more inclined to think about the long-term. This can also lead to a heightened sense of professionalism (Miller, 2000).

> *"Professionalism rests on specialized knowledge, science and rationality. There are correct ways of solving problems and doing things……Politics is to the professions as ambiguity to truth, expediency to rightness, heresy to true belief"* (Miller, 2000, p.321).

This goal conflict has further deepened in recent times with politicians pushing for smaller governments, which has led to privatisation, downsizing and contracting out. Bureaucrats are

unlikely to support these reforms as it is a threat to their survival. It goes against their aims of bigger budgets and organisational growth (Bowornwathana, 1997).

The increased efficiency arises as the two groups should allow both sides to act as whistle-blowers to the other, thereby reducing corrupt activities (Dahlstrom, Lapuente & Teorell, 2012). By not partaking in corrupt activities, there should be a higher rate of efficiency and fairness in the public sector (Peters & Pierre, 2004a). Furthermore as bribery is one of the few offences that a bureaucrat can be dismissed for honesty is high, resulting in Miller (2000) claiming that there are probably fewer bribes in the 2 million American civil servants than the 435 members of the US congress. An example of this was the 1989 Keating scandal where civil servants felt empowered to expose the corrupt interference of senators in the regulatory process. Thinking of it in another way, if political influence was allowed over the administration the redistribution of benefits which is one of the key roles of the state, would follow political lines instead of the most efficient lines; contracts could be granted based on favouritism instead of efficiency or regulations and rules could have different levels of enforcement depending on who is being dealt with (Miller, 2000). These examples show the inefficiencies that can result from political influence over bureaucracy. Finally the separation creates a situation where politicians and bureaucrats have a symbiotic relationship where politicians need bureaucrats to implement policies and provide information, and bureaucrats need politicians for power and budget (Peters, 2010). Thus the separation and goal conflict does not lead to an obstruction of work.

Many academics have attempted to lay to rest the old “proverb” of politics and administration being two separate entities, pointing out that there has always been some degree of politicisation (Peters, 2010, p.166), while other research has shown that political appointments may not be so detrimental in countries with strong safeguards such as an independent judiciary and free press (Sundell, 2012). Nevertheless the dichotomy still remains. Although there has always been some level of political involvement in the public sector particularly in relation to personnel management, for example the use of the plum book in the US, there seems to be a growing concern about the lines blurring between the two as the consequences of a more politicised administrative system may include a loss of efficiency, fairness, impartiality, openness and more limited accountability of the public bureaucracy (Peters & Pierre, 2004a; Sausman & Locke, 2004). Furthermore, it inhibits the ability of civil servants to “speak truth to power” (Sausman & Locke, 2004, p.121). The experience of civil servants in their policy fields should be seen as a balance to naive and overly-excited politicians, which could prevent political disasters (Sausman & Locke, 2004).

1.2.2 The Rise of Politicisation

This Weberian system was seen as the most efficient system of governance in Western societies, nevertheless studies have recently shown that the politicisation of civil service systems is on the rise again, with various degrees and with various methods (Peters & Pierre, 2004a). While some systems have always been more politicised than others, such as the spoils system in the United States (Peters, 2004), other traditionally dichotomous systems such as the British system have also seen an increase (Sausman & Locke, 2004). In a recent report based upon the opinions of 4,814 civil servants across ten European countries, there were varying degrees of politicisation felt across the board, with Dutch civil servants feeling the least amount of politicisation and Spanish feeling the most (Hammerschmid, Van de Walle, Andrews, Bezes, Görnitz, Oprisor & Štimac, 2013).

Some theorise the reason for this increase in politicisation is due to the New Public Management (NPM) reforms that have occurred over the past decades. NPM reforms were introduced to further separate the roles of bureaucrat and politician, with politicians formulating policy and bureaucrats implementing policy, in the same sense as Weber (Niklasson, 2013). It was meant to "let the managers manage" (Peters & Pierre, 2004a, p.5). More techniques were introduced from the private sector such as performance targets and performance related pay, which aimed at increasing efficiency. However studies have uncovered a large degree of gaming, and the failure of targets to improve the overall efficiency of an organisation, instead targeting very specific aspects (Bevan & Hood, 2006; Guilfoyle, 2012; Stevens, Stokes & O' Mahony, 2006). There is little evidence that this has improved efficiency as more gaming is uncovered.

Moreover as these reforms increased the autonomy and decision making powers of public servants, politicians lost more control (Peters, 2010). As the deregulation and managerialist movements have given the civil service more freedom, some form of political control is needed to compensate for this. The reasoning for this is that although ministers have less control over policy failures, the public do not see this and therefore the accountability remains with the politician. As parliaments question civil servants more, ministers need civil servants who are on the same page as them, or who are willing to put the same spin on something (Peters & Pierre, 2004a). In order to assert more control over civil servants, politicians are using different instruments to control the civil service, such as political selection processes, alternative sources of policy advice and intermediary political-administrative structures such as ministerial cabinets (Van der Meer & Dijkstra, 2011b).

1.2.3 Information Asymmetry and Politicisation

These issues of control and accountability can be linked to information asymmetry. As politicians were given less input and civil servants gained more freedom, information asymmetry increased.

Moreover as more reports uncover gaming relating to the NPM techniques politicians cannot be certain that their public organisations are becoming more efficient, further increasing information asymmetry. In principal-agent theory (PAT), the basic concept is that the principal (politician) will want to exert more control over the agent (bureaucrat) when there is a higher level of information asymmetry and conflicting goals, as having more information will give the agent a greater means in evading the principal's interests (Waterman & Meier, 1998). As politicians are given less responsibility and control in public sector organisations, the information asymmetry grows. This should then encourage politicians to regain some of that control as they will still be held accountable by the public. Despite NPM reforms' attempt to draw a deeper line between bureaucrats and politicians, it may have inadvertently blurred the lines even further, as politicians seem to make up for the control lost (Niklasson, 2013). This thesis will be anchored in PAT, with a primary focus on information asymmetry.

1.2.4 Research Objective

The above demonstrates that politicisation is on the rise, why that may be a problem and a brief introduction to the theory that will be utilised in this thesis. The objective of this research is to look more closely at what factors may impact the degree of politicisation at an organisational level in the public sector. This research will examine characteristics of organisations, such as distance from central government, size, and policy area, to determine whether they have an impact on the level of politicisation, while using information asymmetry as a theoretical guide. It will examine whether organisational characteristics that theoretically result in more information asymmetry show higher perceptions of politicisation.

The overall aim is to determine whether there are certain organisational characteristics that make politicisation more likely, or less likely. Additionally, it aims to determine what kind of politicisation is more likely or less likely, given certain characteristics. It must be made clear that it will rely on the perceptions of politicisation of civil servants in public organisations in European democracies only. The methodology to be utilised is quantitative analysis. By using this method general trends relating to the variables tested may be established.

1.3 Research Aim and Question

Following the above problem statement and research objective, the central research question is as follows:

A*re there different levels of perceived politicisation in public sector organisations and if so how can they be explained, from the perspective of information asymmetry?*

In this research question the dependent variable is perceived politicisation. This will be measured in three ways; political appointments, respect for expertise and interference in routine activity. The sub-questions to the main research question are as follows:

1. Can different levels of perceived politicisation in organisations be explained by distance from central government?
2. Can different levels of perceived politicisation in organisations be explained by the technical level of the policy area the organisation deals with?
3. Can different levels of perceived politicisation in organisations be explained by the political saliency of the policy area the organisation deals with?
4. Can different levels of perceived politicisation in organisations be explained by the size of the organisation?

These sub-questions detail the three independent variables that will be used in the research; distance from central government, policy area of the organisation, and size of the organisation. These independent variables will be discussed in more detail at a later stage. Below is a diagram of how the thesis is planned. The independent variables are placed on the left, while the dependents are on the right.

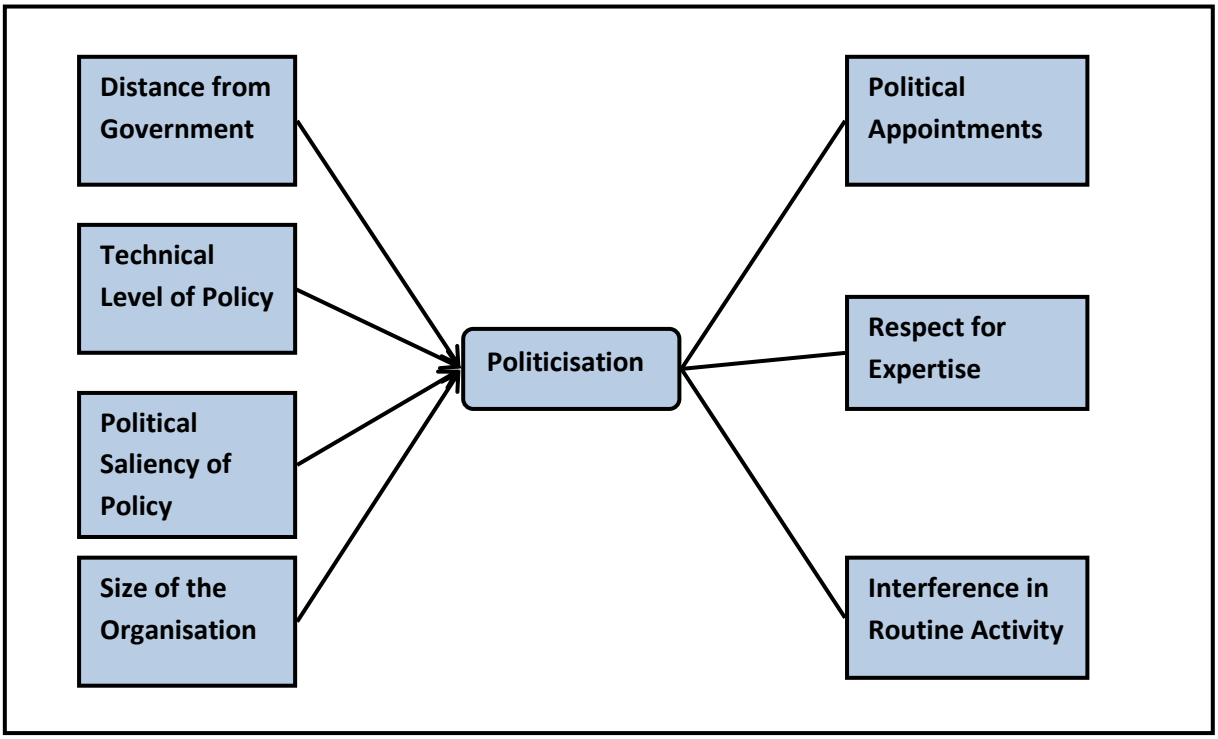


Figure 1.1 Outline of the Thesis

1.4 Theoretical Relevance

The theoretical relevance for this thesis comes in three forms; the unit of analysis, the research design and the definition of politicisation.

1.4.1 Unit of Analysis

Firstly, most studies on politicisation deal with countries as their unit of analysis using political science angles, whereas this will examine the issue at an organisational level. One reason for the strong focus on the country as the unit of analysis is that many authors agree that bureaucracies differ structurally from country to country due to various historical factors, and this creates a kind of path dependency (Dahlstrom, Lapuente & Teorell, 2010). In the research conducted on a country level, ideological change in government has been a huge factor. This has been researched extensively in Eastern Europe and the fall of Communism (Meyer-Sahling, 2004), and also in countries with distinct social groups such as in Belgium and Rwanda (Peters, 2010). The impact of coalitions has also been researched in the Dutch governments, finding that politicisation may be lower due to a higher level of coalitions (Van der Meer & Dijkstra, 2011a). The same was found to be the case in Denmark (Christensen, 2004). The legal framework of hiring and firing has also been researched as well as the impact of stable governments in Sweden (Pierre, 2004). There has also been research into the different bureaucratic styles, such as Anglo-American, Napoleonic, Scandinavian and Germanic (Dahlstrom, 2009). As can be observed there has not been a focus on organisational factors. Although the actual unit of analysis is civil servant perceptions, these will be used to examine possible organisational factors that influence the level of politicisation.

1.4.2 Design

Secondly, much of the research focuses on single case studies, or a comparison between a small number of cases, whereas this will be a large-N study. There has been a small amount of large-N studies coming from the Quality of Government research in Gothenburg, with a study covering 18 democracies and their level of political appointments (Dahlstrom, 2009), but again this uses the country as the unit of analysis. Peters and Pierre (2004) have produced a book of single case studies which focuses on politicisation, while Van der Meer (2011) has also produced a book of single case studies, which touches on politicisation. There has been an over concentration on qualitative research and less emphasis on quantitative studies that can use testable theories (Dahlstrom, Lapuente & Teorell, 2010). By using quantitative analysis, this research will be able to test a number of independent variables and produce some testable theories that may help explain why public sector organisations have different levels of politicisation.

1.4.3 Definition of Politicisation

Thirdly, most studies deal with a very narrow definition of politicisation, centred on the idea of political appointments and personnel management. This research will allow for a broader definition. Politicians can influence public sector organisations in more ways than hiring people with similar preferences. One of the key roles of the civil servant is to provide expertise to help the politician make more informed decisions. This research will factor how much the politician takes on this advice. A third aspect to consider is how much politicians interfere with the day to day running of public sector organisations. Although research in political appointments is hugely important, other means by which a politician can influence the public sector must not be disregarded.

1.5 Societal Relevance

The societal relevance for this thesis comes in two forms; corruption and legitimacy.

1.5.1 Corruption

In many Western countries, political appointments are seen as a sign of corruption (Peters, 2010). There have been cases where politicians have replaced professional, merit-based bureaucrats with political appointments which have increased the rates of corruption, for example the mayor of Marbella in Spain which resulted in individuals making millions of euro, or in Sweden when a governor granted planning permission on a protected shoreline (Dahlstrom, Lapuente & Teorell, 2012). There are two forms of corruption here, the first aided by bureaucrats, the second exposed by bureaucrats. When the two groups are not dependent on the other for their careers, and have different interests to cater to, corruption is less likely (Dahlstrom, Lapuente & Teorell, 2012), which can also be seen in the examples earlier in this chapter. The Weberian system puts impartial civil servants, recruited on a merit based system as key in good government and the combat of corruption. It is seen as vital for good government (Dahlberg & Holmberg, 2014).

1.5.2 Legitimacy

It has been found that impartiality and professionalism matter when citizens of democracies evaluate their satisfaction with how their democracy works. Additionally their quality of government was more important than the quality of democracy, thus impartiality and professionalism matter when citizens judge their governments (Dahlberg & Holmberg, 2014). This separation implies a more rational approach to policy-making, which then may be seen as more acceptable, or legitimate by the public (Peters, 2010).

Previous scholars at the turn of the century promoted professional bureaucracies to combat inefficiency and misuse of resources. Many merit-based systems were introduced, but there has also been an acknowledgment that the two spheres cannot be completely separated. It has even been

recognized that some degree of politicisation can help bureaucrats to be more responsive to politicians' policy decisions and it can also be an important measure in exerting control over the bureaucracy. However, if taken too far it can decrease efficiency and legitimacy. Citizens tend to have lower trust in politicians therefore if bureaucracies become over politicised there will be lower trust and therefore lower legitimacy (Dahlström & Niklasson, 2013).

1.6 Chapter Outline

The remainder of the thesis will read as follows. Chapter 2 will go into further detail on PAT and information asymmetry, which will be the anchor of this thesis. It will outline the main assumptions of the theory, the link to political science and go further into depth on information asymmetry.

Chapter 3 will review the past literature on politicisation and its various definitions, examine the methods of politicisation with a particular emphasis on top-down methods, before reviewing the various drivers of politicisation in public sector organisations. The chapter will end by formulating testable hypotheses, which will tie together the theory from Chapter 2 and the past literature.

Chapter 4 will provide a detailed account of the research design. It will describe the advantages and disadvantages of using a cross-sectional non-experimental large-N design, and discuss the reliability and validity of this. The multiple regression analysis used will be described before going into how each of the variables will be operationalised and measured. The chapter will end with the predicted regression equations.

Chapter 5 will provide the analysis of the thesis. The first section will provide a comprehensive descriptive overview of the variables to further understand the data being used and to answer the first part of the research question. The tests used to overcome the assumptions of multiple regression analysis will also be explored and justified. The final section will scrutinise the results of the regression analysis and explore whether the hypotheses should be rejected or accepted.

Chapter 6 will offer the conclusions of the thesis and explicitly provide an answer to the central research question and sub-questions. It will tie the results to the overall body of literature. It will recommend some areas of future research and also examine the limitations of the study.

2 Theoretical Framework

2.1 Introduction

This chapter will outline the theory that will inform this research; Principal-agent theory. It will first give an overview before examining the assumptions, how they relate to political science before going into more detail on information asymmetry.

2.2 Overview

Principal-agent theory was first developed in economics. The basic principle is that buyers, also known as principals, and sellers, also known as agents (Waterman & Meier, 1998), are both self-interested actors with conflicting preferences (Chan & Rosenbloom, 1994). The relationship exists as the principal is not in the position to carry out certain tasks, therefore they must delegate them to the agent to carry out instead (Shapiro, 2005). There is a strict hierarchy in the relationship, with the principal in charge (Waterman & Meier, 1998). It focuses on "the problem of control inherent in any structures that use self-interested individuals as agents for other self-interested individuals" (Chan & Rosenbloom, 1994, p.561). The key problem in principal-agent relationships is how to ensure that the agent is acting for the principal (Mitnick, 1975).

A contract between the two parties attempts to relieve this problem by stating what both actors must do. However the agent has an advantage as they have access to more information, creating an information asymmetry. The contract, whether formal or informal, is the principal's attempt to manipulate the agent to act in accordance with the principal's preferences had they had the same information (Waterman & Meier, 1998; Miller, 2005). To ensure that the agent complies with the principal's preferences, the agent must be somehow monitored and compliance enforced. However this policing comes at a cost, often quite high. The principal will only carry out such policing if there is a net return on such a cost, but this is often difficult to measure (Waterman & Meier, 1998).

2.3 Assumptions

Although some academics have outlined a more comprehensive list of assumptions[1], the two assumptions that all agree on are that the principal and the agent have conflicting goals and that the agent has more information than the principal resulting in information asymmetry. The conflicting goals result in the agent having a reason to evade the contract, while the information asymmetry provides the agent with the means of evading. Even if the end goals are the same, the means by

[1] See Miller (2005)

which to achieve them may be different which would also result in a conflict (Waterman & Meier, 1998). Chan & Rosenbloom (1994) also state that both actors have their own interests to advance and therefore a conflict of interests is inevitable. If the two actors have conflicting preferences and the principal has imperfect information, this results in the inability of the principal to control the actions of the agent (Poth & Selck, 2009).

2.4 PAT and Political Science

PAT has been now applied in different areas; however the political science application is slightly more complex than the economic model (Shapiro, 2005). Nevertheless the theory does fit with the Weberian view of public administration. According to Bendor, Taylor & Van Gaalen (1987), the politician, or the principal, is the legitimately elected authority and therefore has "authority-based agenda control" (p.797), and can decide what gets put on the agenda for discussion. The bureaucrat, or the agent, has "expertise-based agenda control" (p.797), and has control of the information that shapes policies as well as policy alternatives. Thus the politician can put on the agenda problems that will most likely result in re-election, while the bureaucrat can put forward the best long-term solution to said problems.

The assumption of conflict of interest that was discussed slightly in the previous chapter will further be elaborated here. This goal conflict is largely based on the assumption that both politicians and bureaucrats are self-interested rational actors, which is further compounded by the different roles they play. Politicians will seek re-election and bureaucrats will seek to further their organisation. Politicians will want to please their constituents in order to achieve this goal while using as few resources as possible, which results in a short-term mind-set. While the career civil servant will achieve his or her aims through bigger budgets and a wider remit, with a more long-term mind-set. As politicians have a higher turnover rate while the bureaucrats stay in their jobs, this allows the bureaucrat to establish their own set of goals due to "institutionalization and changing external relationships" (Waterman & Meier, 1998, p.176) and thus conflict ensues.

The literature diverges from the assumption of goal conflict due to the nature of the public sector. In the bureaucratic setting profit is replaced with policy, therefore it has been argued that goal conflict does not always exist. In the market place there is always a conflict as the agent wants to make as much money as possible, while the principal wants to pay as little as possible. However, in the public sector if the goals are the same it is logical to reduce the policing and monitoring. Nevertheless as shown above, the foundation of the relationship rests on goal conflict. Even if the policy goals are the same, bureaucrats are still likely to shirk in order to increase their budget, which politicians will want to keep as low as possible (Waterman & Meier, 1998). In the budgetary process, bureaucrats

can give misinformation to politicians about costs and benefits in order to maximise their budgetary allocation (Bendor, Taylor & Van Gaalen, 1987).

2.5 Information Asymmetry

Looking more specifically at information asymmetry, which is the main aspect of PAT that this thesis will focus on, there are two types of information asymmetry. The first is adverse selection, which refers to the risk taken by the principal from not knowing the preferences, habits or character of their agents (Poth & Selck, 2009; Dahlstrom & Holmgren, 2015). The second is moral hazard which is action that the principal is unable to observe and thus the agent then takes actions that increase the risk of the principal (Poth & Selck, 2009; Miller, 2005; Dahlstrom & Holmgrem, 2015). Both of these are risks that the principal must bear (Poth & Selck, 2009). The aim of the principal is to reduce the risk on their part and place more on the agent. The politician has the authority to place incentives on the agent to carry out tasks in line with the principal's interests. The purpose of the incentives is to manipulate the agent to not shirk (Miller, 2005). Bureaucrats are deemed to have distinctly more expertise in a policy area than politicians. They are also more familiar with organisational procedures required to implement the policy therefore they too have the opportunity to manipulate the politician. They may also lie to their political master about how well they have done their jobs (Waterman & Meier, 1998).

NPM techniques such as performance targets and performance-related pay were incentives utilised that put the risk on the agent to carry out the task, however as previously mentioned gaming became a problem rather quickly, therefore increased politicisation may be increasing as a way of making bureaucrats comply with the will of politicians. Principals can reduce this asymmetric information by acquiring offsetting information, such as outside sources of expertise or utilising political appointments in public organisations. They can also reduce it by closely monitoring bureaucracies (Waterman & Meier, 1998). This can be done by interfering more in the day to day running of the organisation, or again by utilising political appointments. However it must be questioned if this is justified given the short-term mind-set of the politician. Although they are democratically elected and have the legitimate mandate of the electorate, the negative consequences of political interference have been discussed in the previous chapter.

2.6 Conclusion

Using this theory, with a particular focus on information asymmetry, this thesis purports that the higher the likelihood of information asymmetry an organisation has, the more likely it is that a politician will use politicisation as a form of control. The next chapter will give an overview of the previous literature relating to politicisation of the public sector.

3 Literature Review

3.1 Introduction

This chapter will review the available literature on politicisation including definitions, various methods of top-down politicisation such as the use of political appointments, the level of respect for technical expertise and interference in routine activities of public organisations. It will then go onto explore the literature of possible drivers of politicisation at an organisational level including distance from government, policy area and organisation size.

3.2 Politicisation Defined?

Politicisation can be looked at in various angles such as who is doing the politicisation, what method is being employed or the reasons behind it. Politicisation can mean many things, such as changing relationships, changing behaviours or changing structures (Sausman & Locke, 2004). Some definitions have been extremely broad such as "the interaction between the political and administrative systems" (Hondeghem, 2011, p.138). There are three different dimensions to this definition including 1) the civil servant's political attitude and political activities 2) the civil servant's role and 3) political nominations. The vast amount of literature concentrates on the third aspect of political nominations and recruitment systems.

A very narrow definition has been developed by Peters & Pierre (2004a, p.2), with politicisation referring to the "substitution of political criteria for merit-based criteria in the selection, retention, promotion, rewards, and disciplining of public servants". They also make a contrast between politicisation in developing countries, often referred to as patronage and politicisation in developed countries. Patronage refers to supplying jobs to family, friends and fellow party members. The politicisation seen in developed countries is more of an attempt to control policy, than of providing favours for friends (Peters & Pierre, 2004a).

Clifford and Wright (1997) define politicisation in two aspects, one concerning an increase in political activity by civil servants and a second as an increase in control of elected officials over the civil service or what Peters & Pierre (2004a) describe as a bottom up and top down politicisation. This bottom-up politicisation has been described as the "bureaucratic encroachment of the political sphere of government" (Pierre, 2004, p.50) and can occur when bureaucrats assume more political or policy-formulating roles. This kind of politicisation can be explained by an organisation's frustration at the current policies, or policies that leave them without clear objectives or support (Pierre, 2004). Top-down politicisation has been described as the "political penetration of the civil service" (Pierre, 2004, p.50). As this thesis looks at politicisation from a solely top-down perspective, the literature on bottom-up politicisation will not be examined further.

The definition this thesis uses will attempt to strike a balance between the two extremes of Hondeghem (2011) and Peters & Pierre (2004a). It will however draw heavily from the top down approach outlined by Peters & Pierre (2004a) by examining the "political penetration of the civil service" (p.50) but it will go further than concentrating solely on personnel management, although that will also feature. Politicians can encroach on the civil service in more ways than political appointments such as infringing on the traditional role of expert by sourcing outside information and keeping a tight grip on the actions of civil servants, all of which aim to reduce asymmetric information and increase political control. The following section will examine this further.

3.3 Methods of Top-down Politicisation

This section will take a closer look at methods which may indicate top-down politicisation. Although political appointments are the most researched and will be discussed extensively, other indicators such as respect for civil servants' expertise and interference in routine activities will also be looked at. These aspects of top-down politicisation are also important and should not be overlooked. All three are ways to reduce information asymmetry.

3.3.1 Political Appointments

As mentioned above, politicisation can be seen as an attempt by politicians to gain control of policy in public sector organisations. The easiest way for a politician to control bureaucracy is through political appointments, by dismissing those who are against you and hiring those with similar interests or preferences. This can be justified through politicians' legitimate position in government. Furthermore politicians have been given a greater capacity to do this due to a more open recruitment system for top managers in the recent wave of NPM reforms, instead of the traditional merit-based system. Although the more open recruitment system was meant to allow for better managers from the private sector, it has also allowed politicians to hire committed managers (Peters & Pierre, 2004a). Referring back to the narrow definition provided by Pierre & Peters (2004a), this not only refers to hiring, but also dismissals among others. By hiring more committed managers, it can be seen as reducing asymmetric information as the manager owes his or her job to the politician, they are more likely to pursue the same goals and be more forthcoming with information. The following will discuss the shift away from merit-based recruitment to a more responsive recruitment system.

Neutral versus responsive competence

Although the merit based system was seen as the optimal method in creating an efficient bureaucracy, more appointments particularly at the top level of the civil service are based less around neutral competence and more upon what Peters (2010) describes as responsive

competence. Merit recruitment aimed to take away the patronage factor from political appointments by removing the inefficiencies and favouritism of political appointments. Neutral competence or complete impartiality was prioritised so that administrators would implement programmes no matter what (Peters, 2010). However all individuals have preferences, therefore hiring on competency alone may be problematic for politicians due to the problems of goal conflict and asymmetric information.

There have been rumblings of creating a more committed civil service that is more responsive to party politics. It has been acknowledged that some form of politicisation can serve a democratic function as civil servants should be neutral experts and have integrity, but also be politically responsive (Niklasson, 2013). If appointments are made based on a mixture of competence and politics, or responsive competence, administrators are more likely to be on board with the policy ideas of the politician and respond positively to their programmes (Peters, 2010).

This can be seen has having a number of benefits to the politician. Firstly it can reduce both goal conflict and asymmetric information. Secondly if policies are more effective, this may result in the politician being re-elected. Thirdly it may also improve correspondence between electoral results and policy (Peters & Pierre, 2004a). Finally, by not having their own policy goals in place, bureaucrats are less likely to shirk from their contract (Peters, 2010). However this may be problematic for the system overall because politicians think about short-term goals that will return them to office. If civil servants are not there to counter-balance this short-term mentality it may result in the negative consequences discussed in the first chapter.

The trend of political appointments has been seen across Western democracies. In a quantitative study covering eighteen European democracies, it was found that political appointments were increasing not only in Germanic and Napoleonic systems of government, but also in Scandinavian and Commonwealth, which traditionally would not have been common (Dahlstrom, 2009). It has also been found in qualitative research that many European countries use political appointments when recruiting top civil servants. Although in Belgium there is a central merit based system for the lower echelons of the civil service, there are also some loopholes where politicians can appoint people to the highest rank (Dierickx, 2004). Politicians can chose between the most suitable candidates, but the final selection from this small pool may then be based upon politics (Hondeghem, 2011). In Denmark civil servants are accustomed to preparing policies and making decisions, therefore ministers may need more responsive bureaucrats. Ministers may prefer political appointments as they know their policy preferences before hiring them. There is now a formal procedure where a minister must put forward three applicants and a committee of all parties in

power make the final decision. However, the minister does have more discretion around dismissals, which may influence civil servants' responsiveness (Christensen, 2004). The Spanish system also follows merit recruitment for the lower echelons of the civil service, with the top levels being freer for political interference (Diez, 2004).

A prime example of this shift towards responsive bureaucracy was in Canada, where prior to the 1970's the deputy minister[2] and associates prepared the policy and the senior minister decided what was politically feasible. However, politicians wanted a greater role in policy making rather than just the ability to say yes or no. They claimed that civil servants were unable to give unbiased policy advice and since then responsive competence has become a more important quality. As responsiveness is a necessity now, the honest civil servant is in danger. The expectation now is to be a fawning, loyal courtier (Savoie, 2004).

However, it is the US spoils system which emphatically embraces political appointments through the use of the plum book. Leaders ensure that they do not encounter runaway bureaucracies by putting those with similar priorities and preferences in key decision making positions. They give the most important administrative positions to bureaucrats with common interests and marginalise those with conflicting interests to ensure their policies are implemented and conflicting policies do not get on the agenda (Dahlstrom & Holmgren, 2015). As Richard Nixon told his cabinet,

> *"I urged the new cabinet members to move quickly to replace holdover bureaucrats with people who believed in what we were trying to do. ...[I warned that] if we don't get rid of those people, they will either sabotage us from within, or they'll just sit back on their well - paid asses and wait for the next election to bring back their old bosses."* (Dahlstrom & Holmgren, 2015, p.7)

During the Nixon administration, the Malek Manual was circulated to officials, which gave details on how to make civil servants want or need to leave their jobs (Dahlstrom & Holmgren, 2015).

Types of Political Appointments

There are a few different methods that politicians can use to make political appointments in government; these can include ministerial cabinets and political advisors. In countries that utilise ministerial cabinets such as France and Belgium, a large number of political appointments are made, whereas countries that use political advisors such as the UK make less political appointments (Peters, 2010). In other countries, these political appointments are entirely frowned upon, such as

[2] The deputy minister is the highest level bureaucrat in Canadian public organisations

the Netherlands. The ministerial cabinet is seen as unacceptable here and although political advisors are hired, they are used more as public relations officers and not generally used in policy-making (Van der Meer, 2004).

Traditionally, the British system did not utilise political appointments but Thatcher began becoming more involved in the appointment of senior civil service positions, based upon personal or political reasons. Blair expanded on this, hiring many special advisors who were concentrated in the Cabinet Office or No.10. The role of these advisors is overtly political. Some have also been given a managerial role over permanent civil servants, which has caused concern. Although they are public employees, their function is not very transparent (Sausman & Locke, 2004). Spain has also seen a rise in political advisors with an increase from 67 in the 1986 to 257 in 2007 in the Prime Minister's office alone, which has said to bring the ministerial bureaucracy under tighter control (Diez, 2011). Special advisors have also been creeping into the Danish system, but on a much smaller scale with only one per department (Hansen, 2011).

The ministerial cabinet system has been heavily utilised in France, trying to reach a balance of expertise and loyalty to the minister. It allows the minister to appoint advisors without jeopardising the merit system (Rouban, 2004). It has increased from less than 300 in the 1960's to fewer than 700 in the 2000's. If the formation of the cabinets is examined, the top positions remain with civil servants, but lower positions are being filled with political professionals outside of the corps (Bezes & Jeannot, 2011). Although all of the most senior appointments come from within the civil service, these appointments can still be made based around political criteria (Bezes & Jeannot, 2011; Rouban, 2004).

Both of these types of political appointment have a common theme of loyalty to the politician. The appointees owe their jobs to the politician, therefore are more likely to do whatever the politician wants. They are less likely to shirk and they are not likely to hide or manipulate information to the same extent that a merit-based civil servant is deemed to do. Although this may result in the policies of the political parties to be more successfully implemented, due to politicians' short-sightedness, this does not mean that the best solutions are put in place or the most important problems are being tackled, thus reducing efficiency.

3.3.2 Respect for Technical Expertise

The following method of politicisation, a lack of respect for expertise, is largely based around the asymmetric information that lies between politicians and bureaucrats. Usually bureaucrats stay in their jobs longer than the politician. Overtime they build up expertise in their policy area. It can be argued that bureaucrats are in a better position to formulate policy as they have more expertise

than politicians. Their decisions may also be superior due to the fact that they do not depend on public opinion to keep their jobs (Peters, 2010). However as previously mentioned, they also may develop set ideas on what policies should be implemented in their area and thus only provide information on what they think is best, to pursue their own goals (Peters, 2010). Politicians have tried to counter-balance this asymmetry of information by sourcing their own information (Peters, 2010) and by doing so showing disrespect to the expertise of the bureaucrat.

This lack of trust in expertise, or information asymmetry has manifested itself in different ways in different systems. The main debate about politicisation in the British system is related to the role of special advisors. These special advisors are not members of the civil service, but they are attached to ministers. Special advisors were originally envisaged to serve the opposition in policy development as their resources were extremely limited, however when opposition came into power, special advisors followed. The special advisors were often more trusted than the civil service and more loyal as the civil service serves the government of the day, not just one political party, which also resulted in special advisors being appointed in roles over civil servants (Greer & Jarman, 2011). There has also been an increase in the utilisation of think tanks as an external source of policy advice. The old committee system of ministers and civil servants ironing out differences in opinions on policy no longer exists. Policy is decided by ministers in informal meetings which civil servants do not attend, or are not invited. There is a fear that with the loss of neutral civil service input, the new policies will become more about presentation than actual substance. Politicians wanted civil servants who would implement their policy not discuss its merits and downfalls (Sausman & Locke, 2004). In Belgium, although many civil servants are members of a political party, they view themselves as technocrats or experts. However, politicians have low expectations of civil servants (Hondeghem, 2011). This has lead ministers to draw policy advice from their strong ministerial cabinets and think tanks as well as their civil servants (Dierickx, 2004).

In Canada, politicians have succeeded in changing the traditional relationship and bargain between politicians and officials, to make responsiveness the order of the day. During the Mulroney government, civil servants lost their advice monopoly with the rise of think tanks and technology, while the Prime Minister's office became more powerful. Each minister was also permitted to hire two senior policy advisors. The Chretien government further increased outside sources of information through the use of think tanks, consultancies and universities, which resulted in a decrease in trust in civil servants and also a drop in morale due to the lack of respect. The danger with using these external sources is that as the government pays them, they treat the government as a client, possibly resulting in advice that the government of the time wishes to hear (Savoie,

2004). This lack of trust has not been found everywhere. The Norwegian civil service is quite Weberian in its professionalism and autonomy. Here governments place a high importance on expertise and autonomy in decision making (Christensen, 2011).

Again this form of politicisation also affects the relationship between politician and bureaucrat. Firstly sources of information from think tanks and special advisors may be tainted. Think tanks are paid by the government and therefore may frame information in a way that the politician wants to hear, thus making it more likely that they will be hired again. Special advisors depend on the politician for their job, and thus may also choose to give the politician information that they want to hear. Finally, civil servants who are aware of these outside sources of information may be more likely to change their behaviour and give advice that the politician wishes to hear, or alternatively be ignored. All of these options reduce efficiency, as the best policy advice is not necessarily given to the politician.

3.3.3 Interference in Routine Activities

A final aspect of top-down politicisation that should be looked at is the extent to which politicians interfere in routine activities of civil servants. However the literature available is scant. This too can be viewed as an attempt to tighten the politician's grip on the organisation to reduce the information advantage of the bureaucrat. One way of doing this is by introducing procedural controls that limit the bureaucrat's discretion. For example the burden of proof for a certain policy could be set at a certain point that favours an interest group over the bureaucracy. Placing transparency requirements could also be another method of interference. This could make it difficult for bureaucrats to "mobilize a new constituency" in favour of their policy (Miller, 2005, p.215). Empirical research of interference in routine activities is difficult to find. In Italy it is has been found that politicians heavily interfered in bureaucracies, particularly on a local level, however legislation was passed in the 1990's to implement a separation between the two (Lewanski & Toth, 2011). The 1989 Keating scandal in the US can also be seen as an example of this as the main problem was the senators putting pressure on civil servants for corrupt purposes (Miller, 2000).

3.4 Drivers of Top-down Politicisation

The next section of the literature review will focus on the drivers of politicisation at an organisational level. Based on past literature, it will determine what characteristics of organisations may lead to higher levels of politicisation and which method of politicisation may be more likely. These include distance from central government, policy area, organisation size and level of transparency.

3.4.1 Distance from Government and Politicisation

The first possible driver of politicisation to be discussed is the distance the organisation is from central government. In the last number of decades more public organisations have been created which are further from the control of central government, such as agencies and quangos. With a greater distance from the government, the level of information asymmetry grows. This is further compounded by an increase in autonomy in both financial and human resources. Thus politicians are expected to find methods to control these organisations that are further away (Dahlstrom & Holmgren, 2015). Often this was done through performance targets and performance related pay where there have been issues of gaming. Politicisation is another possible method of control for agencies.

The organisations that are further away are still part of the government and therefore are still an agent of the elected officials. If the politicians are still held accountable for an organisation and the information asymmetry is wide, then politicians should want to enforce some sort of control on the organisation. Although autonomy and discretion may be high in an organisation that is further from central government in terms of decision-making, other avenues of control may be high (Verhoest, Roness, Verschuere, Rubecksen & MacCarthaigh, 2010) as politicians still have a say in the appointments of the heads of these agencies. Previous research has shown that although public organisations such as agencies can experience high degrees of political appointments, the flip side is that they do not experience other forms of political control such as interference in routine activities (Peters, 2010).

Looking at some empirical evidence from Sweden, agencies have grown in number, size, expertise and professionalism. Central departments are not allowed to give specific directions to agencies but must instead, steer them through budget and law. This means that the departments have no upper hand. It also explains why there has been an argument that the agencies should be brought under some political accountable control (Pierre, 2004). The primary method of control in Swedish agencies is appointments. Politicians are constrained in that they can only appoint the top level, but they can move agency heads from one agency to another (Dahlstrom & Holmgren, 2015). Furthermore there has been an increase in the number of agency heads who are also party members in the last decade. However, the constitution states that civil servants must be hired based on merit; therefore it is difficult to say which quality is most sought after, the competence or the responsiveness (Pierre, 2004). Other research has shown that Swedish agencies do not have higher rates of political appointments (Niklasson, 2013). In Britain the increase in agencies has also led to an increase in political appointments. As these agencies slip further and further from the central government and political control, politicians try to regain control by appointing the agency heads in

line with their own interests (Peters, 2010). There have been concerns of the political nature of the appointments to these positions (Sausman & Locke, 2004).

As previously mentioned, agencies could be seen to have lower levels of political control in terms of routine interference. Therefore, the further away from central government an organisation is the less politicisation, depending on the indicator used. Political appointments may be higher (Peters & Pierre, 2004b), but interference may be lower and respect for expertise may be higher also. This could potentially lead to less efficiency as the heads of agencies owe their jobs to the politician, they may be less inclined to listen to the policy advice of lower civil servants and favour instead the wishes of the politician.

3.4.2 Policy Areas and Politicisation

The second driver of politicisation to be discussed is policy area. Some policy areas are a lot more technical than others, particularly in this era of swiftly advancing technology. This advancement in technology makes it more and more difficult for politicians to be effectively involved in some areas of policy-making. As well as politicians, citizens must be taken into account in this post-industrial fast-paced world. Citizens' competences are also not keeping up with the advances in technology. Therefore the public tend to be left out of areas such as the environment, energy and science. These issues tend to be dominated by experts. The advances make participation in policy-making more and more difficult. This divergence in expertise and formal authority is becoming a bigger problem as the expertise remain on the lower echelons of organisations with the authority at the top. Increased worker participation may reduce this monopoly on expertise (Peters, 2010).

In some highly technical policy areas, agents may have far more expertise than their principals. In less technical fields, this may not be as apparent. Politicians are particularly reluctant to intervene in a policy area that is very technical (Waterman & Meier, 1998). Although this increases the information asymmetry substantially in favour of the bureaucrat, this may actually reduce the politicisation. The information is probably beyond the understanding of both politicians and citizens; therefore politicians are less likely to be held accountable by a public if they too don't understand. Instead of increasing politicisation, more technical policy areas may result in the preservation of the traditional dichotomy.

Another aspect to consider in terms of policy area is how politically salient the policy area is. This can be difficult to measure, particularly as political saliency can rise and fall over time. Verhoest et al. (2010) have categorised policy areas in terms of their political saliency, citing areas such as healthcare and education as being consistently important. Their three categories are: Welfare and social policy areas, economic policy areas and other policy areas. It is purported that welfare and

social policy areas are the most politically salient as they are responsible for the most interaction with the public. If organisations fail in these policy areas, the public may choose to punish elected officials. If there are failures in these policy areas it will be much more obvious to the public as they have the biggest impact on their lives. Therefore politicians may want to reduce information asymmetry through politicisation to ensure there are no failures, and thus are re-elected. Although on the outset this seems to lead to more effective organisations, this could result in policies that are good for the short-term but not necessarily the long-term.

Turning now to empirical research, in Germany policy area has an effect on how likely it is you will be dismissed. It has been observed that there are high-risk and low-risk dismissals. Those in highly specialised or technical fields were low-risk while general policy development was seen as high risk. Also deemed high-risk positions were the politically sensitive areas with control on staff, budget and reorganisation. Furthermore, there was a complete turnover of staff in the Chancellery, but zero in the foreign office (Schroter, 2004). It has also been found that technical expertise will only get you so far in the German ranks. In order to be promoted to the most senior levels they must be experts in political craft i.e. influence the reactions of others and "design processes that maximise the chances for the realisation of the political leaderships' substantive objectives" (Goetz, 2011, p.57). It has been seen in France that civil servants with a scientific or technical background are less aware of politicisation than those with a purely administrative background (Rouban, 2004). In Sweden it has been found that agencies with a regulatory task normally have more autonomy. They must be seen as objective so as the private sector and international business will have confidence in the stability of the system. On the other hand, agencies dealing with social policy will have less autonomy, as they would have a greater impact on people' lives (Niklasson, 2013).

Research has been conducted on the spoils system in the US where academics have determined that technicality matters for some appointments. In the mid-1800s bureaucrats in highly technical fields such as the Weather Bureau, the Department of Agriculture and the Office of Indian Affairs had far less turnover than other policy areas (Maranto, 1998**).** Other research has stated that the degree of politicisation in certain policy areas may not be due to the level of technical expertise but the importance of the policy area to the government of the time. With President George W. Bush, social policy was more of a concern compared to economic policy in the Reagan years. People were appointed based upon their view on certain social policies such as religion in public life. There have been criticisms that many of these appointments have been made on ideological, political and even religious reasons (Peters, 2004).

3.4.3 Organisation Size and Politicisation

The third driver of politicisation to be discussed is the size of the organisation. An organisation's size can be viewed in a few different ways. Size could mean the number of employees in the organisation, or the size of the budget. Often the two go hand in hand, as more staff often correlates to a bigger budget (Niklasson, 2013). Many studies have used the number of staff as an indicator of the size of the organisation. This can effectively measure the capacity of an organisation to carry out its tasks. This measure is also very pertinent when used in terms of methods of control. A larger organisation may also imply that there is greater access to resources and therefore can form a greater body of expertise and power. This can lead to the organisation having a greater ability to resist forms of control from political superiors. This makes it much more difficult for the political principal to monitor the bureaucratic agent and thus creates a wider gap in terms of asymmetric information (Verhoest et al., 2010; Niklasson, 2013).

Moreover, larger organisations may be politically salient. Organisations with larger budgets are more likely to be involved in transferring payments to the public, for example benefits and subsidies. Organisations with large staff and budget are likely to have more face-to-face time with the public (Verhoest et al., 2010). If the public are dissatisfied with the organisation they are dealing with, they may decide to punish their political agent by not re-electing their representative. This may result in politicians seeking to control larger organisations to ensure they work effectively, although it remains unclear which method of politicisation is more likely or less likely to be utilised. In terms of empirical evidence a study has been conducted by Niklasson (2013) on agencies in Sweden. This has shown that agencies with a larger budget are more likely to be headed by a person with a political background. This may indicate that political appointments are more likely in larger organisations. However again this political interference may have an impact on the efficiency of the organisations, depending on whether the politician wants the organisation to effectively implement the most appropriate policy, or whether the politician wants the organisation to implement the policy that will result in re-election. The two are not always the same.

Problems of collective action may have an impact here also. Organisations with a large number of employees will have far more individual preferences at play. These preferences may be conflicting. Rational actors want to pursue their own preferences. If the employees are not working towards the organisation's goal, but instead their own goal, this may lead to an ineffective organisation. Furthermore, it may be easier to shirk in a large organisation compared to an organisation with a smaller staff (Miller, 2000). This shirking could only compound ineffectiveness. This could have two different results. An ineffective organisation is not a powerful one; therefore the politician need not fear a runaway bureaucracy, resulting in less of an incentive to politicise. On the other hand, if the

organisation is ineffective and the public are aware of this, they may wish to punish the politician by not re-electing them. If this is the case the politician is likely to take more control of the organisation through politicisation. As larger organisations are politically salient (Verhoest et al., 2010), the second outcome of more politicisation of an ineffective organisation is more likely.

3.4.4 Transparency and Politicisation

The final driver of politicisation to be discussed is transparency, but there is little available literature, and what is available remains unclear. Using PAT, particularly information asymmetry, if there are high levels of transparency there should be low levels of politicisation on all fronts, due to politicisation's association with corruption. If the organisation is transparent, the information asymmetry should be lower. This can be looked at in a few different perspectives. If there are high levels of transparency between the elected representative and the organisation, the elected representative should feel less of a need to control the organisation; as if there is more transparency, it is easier to hold people to account for their actions (Bourgon, 2007). Furthermore, if the relationship between the organisation and the public is transparent, this should also result in lower levels of politicisation. As mentioned before, citizens tend to associate politicisation, particularly political appointments, with corruption (Dahlstrom, Lapuente & Teorell, 2012; Peters, 2010). If citizens can detect politicisation in the relationship, this may result in the elected representative being punished through non re-election.

However, there are inconsistencies when looking at some of the empirics. One aspect that crops up is a comparison between US and European politicisation and transparency. The US spoils system openly and transparently uses political appointments. Meanwhile some European civil service systems have been quite politicised, yet it remains much more hidden and secretive (Peters, 2004). This is an exact contradiction to the theory explained above. The empirics seem to show that the more transparent politicisation is, the higher the rate of politicisation. This goes against the idea of citizens placing low levels of politicisation as vital for good government (Dalhberg & Holmberg, 2014). Although it would be fascinating to test levels of transparency as a driver of politicisation, it must be made clear that transparency will not be used as an independent variable in the research due to a lack of an appropriate measurement.

3.5 Hypotheses

From this literature review, and informed by PAT with a particular focus on information asymmetry, a number of hypotheses can be established. This section will go through the dependent and independent variables that have been drawn from past literature. As previously mentioned the dependent variable will be split up into three definite concepts in order to broaden the traditional

definition and more thoroughly explore the topic. The dependent variable "perceived politicisation" will be split up into; political appointments, respect for technical expertise and interference in routine activities. The independent variables will be; distance from government, policy areas in terms of technical expertise needed and political saliency, size of the organisation and transparency of the organisation; bearing in mind that the transparency hypotheses will not be tested. Based on the previous section, it is reasonable to believe that different forms of politicisation will be higher than others depending on the organisation's characteristics. The following sections will formulate hypotheses based upon these variables and informed by PAT, with a particular focus on asymmetric information.

3.5.1 Dependent Variable: Political Appointments

The first dependent concept is perceived political interference in appointments. Taking the first independent variable, distance from government, it is reasonable to purport that political appointments will be higher in organisations further from central government as it is more difficult for politicians to invoke the two other forms of politicisation when the organisation is further from reach. Therefore, political appointments will be higher as the politician will have more trust in their appointees due to the concept of responsive competence and thus information asymmetry will be reduced.

Moving to the second independent variable of policy area, according to the logic of information asymmetry, the politician should want to have a higher influence when he or she has less information. However, when the policy area is highly technical and the politicians and citizens alike do not have the capacity to comprehend the information, there is less reason for them to politicise the area. Politicians will want more control on areas that they can understand more easily and can have greater say in decisions, as these will also be the areas that citizens can more easily understand. Therefore, political appointments should be lower in more technical policy areas.

A measure of a policy area's political saliency will also be used. Certain policy areas are more important to the public than others, particularly service delivery, therefore these policies can be termed politically salient. If there is a failure in these policy areas, the public may choose to not re-elect their agent, or politician. To reduce the risk of not being re-elected, the politician will have an interest in keeping more control on these policy areas and reducing the information asymmetry to ensure there are no failures.

The third independent variable is based on the size of the organisation. Bigger organisations, whether in terms of budget or size, tend to have more resources at their disposal and therefore

more information. According to the logic of PAT, there should be more political appointments in bigger organisation to reduce the information asymmetry between politician and bureaucrat.

The final independent variable is transparency. When organisations are more transparent, information should flow more freely between politicians, bureaucrats and the public. This reduces the information asymmetry between the actors. Furthermore as citizens link political appointments to corruption, when the organisation is transparent there should be less political appointments as the public, in its role as principal, may punish the politician, its agent, in elections.

These assumptions have led to the following hypotheses for the dependent variable political appointments:

Table 3.1 Hypotheses for the Dependent Variable Political Appointments

H1	***The further the distance from government, the more likely there will be political appointments.***
H2	***The more technical the policy area, the less likely there will be political appointments***
H3	***The more politically salient the policy area, the more likely there will be political appointments***
H4	***The bigger the organisation, the more likely there will be political appointments***
H5*	***The more transparent an organisation is, the less likely there will be political appointments***

**** This hypothesis will not be tested***

3.5.2 Dependent Variable: Respect for Technical Expertise

The second dependent variable is politicians' perceived respect for expertise. Taking the first independent variable, distance from government, the further the organisation is away from politicians the more difficult it is for them to disrespect expertise. Although the information asymmetry is greater in organisations that are further away, politicians are also less involved in them and will find other methods of control such as political appointments. Furthermore, civil servants

who work in central departments are more likely to encounter a politician's policy advisors or ministerial cabinets, resulting in more disrespect. Therefore the further away the organisation is, the higher the respect for expertise should be.

The second independent variable is the policy area. Making similar assumptions to the previous dependent variable, when the policy area is very technical and the politician is less likely to readily understand the information, there is less of a need to source outside information. If the policy area is more ideologically driven there may be a bigger incentive to source outside information as they can understand it more easily. Thus, the politician should have more respect for expertise in more technical policy areas.

For a policy area's political saliency, the same logic from the previous dependent variable holds. Certain policy areas are more important to the public than others, particularly service delivery, therefore these policies can be termed politically salient. If there is a failure in these policy areas, the public may choose to not re-elect their agent, or politician. The politician will have an interest in keeping more control on these policy areas and reducing the information asymmetry to ensure there are no failures, or that policies are implemented that will result in re-election. Therefore politicians may choose to source outside expertise to reduce information asymmetry and ensure there are no failures in the area, or to get supporting information for their preferred policy. There will be less incentive to reduce information asymmetry in policy areas that the public have no interest in, and thus politicians will be less likely to source outside information.

The third independent variable is the size of the organisation. Again, the bigger the organisation the more resources they have and the higher the gap in information between politician and bureaucrat. In these cases the politician may be more likely to try to source their own information from their own policy advisors or think tanks among others to try to counter this. Therefore bigger organisations should result in less perceived respect for technical expertise.

The final independent variable is transparency. Using the same logic as the previous dependent variable, when organisations are more transparent there will be less of a need for politicians to source other information, as information should be less hidden in transparent organisations. Thus more transparency should result in more respect for technical expertise.

These assumptions have led to the following hypotheses for the dependent variable respect for expertise:

Table 3.2 Hypotheses for the Dependent Variable Respect for Expertise

H6	***The further the distance from government, the higher the respect for expertise***
H7	***The more technical the policy area, the higher the respect for expertise***
H8	***The more politically salient the policy area, the lower the respect for expertise***
H9	***The bigger the organisation, the lower the respect for expertise***
H10*	***The more transparent the organisation, the higher the respect for expertise***

**** This hypothesis will not be tested***

3.5.3 Dependent Variable: Interference in Routine Activities

The third dependent variable is the perceived level of political interference in routine activities of bureaucrats. The first independent variable, distance from government should follow the same logic as respect for expertise. It is much more difficult for a politician to interfere in routine activities of organisations that they are not involved in despite the information asymmetry being amplified. The most likely form of control is political appointments. Therefore it is less likely for politicians to interfere in routine activities when the organisation is further away from government.

The second independent variable is policy area, and again the same logic can be applied here as respect for expertise. Despite the information asymmetry being greater in policy areas with a higher degree of technical expertise, the level of control will probably be lower as politicians are less likely to have the capacity to understand the information. Again, with more ideological policy areas there may be more interference as politicians can more readily understand the policy area. Therefore there should be less interference in more technical policy areas.

Again, a policy area's political salience will also be used. To ensure there are no policy failures that the politician may be punished for by the public, the politician should want to reduce the information asymmetry as much as possible. Therefore it can be expected that the politician will try to control the organisation as much as possible as the risk of not being re-elected is higher. In policy

areas that are not considered politically salient, there will be less likelihood that the politician will interfere to reduce information asymmetry as they are less likely to be punished by the public for failures.

The third independent variable is size of the organisation. Again, in organisations with more staff and budget, it is more likely that there is greater access to resources and an increase in asymmetric information. Politicians may be more likely to interfere in routine activities in bigger organisations due to this information imbalance.

Finally, the same logic as the previous sections may also be applied to the independent variable transparency. If an organisation is more transparent, there should be less of a drive to politicise it as information should be more forthcoming to the politician and the public alike than an organisation that is less transparent.

These assumptions have led to the following hypotheses for the dependent variable interference in routine activities:

Table 3.3 Hypotheses for the Dependent Variable Interference in Routine Activity

H11	***The further the distance from government, the less interference in routine activity***
H12	***The more technical the policy area, the less interference in routine activity***
H13	***The more politically salient the policy area, the more interference in routine activity***
H14	***The bigger the organisation, the more interference in routine activity***
H15*	***The more transparent an organisation, the less interference in routine activity***

**** This hypothesis will not be tested***

3.6 Conclusion

This section concludes with a table overviewing the expected outcomes of the research. As can be seen each organisation characteristic is expected to have different effects on each method of politicisation. Each of these expected outcomes was informed by both the past literature and PAT, with an emphasis on information asymmetry. Although in principle, more information asymmetry should result in more political control across the board, there are some exceptions to this, particularly in relation to the technicality of the policy area. Furthermore, the distance of the organisation from central government is also expected to place constraints on politicians in terms of the methods of politicisation that can be utilised. The next chapter will discuss how the research will be executed.

Table 3.4 Summary of Expected Outcomes

	Political Appointments	**Respect for Expertise**	**Interference in Routine Activities**
Distance from Government	+	+	-
Technicality of the Policy Area	-	+	-
Political Saliency of the Policy Area	+	-	+
Size of the Organisation	+	-	+
Level of Transparency*	-	+	-

*Transparency will not be tested

4 Research Design

4.1 Introduction

This chapter will discuss the research design, the advantages and disadvantages of using such a design, and the population. It will then define the concepts and explain how they will be operationalised and measured.

4.2 Research Design

4.2.1 Cross-sectional Non-Experimental Design

Kellstedt & Whitten (2009) have developed four causal hurdles that must be crossed when evaluating causal relationships. Firstly, there must be a causal mechanism to link the dependent and independent variables. Through the literature review and the focus on asymmetric information, a credible causal mechanism has been established between the independent variables X and the dependent variables Y. Secondly, the possibility of Y causing X must be considered. Here, there is no possibility that Y could cause X as for the most part, the independent variables are difficult to change, while the dependent variables can easily shift over time. In other words high levels of politicisation cannot change the size, distance or the policy area of organisations. The third causal hurdle, whether there is covariation between the variables while be determined in the course of the research. The final hurdle, whether there is a confounding variable Z, is more difficult to cross. It is hoped that through conducting an extensive review of past literature that all relevant variables have been included, however there is no way to know this for certain.

The most reliable way to determine whether there is a causal link between an independent and dependent variable is to conduct an experiment. The definition of an experiment is "a research design in which the researcher both controls and randomly assigns values of the independent variable to participants" (Kellstedt & Whiten, 2009, p.69). However an experiment is an entirely unfeasible research design for this research question. Firstly there is more than one independent variable and secondly the researcher has no way of controlling and randomly assigning the independent variables. The spatial unit to be studied, public organisations, have already been designed and are fully functioning according to the independent variables already. The researcher cannot decide which organisation will work in which policy area, or what the size of the organisation will be. Although experiments ensure that the comparison made between independent variable X and dependent variable Y will not be polluted by any confounding variable Z (Kellstedt & Whitten,

2009), the independent variables to be studied in this research cannot be manipulated by the researcher. The size, distance and policy area simply already exist.

Therefore to determine whether there is covariation between the independent and dependent variables an observational study will be conducted, or more specifically a cross-sectional research design. An observational study "is a research design in which the researcher does not have control over the values of the independent variable, which occur naturally" (Kellstedt & Whitten, 2009, p.78). A cross-sectional research design is a study on individual spatial units over one point in time in an attempt to explain "the variation in the dependent variable"(s) (Kellstedt & Whitten, 2009, p.81). The cross-sectional design allows for a snapshot in time to be examined and aims to explain what causes the change in the dependent variable at that time. It will not track the development of politicisation overtime, like in a time-series analysis as that is not the aim of the study. The research wants to explain why there are differing levels in politicisation as recently as possible. The cross-sectional design allows for phenomenon to be observed in their natural setting, in this case the phenomenon is politicisation and the setting is public sector organisations. It aims to pinpoint what factors cause this phenomenon, but this may be difficult compared to the previously discussed experimental design which can rather easily pinpoint if an independent variable has an effect or not. This means that the external validity is higher in cross-sectional designs, however internal validity is lower (Kellstedt & Whitten, 2009).

Another aspect of the research design that must be discussed is the number of cases. This will be a large N study, referring to the large number of cases used, in contrast to the typical case study design or comparisons between a small number of cases in this area. The large N design will allow generalizable theories to be tested and can then be applied to other public organisations. The disadvantage of the large N design compared to the small N design is that the research cannot go in depth in any of the cases and therefore may miss independent variables that may be important in specific cases. However, it will allow general trends to be detected in public sector organisations. There will be limitations to this due to the sample which will be discussed later.

As this is a cross-sectional design, the data must come from a single point in time, and preferably from a single source to ensure consistency. COCOPS (Coordinating for Cohesion in the Public Sector of the Future), a public management research consortium which is comprised of eleven universities in ten countries has created a data set based upon the *Executive Survey on Public Sector Reform in Europe.* It comes from "an original survey of public sector senior executives in twenty European

countries[3], currently the largest of its kind implemented in Europe" (COCOPS, 2015). The survey provides quantitative data on a wide range of topics including perceptions of politicisation. The target population of the survey is public sector executives in general government, health and employment in European countries. These executives are "involved at close range in the conception and implementation of reforms" (COCOPS, 2015) and are therefore presumably in the closest contact with politicians and are best placed to judge the levels of politicisation. The limitations to using this dataset will be discussed later.

4.2.2 Population and Sample

The unit of analysis is the individual, or more specifically civil servant perceptions. However, this is a slight grey area as the perceptions will be used to examine public organisations. Ideally, all senior level civil servants from all public sector organisations from any country in the world are eligible for the research, but there are practical problems to this. As this research is measuring perceived politicisation, combined with the cross-sectional design, it is optimal that the data comes from a single source to ensure coherence and consistency. If different sources are used, different definitions, methods and perceptions may be used in the data collection. This would result in an unreliable piece of research. Thus, this reduces the number of cases drastically. Furthermore, extensive data on perceptions on politicisation in public sector organisations from around the world is difficult to come by. As it is a cross sectional study, it is vital that appropriate measures that are comparable across spatial units are used (Kellstedt & Whitten, 2009). As Dahlberg & Holmberg (2012) point out "one of the main obstacles in comparative survey research is to find valid and accurate survey questions that have similar meanings and easily travel across language barriers" (p.4).

The data used in this research was collected by COCOPS through a survey. The survey was formulated by a team of academics from Hertie School of Governance Berlin (acting as the lead), the National Center for Scientific Research (CNRS) University Panthéon -Assas Paris II, Cardiff University, Erasmus University Rotterdam and University of Bergen. The survey was launched in May 2012 and responses were received up until November 2012 after a pilot was completed. This is important because as this is a cross-sectional design, data must be gathered from a single time period. The survey was first created in English before being translated into the languages of participating countries. The surveys were translated by national teams and kept as close to the original English version as possible, while making sure it made sense to the respondents in the national context. Once the closing date for the surveys was passed, the data was cleaned, harmonised and validated

[3] Only 16 of these will be used in this research

(Hammerschmid, Oprisor & Stimac, 2013). The data set from COCOPS used in this thesis contains 5,999 responses from 16 European countries. The countries include: UK, Germany, France, Spain, Italy, Estonia, Norway, Serbia, the Netherlands, Hungary, Austria, Portugal, Lithuania, Ireland, Sweden and Denmark. By using this source, the problems stated by Dahlberg & Holmberg (2012) are reduced.

Top and medium-high level civil servants were the target population of the survey. Although some consider the chief executive of the organisation the most appropriate person to answer the survey due to their reliability and experience, it has been recognised that this may introduce bias into the responses. Therefore lower ranking managers were also included to alleviate this problem. Medium level managers should still have sufficient knowledge of the organisation to answer the survey, while possibly feeling less pressure to make the organisation look good (Hammerschmid, Oprisor & Stimac, 2013). Moreover, the survey used questions about perceptions and not facts, therefore all responses are entirely subjective responses. This may also introduce bias (Dahlstrom, Lapuente & Teorell, 2010) but by having such a large number of responses from different levels of the organisations, bias should be reduced. The survey was not sent out based upon a random sample, but instead a census was conducted. This means that all chief executives and medium-high managers of all public organisations[4] were sent the survey in all participating countries. The response rate was 29% (Hammerschmid, Oprisor & Stimac, 2013).

The survey covers general government, health and employment services. The organisations targeted include all central government ministries and agencies, but just the top two executive levels. In regards to the employment sector, central ministries and agencies as well as regional government and agencies were included. In the health sector, central government and agencies as well as state and regional government and agencies were targeted. Some policy-relevant committees were also included. Local government was not included in any field (Hammerschmid, Oprisor & Stimac, 2013).

Even though the focus of the research is on public sector organisations, the 5,999 responses do not necessarily mean that there are 5,999 organisations represented in the data. These responses are from individuals that work at the highest levels of the organisation, but there may be more than one respondent from some organisations. There is no way of knowing how many organisations are actually represented in the data. Furthermore, external validity is decreased because all organisations included come from European democracies. The theories produced may be applicable

[4] Government owned enterprises were not included in the census population as the function of these organisations are very different to the purpose of the survey (Hammerschmid, Oprisor & Stimac, 2013).

in other European democracies, or even liberal democracies further afield. However they should be used with caution elsewhere and the research should be replicated in other parts of the world before making grand generalisations. While this survey is solely based in European democracies, the large number of respondents is strong enough to give an overview of the topic.

4.2.3 Multiple Regression Analysis

The statistical analysis for this study will be carried out using multiple regression analysis. Multiple regression analysis allows for the relationship between the dependent and independent variable to be measured while controlling for other variables. Multiple regression analysis is the most appropriate statistical analysis to perform in this thesis as there is more than one independent variable. A statistical model that can control for all independent variables simultaneously is needed, as opposed to a simple linear regression, or a bivariate regression.

The standard multiple regression model is:

$$Y_i = \alpha+\beta_1X_1+\beta_2X_2+\beta_3X_3\ldots\ldots+\mu_i.$$

In this equation Y is the dependent variable, α is the y-intercept, also known as the constant, the β coefficients represent the effect X has on Y while holding the effects of the other independent variables constant, X is the independent variable and μ is the stochastic, or the residual component of the dependent variable (Kellstedt & Whiten, 2009).

Kellstedt & Whitten (2009) have outlined a number of assumptions that must be met when conducting multiple regression analysis. Firstly, a set of assumptions regarding the residual component are outlined. The residuals, or the μ_i must be distributed normally, or the mean of the residuals equal zero. This allows the researcher to make inferences about the population regression model based upon the sample regression model. This is also known as the zero bias assumption. As the number of cases is so large, it can be assumed that the distribution is normal. Uniform error variance, or homoscedasticity is also assumed. This means that "the variance for every case in the underlying population is assumed to be the same" (p.178). There is also an assumption of no autocorrelation; however this is a consideration of time-series analysis, not cross-sectional. A further assumption is that X values are measured without error; this is in order to simplify inferences made on the regression model.

A further set of assumptions about the model specifications have been outlined by Kellstedt & Whitten (2009). It is assumed that no causal variables are left out, but this may not be the case, and that no non-causal variables are included in the model. There is also an assumption of parametric linearity, or for every increase of 1 in X, there is a corresponding increase or decrease in Y for all

values. In other words, the relationship does not vary. Further minimal mathematical requirements are that X must vary; there must be more cases than variables, and finally no perfect multicollinearity. This means that there must be no exact linear relationship between any of the independent variables. Another issue to consider is "high, but less than perfect, multicollinearity" (p.226). This occurs when two independent variables are highly correlated. It is difficult to make inferences about the relationship between two highly correlated independent variables and the dependent variable.

One final important aspect to consider in multiple regression analysis is the issue of outliers. "An outlier is an extreme value relative to the other values for that variable" (Kellstedt & Whitten, 2009, p.220). Outliers must be recognised before running multiple regression models. This can be done through running descriptive statistics. It is vital to ensure that values that are extremely high or low relative to other values are real cases, and not the result of an error. In the multiple regression model, individual cases can be outliers if they have large leverage due to either an unusual value for a single variable, or from a combination of values across more than one variable. It may also be the result of having a large residual. This leads into the problem of influential cases. A case is influential if there is large leverage and a large residual. If influential cases are detected, the first step will be to check the data to ensure no errors have been made. If no errors have been detected, it is vital that these cases be reported in the results of the study. One approach is to "dummy out" (p.224) the influential cases by using dummy variables. The problem of outliers and influential cases should not appear here. All dependent variables are coded from 1 through 7; therefore there should be nothing outside of this range. The independent variables are categorical, and therefore should also not present a problem as each one will be recoded into a binary dummy variable.

4.2.4 Reliability and Validity

For the results of the research to be as precise as possible, the measure of the concepts must be reliable. A measure is reliable when "applying the same measurement rules to the same case or observation will produce identical results" (Kellstedt & Whitten, 2009, p.92). To ensure measurement validity, the measurements must accurately reflect the concepts. This will be discussed further in the operationalisation section.

The biggest issue facing the researcher by using this design is the possibility of confounding Z variables that may result in a spurious relationship. There is no way to be completely certain that all Z variables have been controlled for. However, through studying the previous literature it can only be hoped that this is the case. The comparison may very well be polluted with other factors, which lessens our ability to make conclusive statements about relationships between variables (Kellstedt &

Whitten, 2009). This is called omitted-variables bias. This needs to be taken into account when interpreting results, as one possible factor, transparency is being omitted, as well as possible unknown independent variables. This may result in polluting the effect that X has on Y.

If there are high levels of confidence in the conclusions about causality, the research is said to have high internal validity (Kellstedt & Whitten, 2009). Internal validity may be quite low as we cannot say definitively whether our independent variables have an effect on our dependent variables. The most we can say is that they are correlated or that there is a relationship. We cannot say definitely that there is causation. There should be a higher degree of external validity, in that the results should be applicable to the entire population and not just those used in the research. Thus the results should be applicable to all public sector organisations from the participant countries. Caution must be displayed when using the results outside of this, particularly outside of European democracies.

4.3 Operationalisation

To conduct a multiple regression analysis, the dependent variable must be an interval variable. Although the independent variables can be categorical or interval, categorical variables must be recoded into dummy variables (Kellstedt & Whitten, 2009). This section will go into the specific measurements of the concepts and the justifications of their coding.

4.3.1 Dependant Variable(s) Politicisation

The dependent variable of the main research question is "perceived politicisation". As the literature review shows the definition of politicisation can be either too broad or too narrow, and the methods of politicisation must also be considered. There is an attempt here to achieve a balance between the two extremes. Therefore as mentioned previously there will be a focus on top-down politicisation where politicians attempt to garner control over bureaucracies to influence policy. Although the literature mainly focuses on political appointments this is not the only method used. In order to expand on this, three indicators will be used.

Political Appointments

For this dependent variable, the concept is how much civil servants think politicians make appointments based upon political criteria instead of merit based criteria. Looking at the COCOPS' "*Executive Survey on Public Sector Reform in Europe"*, the closest measurement to the concept is the following statement: "politicians regularly influence senior-level appointments in my organisation". Those surveyed were asked to indicate their perception of this statement within their organisations on a scale of one to seven, with one being strongly disagree and seven being strongly agree. There was also an option for cannot assess. This can be described as a Likert scale. Although arguments

have been put forward to describe it as ordinal data and interval data, for the purpose of the research it will be treated as an interval.

Respect for Technical Expertise

For this dependent variable, the concept is how much civil servants think politicians respect their expertise, as opposed to sourcing information elsewhere. Looking at the COCOPS' "*Executive Survey on Public Sector Reform in Europe"*, the closest measurement to the concept is the following statement: "politicians respect the technical expertise of the administration". Those surveyed were asked to indicate their perception of this statement within their organisations on a scale of one to seven, with one being strongly disagree and seven being strongly agree. There was also an option for cannot assess. Again, this will be treated as an interval variable.

Interference in Routine Activities

For this dependent variable, the concept is how much civil servants think politicians interfere in the routine activities of the organisation, as opposed to having a certain level of discretion to do their jobs. Looking at the COCOPS' "*Executive Survey on Public Sector Reform in Europe"*, the closest measurement to the concept is the following statement: "in my organisation politicians interfere in routine activities". Those surveyed were asked to indicate their perception of this statement within their organisations on a scale of one to seven, with one being strongly disagree and seven being strongly agree. There was also an option for cannot assess. This too will be treated as an interval variable.

4.3.2 Independent Variables

This section will detail how the independent variables will be measured and operationalised. As all of the variables are categorical, they must be recoded in binary dummy variables. This process will be described for each independent variable.

Distance from Government

The concept of distance from government should be straight forward to convert into a measurement. The measurement should include whether an organisation is part of the central government or an agency. The COCOPS survey asked each respondent to choose the type of organisation they worked in from a list of six options. The options given in the COCOPS survey for types of organisation are as follows:

1. Ministry at a central government level
2. Agency or subordinate government body at central government level
3. Ministry at state or regional government level

4. Agency or subordinate government body at a state or regional government level
5. Ministry or other public body at other subnational level
6. Other

Many of these options were not included in some of the country surveys as state and regional governments are not used. Spain and Germany have powerful state governments, but most countries do not. Therefore these categories can be further simplified into a two category variable. The two categories will be central government organisation and agency. The regional government organisations will be placed in the same category as the central government organisations. This is because ministries at state or regional level will still have an elected official closer to them than an agency at the central government level, particularly given that in some countries, for example Germany, the regional governments have substantial power. Central government organisations will represent public organisations that are closer to the central government, while the agencies will represent public organisations that are further away from central government. Again dummy variables will be used in the multiple regression analysis, with agencies coded as 1 and central government organisations coded as 0.

Policy Area

The concept of the policy area variable can be measured in a few different ways, one of which is to measure if more technical expertise results in higher or lower levels of politicisation. The COCOPS survey provides a list of policy areas for the respondents to state which area they worked in. The options for policy area given in the COCOPS survey are as follows:

1. Foreign affairs
2. Finance
3. Economic affairs
4. Infrastructure and transportation
5. Defence
6. Justice, public order & safety
7. Employment services
8. Health
9. Other social protection and welfare
10. Education
11. Environmental protection
12. Recreation, culture, religion

13. Other

For the concept to become an appropriate measurement, the policy areas were be categorised into three levels of technical expertise needed; Very technical, moderately technical and not technical. Policy areas that use science and engineering are categorised as "very technical". Policy areas that are more ideologically driven are categorised as "not technical". There will also be categories where there is a mix of technical expertise and ideology driving different aspects. The table below gives an overview of the categories of the policy areas. This variable may come with some degree of bias, as the policy areas were categorised according to the researcher's perceptions of how technically or ideologically driven they are. To operationalise these in the multiple regression model, dummy variables will be used. The "not technical" category will be used as the reference category for this.

Table 4.1 Categories for Technical Expertise in Policy Areas

Very Technical	**Moderately Technical**	**Not Technical**
Infrastructure and Transportation	Economic Affairs	General Government
Environmental Protection	Defence	Foreign Affairs
	Health	Justice, Public Order & Safety
		Employment Services
		Social Protection and Welfare
		Education
		Recreation, Culture, Religion

A second way of measuring policy area is through political saliency. Verhoest et al. (2010) have outlined a framework based upon the UN's Classification of the Functions of Government. Three separate policy areas have been determined:

1) Welfare and social policy; including housing and community amenities, health, recreation, culture and religion, education and social protection

2) Economic policy; including economic affairs

3) Other policy areas; including general public services, defence, public order and safety, and environmental protection

The policy areas used in the COCOPS survey can be categorised using the same framework as follows:

Table 4.2 Categories for Political Saliency in Policy Areas

Welfare and Social Policy	Economic Policy	Other Policy Areas
Infrastructure and Transportation	Finance	General Government
Employment Services	Economic Affairs	Foreign Affairs
Health		Defence
Social Protection and Welfare		Justice, Public Order and Safety
Education		Environmental Protection
Recreation, Culture, Religion		Other

Similarly to the measure on technical expertise, dummy variables will be utilised in order to accurately run the multiple regression analysis. The "other policy areas" will be used as the reference category.

A final way of measuring the relationship between policy area and perceived politicisation is by creating a dummy variable for each policy area and running it in the regression models. This will determine if some policy areas are deemed more politicised than others without categorising the policy areas based on any single criteria. The "employment services policy" will be used as the reference category for this measurement.

Size of the organisation

The concept of the size of the organisation is intended to be an estimate of the amount of resources the organisation has. In other words, if there is more control of resources, there may be higher information asymmetry and therefore more need for the politician to control it. This can be measured in two ways, either by budget or by number of employees. Ideally both measures would be used. The COCOPS survey only addresses this in terms of staff numbers; therefore there is no access to a measurement on budget. However, as mentioned in the literature review, budget and number of employees can be correlated, thus this is the most appropriate measure available for the variable.

The options given in the COCOPS survey for number of employees are:

1. <50
2. 50-99
3. 100-499
4. 500-999
5. 1000-5000
6. >5000
7. Not Sure

Again, dummy variables will be used to measure this concept in the multiple regression analysis, with <50 used as the reference category.

Transparency of the organisation

Unfortunately there are no appropriate measurements for transparency. The only time transparency is addressed in the survey is to ask how important transparency and open government reforms are to the organisation. Although it does address transparency, if the organisation was already transparent and open, there would be no need to place reforms high on the agenda. Therefore it is an inappropriate measure. Indicators from Transparency International could be looked at; however they measure the transparency of governments in a country, not individual organisations. Furthermore, as this is measuring perceptions, it is vital that the information comes from the same source at the same time, as perceptions can change over time.

4.3.3 Predicted Regression Equations

There will be a total of eighteen regressions run during the data analysis chapter, meaning six for each dependent variable. This is because there are three different measures for policy area which must be run separately or the assumption of multicollinearity will be violated. Furthermore, each of these models will be run first without control variables and then again using a set of control variables. These control variables will be discussed in the next chapter. The following are the set of predicted equations.

Dependent Variable: Political Appointments

$$PolApp = \alpha+\beta_1 Tech+\beta_2 Sal+ \beta_3 PolAr+\beta_4 Dist+\beta_5 Size+\mu_i$$

Dependent Variable: Respect for Technical Expertise

$$ResExp = \alpha+\beta_1 Tech+\beta_2 Sal+ \beta_3 PolAr+\beta_4 Dist+\beta_5 Size+\mu_i$$

Dependent Variable: Interference in Routine Activity

$$RoutAct = \alpha+\beta_1 Tech+\beta_2 Sal+ \beta_3 PolAr+\beta_4 Dist+\beta_5 Size+\mu_i.$$

PolApp is the perception of interference in political appointments

ResExp is the perception of respect of technical expertise

RoutAct is the perceived level of interference in routine activity

Tech is the level of technical expertise used in the policy area

Sal is the political saliency of the policy area

PolAr is the policy area of the organisation

Dist is the distance the organisation is from central government

Size is the number of employees working in the organisation

5 Data Analysis

5.1 Introduction

This chapter will cover the analysis of the survey data. The first step is to conduct thorough descriptive statistics in order to answer the first part of the research question; are there different levels of perceived politicisation in public sector organisations. Furthermore, it will provide a thorough overview of the data available. The next section will be the explanatory analysis. This section will cover the assumption tests of the data before continuing onto the results of the regression analysis and answering the second part of the research question, how can the differences be explained.

5.2 Descriptive Analysis

This section will go through the descriptive statistics of each dependent variable to assist in answering the research question. Although the aim of the thesis is to look at the organisational level, it is still important to take a quick overview of the results on country level, to understand the data that is used. Figure 5.1 is a breakdown of the mean of the three forms of politicisation per each of the sixteen countries used in the data. The data varies across all countries, but generally speaking it can be said that interference in routine activities is the lowest form of perceived politicisation across most countries, Denmark and Ireland being two notable exceptions. Sweden, the Netherlands and France have the lowest perceived interference in routine activities, with means of between 2 and 3. Perceived interference in senior level appointments seems to be quite high in some places, particularly in Spain, Portugal and Austria all averaging over a mean of 5. Interestingly, the perceptions in Denmark and Ireland are relatively low on this method. The final dependent variable, perceived respect for technical expertise, does not vary much between countries. Denmark and Norway have the lowest perceptions of politicisation on this method, while Serbia has the highest. However it does not vary drastically, with a range from just over 3 to just over 5. The following section will take a closer look at the three dependent variables separately. This section will also consider some of the assumptions for multiple regression analysis.

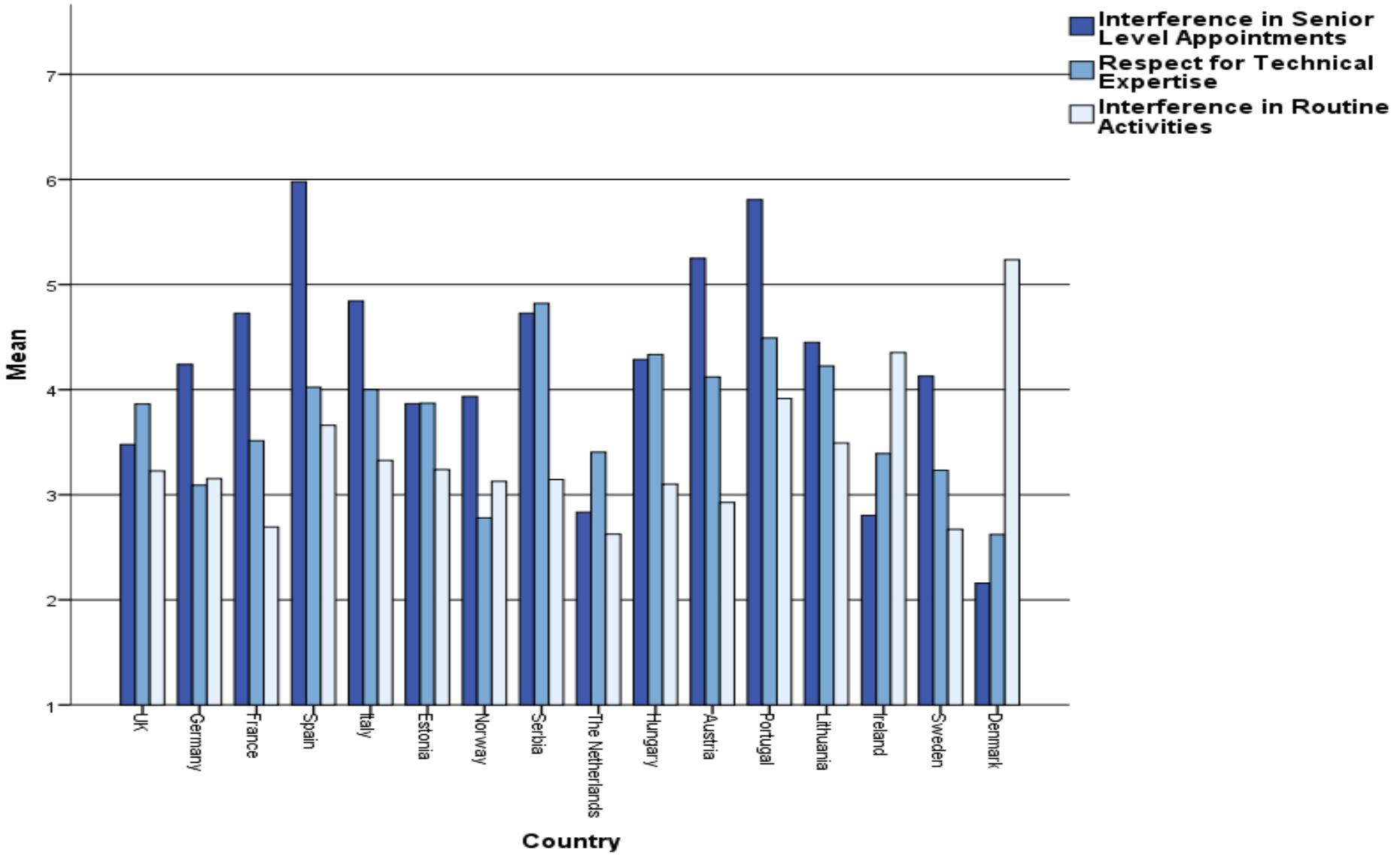


Figure 5.1 Bar Chart for Politicisation per Country

5.2.1 Dependent Variables

Political Appointments

The first dependent variable to be examined is the perception of political interference in appointments of senior level executives. Table 5.1 shows a high number of missing cases. This reduces the number from 5,999 to 4,774. Although this is a high number of missing cases, there are still a large number of cases to work with; therefore it should not affect the research too much. The mean score across all countries is 4.43, while the median score is 5. Most interestingly for this study is that the mode is 7, meaning that the most frequent answer given by the respondents was the maximum score on perceived political interference. The minimum and maximum scores were included in this to ensure that there are no outliers. All scores should be between 1 and 7, if there are values outside of this range then there is an error in coding. This is not the case here. Furthermore, the problem of outliers and influential cases will not be an issue for the regression.

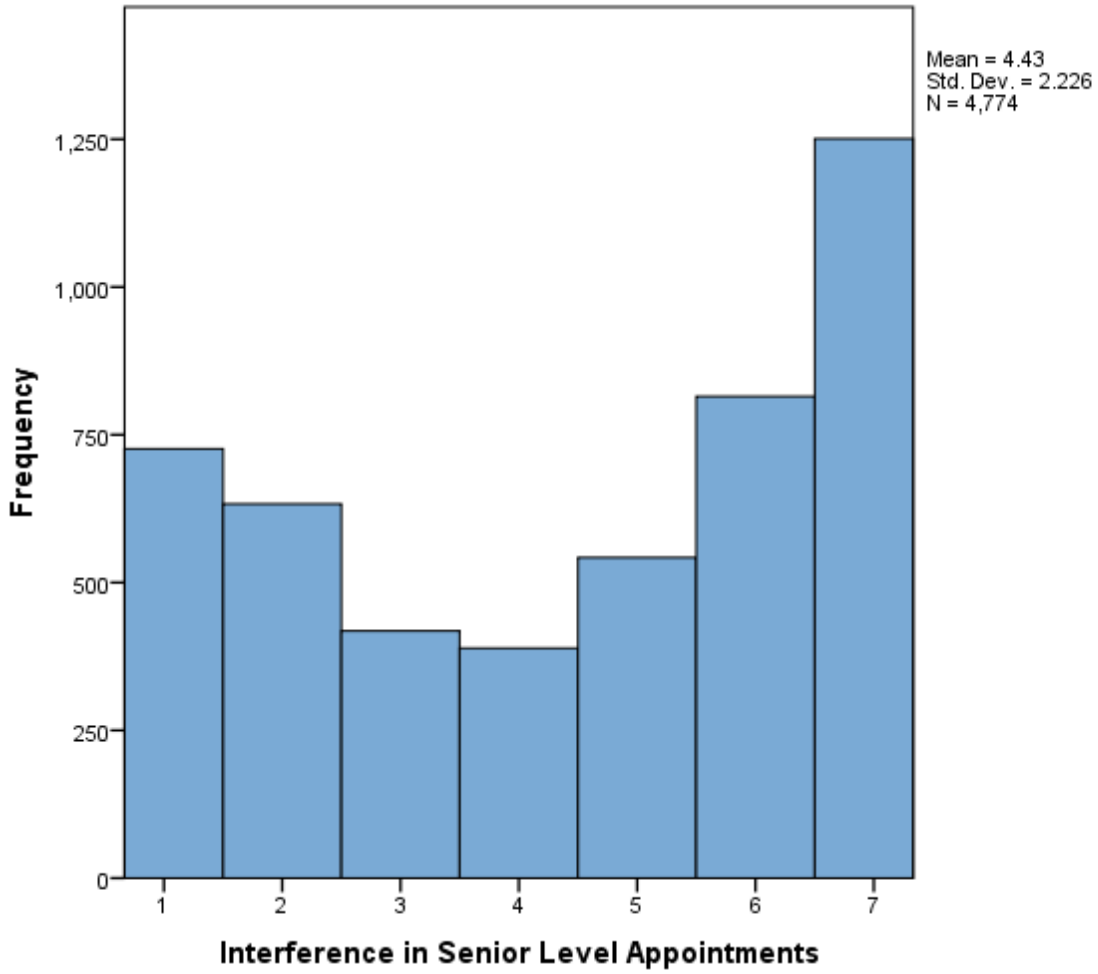
Table 5.1 Statistics for Perceptions of Political Appointments

N	Valid	4774
	Missing	1225
Mean		4.43
Median		5.00
Mode		7
Std. Deviation		2.226
Minimum		1
Maximum		7
Percentiles	25	2.00
	50	5.00
	75	7.00

The histogram in figure 5.2 shows the data in more detail. Again it shows the large number of respondents who perceive interference to be very high with 26.2% of the valid responses indicating a 7, the highest level and a further 17.1% of valid respondents indicating a 6. This means that 43.3% of respondents perceive political interference in senior level appointments to be very high. The histogram can be described as an inverted bell curve with the most frequent responses lying at either end of the Likert scale. This assists in answering the first part of our research question, which relates to differing levels of politicisation. As can be seen the level of perceived politicisation in relation to appointments varies quite a bit. However, the histogram indicates a problem for the multiple regression analysis. One of the core assumptions for the analysis is normal distribution and the graph below is not normal. Although some argue that the distribution can be assumed to be

normal if the N>30, figure 5.2 shows that the distribution is problematic with a particular negative skew.

Figure 5.2 Histogram for Perceptions of Political Appointments (unweighted)



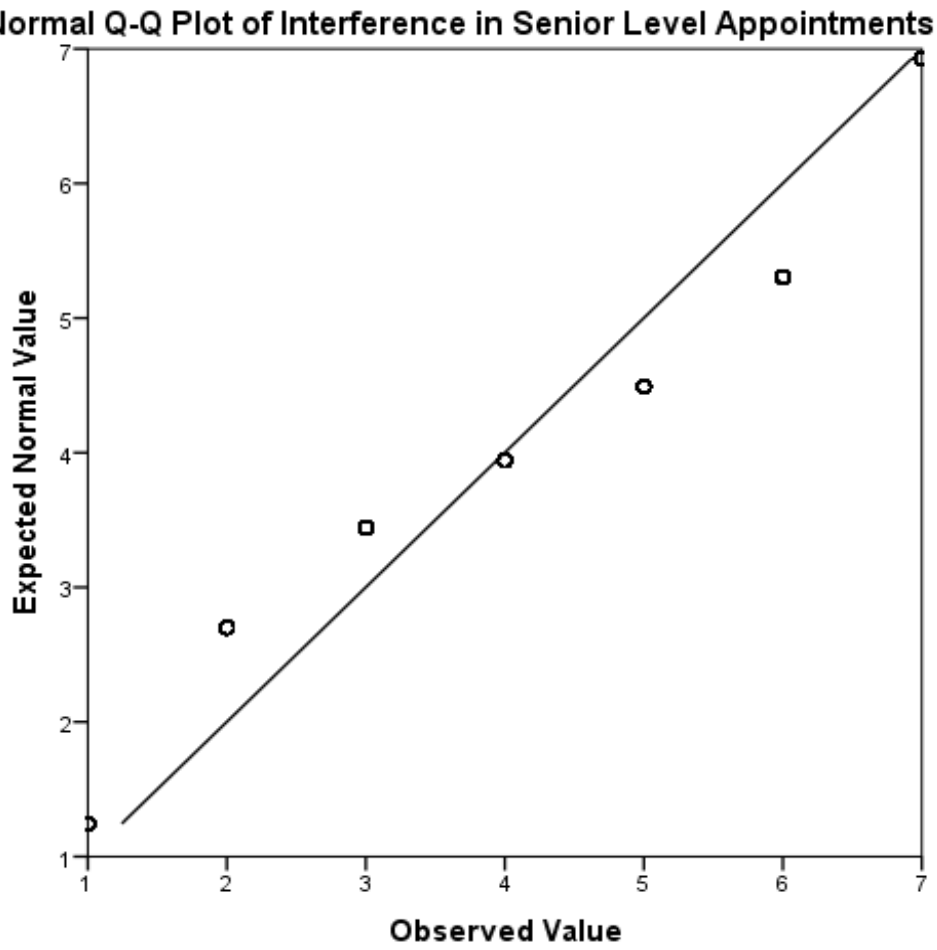


Figure 5.3 Q-Q Plot for Perceptions of Political Appointments (unweighted)

As some countries had a much higher response rate than others, the data can be weighted accordingly. In order to investigate the normal distribution problem further, a Q-Q plot was first run for unweighted data, which can be seen above. As can be observed, the distribution is again shown as not normal, violating one of the core assumptions of the multiple regression. A number of steps were taken in order to rectify this problem. Following this, a Q-Q plot was run for weighted data but the problem persisted. The levels of the dependent variable were examined for each country to see if any one country was skewing the data, however it seemed to be consistent for all countries. The graph for this can be seen in Annex B. The data was also transformed using the lg10 function and also the square root function in SPSS. Q-Q plots were run for the transformed data to examine which would produce the most normal distribution. The most normal distribution was found by weighting the data by the number of respondents per country using untransformed data. Yet this still showed abnormal distribution, therefore the decision was taken to run a logistic regression for this dependent variable. This will be expanded on further in the explanatory statistics.

Respect for Technical Expertise

The second dependent variable dealt with is the perceived level of respect for expertise. From table 5.2 it can again be seen that there are a large number of missing cases, although not as many as previously. Here 925 cases are missing, with 5,074 still valid for the analysis. On average there is less politicisation in terms of perceived respect for expertise, with the most common answer being 5, indicating quite a large amount of perceived respect. The minimum and maximum values are 1 and 7 respectively, meaning there are no outliers or influential cases and no errors in the data.

Table 5.2 Statistics for Perceptions of Respect for Expertise

N	Valid	5074
	Missing	925
Mean		4.23
Median		4.00
Mode		5
Std. Deviation		1.749
Minimum		1
Maximum		7
Percentiles	25	3.00
	50	4.00
	75	6.00

The histogram in figure 5.4 goes into more detail on the respondents perceptions on levels of perceived respect for technical expertise. There is much less extremity in the responses to this measure compared to the last, however it does lean more to higher levels of respect. 49.7% responding with a 5, 6 or 7. Again, the histogram assists in answering the first part of the central research question, are there different levels of perceived politicisation in public sector organisations, in which there are. Although a large portion of the respondents indicated that there is a high level of perceived respect for expertise, there are still 34.2% of the valid respondents who replied with a 1, 2 or 3, indicating a low level of respect for technical expertise from politicians. The histogram shows a more traditional bell curve shape, although it is slightly skewed. Overall the distribution can be described as normal, and thus satisfies one of the core assumptions of the regression analysis. However it was found that weighting the data by country reduced the problem of heteroscedasticity, therefore the weighted data will be used for the analysis. A histogram and a Q-Q plot of the weighted data can be seen in figure 5.4 and figure 5.5 respectively. Although some of the plots drift away from the line in the Q-Q plot, it does not violate the assumption of normality.

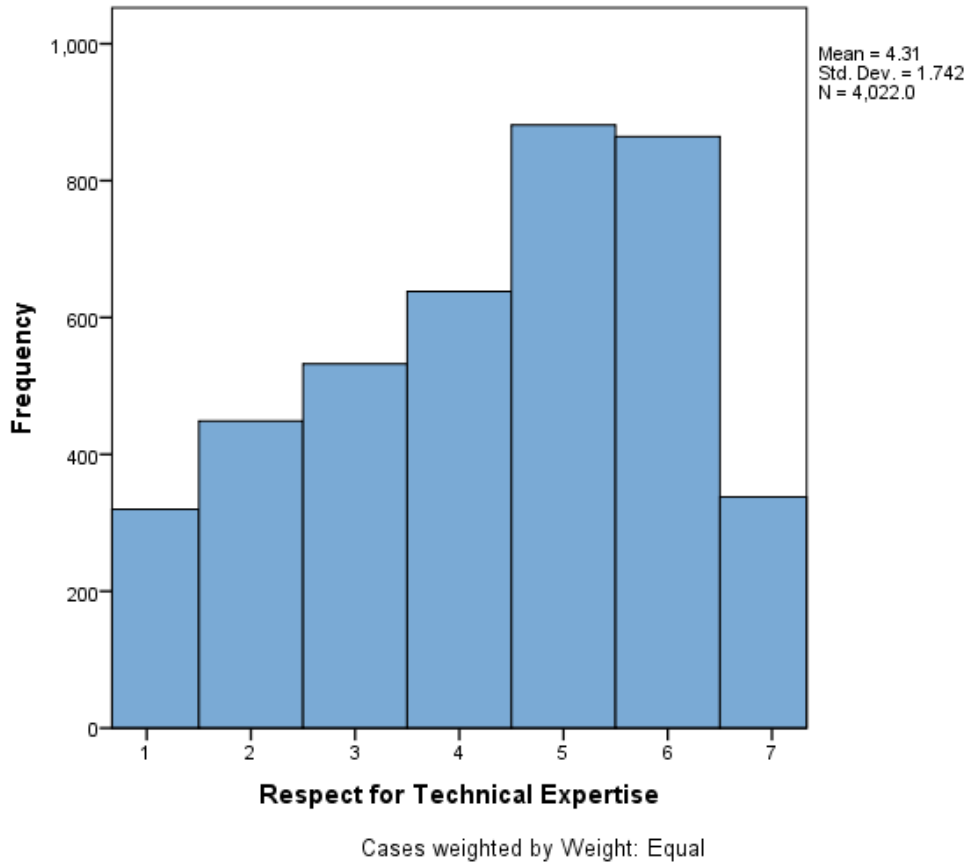


Figure 5.4 Histogram for Perceptions of Respect for Expertise (weighted)

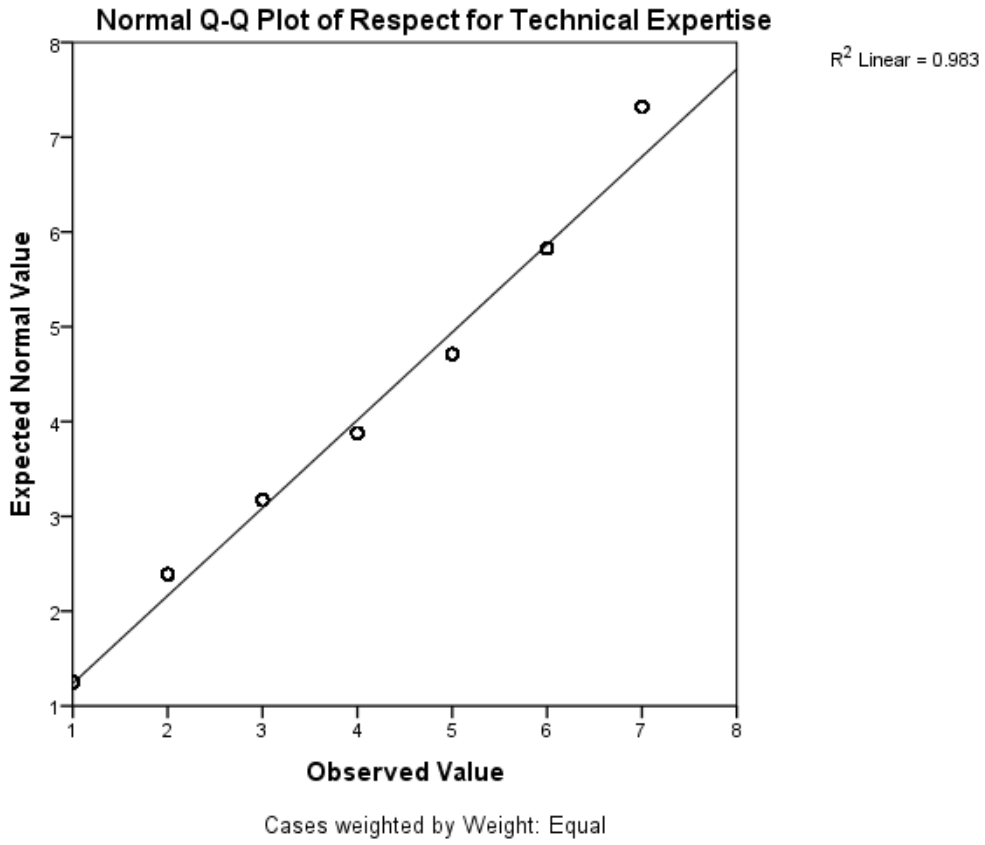


Figure 5.5 Q-Q Plot for Perceptions of Respect for Expertise (weighted)

Interference in Routine Activity

The final dependent variable, perceived levels of interference in routine activity, is also missing a large number of cases as can be seen in table 5.3. 975 cases are missing, leaving 5,024 valid cases for the analysis. This is still a large number of cases for the analysis; therefore it should not impact the findings. The mean score across all countries is 3.22, which is very close to the half way point on the Likert scale given to respondents. The median score is 3, while the mode is 1, indicating very low levels of perceived political interference in routine activities. Again the minimum and maximum scores are 1 and 7, showing no errors in coding and also no outliers and influential cases.

Table 5.3 Statistics for Perceptions of Interference in Routine Activity

N	Valid	5024
	Missing	975
Mean		3.22
Median		3.00
Mode		1
Std. Deviation		1.961
Minimum		1
Maximum		7
Percentiles	25	2.00
	50	3.00
	75	5.00

The unweighted histogram in figure 5.6 goes into more detail on the responses. 60.9% of the valid cases responded with a 1, 2 or 3, indicating low levels of perceived political interference. However, there is still variation in the responses. There are still over 400 cases that give 5, 6 and 7 each, indicating high levels of perceived interference. However, similarly to the first dependent variable, the histogram shows that the sample is not normally distributed, with a positive skew. This was confirmed in a Q-Q plot conducted. The same steps were followed in this dependent variable, as the first, whereby another histogram was produced using a weighted variable to combat the issue of different rates of responses from different countries. The responses were examined per country to see if any one country was causing the skew, a graph of which can be seen in Appendix C. After this, lg10 and square root transformations were conducted to see which produced the most normal data. The most normal data was produced by the weighted sqrt transformation. The Q-Q plot for which can be seen in figure 5.7. Although there are some plots that deviate from the line, this is the best option from all others explored.

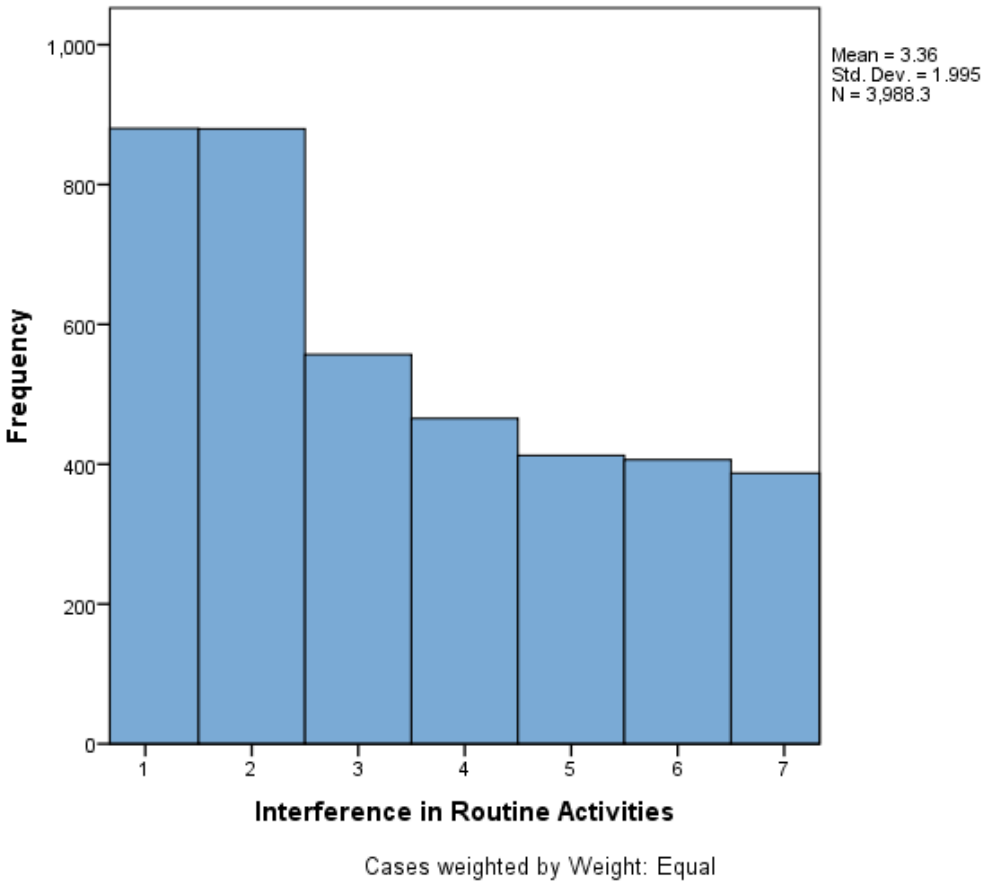


Figure 5.6 Histogram for Perceptions of Interference in Routine Activity (unweighted)

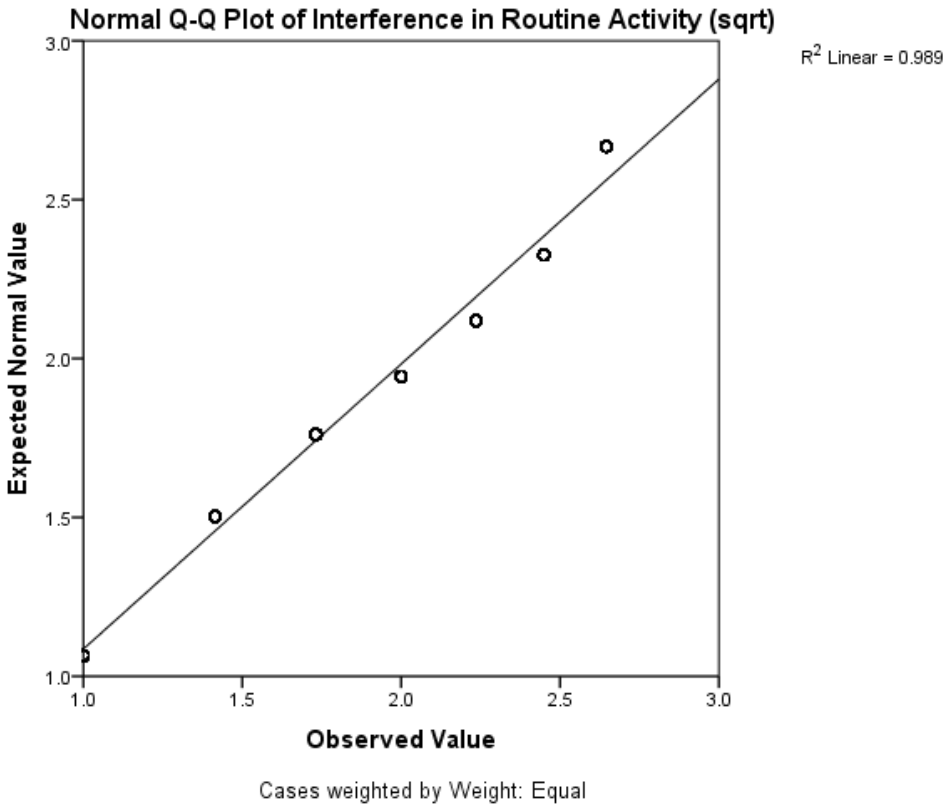


Figure 5.7 Q-Q Plot for Perceptions of Interference in Routine Activity

Correlation of Weighted Dependent Variables

It is vital that the correlation between the dependent variables is also checked. If the variables are highly correlated it does not make sense to test them individually but to amalgamate them into one dependent variable. The table below gives an overview of the Pearson Correlation of all dependent variables, all of which are statistically significant at the 0.01 level. The variables were tested using the form in which they will be used in the regressions, therefore the weight was on for all three and the square root transformation of interference in routine activity was also used. As can be seen none of the variables are highly correlated, and thus the study can proceed with analysing each one separately.

Table 5.4 Pearson Correlation of Dependent Variables

		Respect for Technical Expertise	Interference in Senior Level Appointments	Interference in Routine Activities
Respect for Technical Expertise	Pearson Correlation	1	-.251**	-.108**
	Sig. (2-tailed)		.000	.000
	N	4022	3659	3847
Interference in Senior Level Appointments	Pearson Correlation	-.251**	1	.268**
	Sig. (2-tailed)	.000		.000
	N	3659	3762	3661
Interference in Routine Activities	Pearson Correlation	-.108**	.268**	1
	Sig. (2-tailed)	.000	.000	
	N	3847	3661	3988

**. Correlation is significant at the 0.01 level (2-tailed).

5.2.2 Independent Variables and Influential Cases

As stated in the research design, outliers and influential cases must be checked as well as multicollinearity before a multiple regression analysis can be conducted. Outliers and influential cases will be easily detected as all variables will be recoded into binary dummy variables. If a case shows up as anything other than 0 or 1 in descriptive statistics, then there is an error in the data.

Distance from Government

The first independent variable to be analysed is distance from government. This dummy variable was coded as 1 for agencies and 0 for organisations at the ministerial level, meaning organisations at the ministerial level will be used as the reference category. The minimum and maximum values showed that there are no incorrectly coded variables, and thus no outliers. Furthermore, the number of agencies and central government organisations are very close, with agencies representing 51.9% of cases and ministerial organisations representing 48.1% of organisations, giving a good balance.

Table 5.5 Statistics for Independent Variable Distance from Government

Distance from Government	
	Valid Percent
Agency	51.9
Ministry	48.1
Total	100

Other Policy Areas

Descriptive statistics were run on all the dummy variables for each of the policy areas, showing the minimum and maximum value of 0 and 1. This indicates that all values have been coded correctly, and outliers and influential cases will not be a problem. In terms of the percentage of observations in each policy area, it seems to be evenly distributed, with most policy areas having 8-12%. However, there was a low percentage for defence (2.7%) and foreign affairs (4.3%), therefore these categories were merged into one as the two policy areas are related. Recreation, religion and culture comprise 4.8% of all policy areas, while general government is quite high at 16.1%. Table 5.6 gives a breakdown of the number of cases in each policy area and the percentage it takes up. It must be noted that many respondents chose more than one policy area, hence why the frequency total is so much higher than the actual number of respondents. The percentages in the table represent the those who quoted the policy area against those that did not quote the policy area. As dummy variables will be used, one category must be left out to use as a reference category. In this case the reference category will be employment services.

Table 5.6 Statistics for Independent Variable Policy Areas

	Policy Areas			
		Frequency	**Percent**	**Valid Percent**
Valid	General Government	964	16.1	16.1
	Foreign Affairs & Defence	334	7	7
	Finance	723	12.1	12.1
	Economic Affairs	696	11.6	11.6
	Infrastructure & Transportation	580	9.7	9.7
	Justice, Public Order & Safety	620	10.3	10.3
	Employment Services	611	10.2	10.2
	Health	482	8	8
	Other Social Protection & Welfare	565	9.4	9.4
	Education	503	8.4	8.4
	Environmental Protection	491	8.2	8.2
	Recreation, Religion, Culture,	286	4.8	4.8
	Other Policy Areas	778	16.2	17.3
	Total	**7619**		

Technical Level and Political Saliency

Descriptive statistics were run for the variable level of technical expertise in a policy area. In total there are 4,741 valid cases and 59 missing. The maximum and minimum values again show that there are no outliers or influential cases to deal with as the dummy variables are correctly coded. The not technical policy area will be used as the reference category as the focus of the hypothesis is on very technical policy areas. Descriptive statistics were also run on the variable for political saliency of a policy area. There are 5831 valid cases and 168 missing. The minimum and maximum values showed that all variables were coded correctly. Here, the other policy areas category will be used as a reference category, as the focus is on social and welfare policy being more politically salient.

Table 5.7 shows more details on the percentage of each policy area. The not technical category has a valid percentage of 47.1%, while the very technical category only represents 12.4% of cases. This can be explained by there being far fewer policy areas considered very technical in the research design. Social and Welfare Policy accounts for 39.1% of cases, with this category considered to be the most politically salient according to Verhoest et al. (2010). Economic policy accounts for just 16.8% of all cases and all other policy areas accounting for 44.1% of all cases.

Table 5.7 Statistics for Independent Variables Technical Level and Political Saliency of Policy Areas

Valid Percentages of Political Saliency and Technical Level of Policy Area			
Technical Level	**Valid Percent**	**Political Saliency**	**Valid Percent**
Very Technical	12.4	Social and Welfare Policy	39.1
Moderately Technical	26.4	Economic Policy	16.8
Not Technical	47.1	Other Policy Areas	44.1
Other	14.1	Total	100
Total	100		

Size of the Organisation

The final independent variable to be examined is that of the number of employees in the organisation. Again, there were no problems with data coding with minimum and maximum values not falling outside 0 and 1. The table shows that there is an even spread over the sizes of the organisations with the exception of 100-499, which represents 34.2% of all valid cases. The variable <50 will be used as the reference category, as the hypotheses concentrate on larger organisations being more politicised.

Table 5.8 Statistics for Independent Variable Size of the Organisation

Number of Employees in Organisation	
	Valid Percent
<50	13.4
50-99	9
100-499	34.2
500-999	13.3
1000-5000	15.1
>5000	15
Total	100

5.3 Explanatory Analysis

The previous section answered the first part of the central research question are there different levels of perceived politicisation, to which the descriptive statistics found that there are differing levels across public sector organisations. This section will first check the assumptions for multiple regression analysis, before going on to find the answers to the second part of the research question and sub-questions.

5.3.1 Assumptions of Multiple Regression Analysis

Some of the assumptions of multiple regression analysis have already been discussed in the previous section of this chapter, such as normal distribution, outliers and influential cases. Below the remaining assumptions and their tests will be discussed. One important aspect to note is the limitations of some of the traditional assumption tests using this data, considering that the dependent variables are valued using a 1-7 Likert scale, while all independent variables are binary dummy variables. This means that tests such as scatterplots to test linearity are unusable.

Multicollinearity

The assumption of multicollinearity must be tested to ensure that the model can identify what effect the independent variables have on the dependent variables. If the independent variables are highly correlated, the model will not be able to differentiate the effect. The independent variables were tested using the phi coefficient. However, as there are many binary variables to test, the Pearson coefficient was used instead of the phi as they are comparable. The results came back confirming the assumption of no multicollinearity. No coefficient came above .8. Some of the higher correlation coefficients came between policy areas, which is to be expected. For example, the policy area of finance and economics affairs policy (political saliency) had a coefficient of .713, as finance policy is also represented in the economics affairs policy variable. Likewise, infrastructure and transportation and very technical policy areas had a coefficient of .628. However, these variables will not be tested in the same model and even though there is a strong positive relationship, it is not enough to violate the assumption of no multicollinearity. Collinearity diagnostics will also be run during the regressions to further test for multicollinearity.

Homoscedasticity

In order to test for the assumption of homoscedasticity, both the Levene's test and boxplots were run on the variables. This showed that there was heteroscedasticity present in some of the variables. For the dependent variable "perceptions of respect for technical expertise", Levene's test showed much less heteroscedasticity when the variable was weighted through respondents per country, thus the dependent variable will be treated as such for the regression. The boxplots showed significantly less heteroscedasticity for each of the variables compared to the Levene's test. Even

when heteroscedasticity was present in the boxplots, it was not a huge amount. Much of the problem lay with the dummy variables for size of the organisation. These were later recoded into a single dummy depicting either large or small organisations and subsequently did not show problems of heteroscedasticity. In order to achieve homoscedastic data, one option is to transform the data and run the tests again to see if the assumption is met. However this has already been done for the dependent variable to meet the assumption of normal distribution. If a transformation is performed this will then negatively affect the assumption of normal distribution. Furthermore, as all independent variables are dummies, they cannot be transformed. Therefore the choice has been made to have a stronger distribution assumption over trying to ensure completely homoscedastic data. As Mankiw (1990, p.1648) said "heteroskedasticity has never been a reason to throw out an otherwise good model" (Mankiw, 1990, p.1648).

Linearity

The linearity assumption is difficult for this data set. As all of the independent variables are binary dummy variables, the assumption of a linear relationship cannot be tested. This is further compounded by the dependent variables only having values from 1 through 7. Although linearity cannot be tested, independent sample t-tests and analysis of variance (ANOVA) can be performed. The independent sample t-tests are appropriate to see if there are variances in binary variables in relation to a continuous variable, while the ANOVA is used for categorical data with more than two levels (Acton & Miller, 2009). Although all of the independent variables will be run as binary dummy variables in the regression, it may be worth noting the relationship between the groups of dummy variables, such as policy area as a whole. Distance from government was shown to be statistically significant in all tests. Number of employees and policy area was also found to be statistically significant either using dummy variables in the independent sample t-tests, or the categorical variables in the ANOVAs.

5.3.2 Perceived Political Appointments: Binary Logistic Regression Analysis

As the data did not pass the assumption of normal distribution for the dependent variable "perceived political interference in senior level appointments", it was decided to conduct a logistic regression instead. However, in order to conduct a logistic regression, the dependent variable must be dichotomous; therefore the variable was recoded into "high levels of perceived interference of senior level appointments" and "other". Any respondent that answered with a 5, 6 or 7 was entered into the first level, while respondents that answered 1, 2, 3 and 4 were entered into the other level. It could be argued that 4 could be put in either category or left out completely, but leaving 4 out of the analysis would exclude a large amount of cases from the analysis. The variable was coded as high

and other, the high incorporating the responses that can be considered high, while the other incorporating low and medium response rates. Therefore it was decided to code the 4 as other.

The independent variable "size of organisation" was also recoded. When preliminary tests were run it was found that some of the dummy variables for size were statistically significant, mainly those for larger organisations, while all of the smaller organisations were found to be statistically insignificant. Therefore, in order to create more statistically significant results, size was recoded into a binary variable indicating large and small. The three smallest sizes were coded as 0, while the three larger sizes were recoded as 1.

The results below are from 6 separate logistic regressions. The first three regressions were run using the three different measures of policy area as indicated in Chapter 3 on research design. The same models were run again for models 4, 5 and 6 but also included the following control variables: gender, education level and position in the organisation. Countries were included as a control variable for all six models. The table of β coefficients is split into two. The first section shows the independent variables, while the second section below the line shows the control variables. The "enter" method was used as opposed to the stepwise method meaning that all independent variables were entered at once (Acton & Miller, 2009).

Table 5.9 shows the β coefficients, while table 5.10 gives an overview of the general results of the models. The "Omnibus Tests of Model Coefficients" are all statistically significant, indicating that the independent variables result in an improved prediction on the dependent variable. The R squares indicate a goodness of fit of between 18-28% depending on the model used, which is considered quite low. The Hosmer and Lemeshow test also indicate if the model has an improved fit (Acton & Miller, 2009). Here if the test is statistically significant, it indicates that the model does not have an improved prediction, which is the case for Model 1 and 3. The predictive value of the models has improved substantially across the board, with each model improving by at least 15%. It was also found that the model is more consistent when predicting high levels of perceived political interference than with other levels. The influence of the independent variables will be discussed separately below.

Table 5.9 β Coefficients for Binary Logistic Regression for Dependent Variable Perceptions of Political Appointments

Table of β Coefficients						
	Model 1: individual policy	**Model2: technical policy**	**Model 3: political saliency**	**Model 4: individual policy**	**Model 5: technical policy**	**Model6: political saliency**
Constant	1.268**	.759**	.909**	1.180**	.737**	.945**
		Independent	**Variables**			
Distance from Govt						
Ref: Ministries						
Agencies	-.721**	-.723**	-.709**	-.693**	-.686**	-.660**
Size of the Organisation						
Ref: Small Orgs						
Large Orgs	.153	.213**	.213**	.177	.224**	.227**
Political Saliency of Policy						
Ref: Other Policy Areas						
Social Policy			-.082			-.169
Economic Pol			-.377**			-.477**
Technical Level of Policy						
Ref: Not Tech						
Very Tech		.216			.180	
Moderately Tech		-.061			-.126	
Individual Policy Areas						
Ref: Employment						
General Govt	.095			.083		
Finance	-.393**			-.443**		
Economic	-.098			-.097		
Infrastructure	-.018			-.064		
Justice	-.109			-.068		
Health	.259			.261		
Social Protet	-.092			-.161		
Education	-.492**			-.437**		
Environment	.367**			.467**		
Recreation	-.010			.011		
Foreign Afrs	.224			.203		
Other	-.153			-.060		
		Control	**Variables**			
Countries						
Ref: Serbia						
UK	-2.046**	-1.648**	-1.666**	-2.450**	-.201**	-2.049**
Germany	-1.757**	-1.368**	-1.401**	-1.377**	-.951**	-.985**
France	-1.531**	-1.134**	-1.165**	-1.485**	-1.061**	-1.110**
Italy	-1.153**	-.783**	-.809**	-.960**	-.601**	-.624**
Estonia	-1.866**	-1.403**	-1.438**	-1.766**	-1.281**	-1.336**
Norway	-1.761**	-1.318**	-1.390**	-1.688**	-1.247**	-1.342**

Netherlands	-2.973**	-2.579**	-2.617**	-2.803**	-2.380**	-2.428**
Hungary	-1.699**	-1.270**	-1.341**	-1.601**	-1.157**	-1.243**
Austria	-.792**	-.399*	-.469**	-.619*	-.206**	-.288
Portugal	.005	.397	.359	.362	.702**	.672**
Lithuania	-1.106**	-.663**	-.703**	-.995**	-.550**	-.605**
Ireland	-2.984**	-2.558**	-2.624**	-2.936**	-2.533**	-2.615**
Sweden	-1.250**	-.856**	-.927**	-1.003**	-.573**	-.658**
Denmark	-3.283**	-2.872**	-2.914**	-2.820**	-2.459**	-2.507**
Sex of Respondent						
Ref: Female						
Male				-.013	.013	.017
Position in Organisation						
Ref: Third Tier						
First Tier				-.614**	-.684**	-.714**
Second Tier				-.226*	-.238*	-.253*
Education Level						
Ref: PhD						
Graduate				.127	.204	.173
Postgraduate				.297*	.246*	.250*

** Correlation is significant at the 0.01 level |* Correlation is significant at the 0.05 level

Table 5.10 Model Results for Binary Logistic Regression for the Dependent Variable Perceptions of Political Appointments

	Results					
	Model 1: individual policy	**Model2: technical policy**	**Model 3: political saliency**	**Model 4: individual policy**	**Model 5: technical policy**	**Model6: political saliency**
Nagelkerke R Square	.262	.240	.242	.280	.258	.262
Cox & Snell R Square	.197	.180	.181	.210	.194	.196
Omnibus Tests of Model Coefficients	.000	.000	.000	.000	.000	.000
Predicted Percentage Before	51.0	51.7	51.7	52.3	53.0	53.0
Predicted Percentage After	69.5	68.4	68.6	71.1	69.6	69.5
Hosmer & Lemeshow	.023	.133	.048	.450	.087	.075

Interpretation of the model

H1: The further the distance from government, the more likely there will be political appointments.

Distance from government has a negative β coefficient and is statistically significant at the 0.01 level in every model. Furthermore it had the highest Wald coefficient outside of the country variables, with only the Netherlands, Denmark and Ireland dummy variables having a higher Wald coefficient in any of the models. The Wald coefficient ranks the independent variables in order of importance (Acton & Miller, 2009). However, each model indicates the exact opposite of the hypothesis. The

hypothesis predicts that agencies will have a higher perception of political interference in senior level appointments. However the regression shows that the opposite is true and public sector organisations that are under the control of a central ministry or ministry at a federal level show a higher perception of political interference. The β coefficient does not vary a lot across the six models.

H2: The more technical the policy area, the less likely there will be political appointments

The very technical variable had a positive coefficient indicating more perceived interference than not technical policy areas, which contradicts the hypothesis. However, moderately technical policy areas were negative, indicating less perceived interference than not technical policy areas. None of the variables for technical level of policy area were statistically significant in the models and therefore cannot be used to predict Y.

When the policy areas were entered individually, only finance, education and environmental protection came back as statistically significant at the 0.01 level. The reference category was the employment services policy area. There is less perceived political interference in the area of finance and in the area of education, compared to employment services, whereas there is more in environmental protection than employment services. This seems to go against the hypothesis. Employment services have been deemed not technical in table 4.1 in Chapter 4. Therefore it would be expected that if the hypothesis is correct, there should be less perceived interference in environmental protection, deemed to be very technical in the same table. Results also show that finance, deemed to be moderately technical shows less perceived interference, which corresponds with the hypothesis. Accordingly, there can be no conclusive findings in relation to this hypothesis as the aggregate measures are not statistically significant, and there are not enough statistically significant individual policy areas to make any more concrete inferences. Furthermore, the ones that are statistically significant do not show a pattern that corresponds with the hypothesis.

Table 5.11 Summary of Results for Perceptions of Political Appointments and Technical Expertise

	Expected	Actual
Very technical	-	+
Moderately technical	-	-
Finance	-	-
Education	=	-
Environmental	-	+

H3: The more politically salient the policy area, the more likely there will be political appointments

One of the dummy variables for political saliency, economic affairs policy, had a statistically significant result at the 0.01 level in each of the models it was included in. This is unsurprising given that the finance policy area also has a high statistical significance. The reference category used was other policy areas. Economic affairs, deemed to be the least politically salient area according to Verhoest et al. (2010) is less likely to show perceived interference than other policy areas, which follows the hypothesis. However, social policy areas also have a negative β coefficient, which indicates less perceived interference, which contradicts the hypothesis. However they are not statistically significant therefore concrete conclusions cannot be made.

Again if the individual policy areas are looked at finance, education and environmental protection are statistically significant. Again the reference category is employment services. As before, education and finance are less likely to have perceived political interference in appointments, while environmental protection is likely to have more. If the hypothesis is correct, employment services being in the most politically salient category, finance and environmental protection should show less interference and education should show similar levels. Again there is no consistent pattern according to the hypothesis and thus conclusive conclusions cannot be made.

Table 5.12 Summary of Results for Perceptions of Political Appointments and Political Saliency

	Expected	Actual
Social Policy	+	-
Economic Policy	-	-
Finance	-	-
Education	=	-
Environmental	-	+

H4: The bigger the organisation, the more likely there will be political appointments

All of models show a positive β coefficient indicating that bigger organisations show higher levels of perceived interference in senior level appointments. However the statistical significance varied across the models. In the two models that measured policy area in individual dummy variables, size was insignificant. However in the models that measured policy in terms of political saliency and technical expertise, size was considered to be statistically significant. The model follows the predicted hypothesis, in that bigger organisations will have a higher perceived level of political interference in senior level appointments. However, the Wald coefficient is quite low.

Control Variables

Most countries were found to be statistically significant at the 0.01 level. Furthermore, almost all showed negative β coefficients indicating less perceived interference than the reference category, Serbia. Gender was not significant. Both first and second tier positions were statistically significant and showed that the higher the position in the organisations, the less likely one is to perceive high levels of political interference in senior level appointments. In terms of education, those with a postgraduate degree are more likely to perceive higher levels of political interference in appointments than those with a PhD.

5.3.3 Perceived Respect for Technical Expertise: Multiple Linear Regression Analysis

There were many available options on running this regression, particularly in relation to policy measure. As explained in the research design and similar to the logistic regression, regressions were run using each of the policy measures. The results of these can be seen in Model 1, 2 and 3 in table 5.13. A second regression was run for each of the models which also included the following control variables: position in the organisation, education level and gender. Countries were included as a control variable for each model. Preliminary tests showed an R square value of just .018 when countries were not included in the model.

Table 5.13 below shows the β coefficients for the independent variables for each of the six models run. These will be interpreted in the next section. It is unnecessary to look at the standardized Beta terms as all of the variables are measured in the same way. The adjusted R square values for the models without the control variables is a little over .10, indicating the models account for roughly 10% of variation within the dependent variable "perceived respect for technical expertise". The F value for each of the models was statistically significant at the 0.01 level, meaning it is highly unlikely that the results occurred by chance (Acton & Miller, 2009). It also means that at least one of the independent variables has a statistically significant effect on the dependent variable.

Table 5.13 β Coefficients for the Multiple Linear Regression for Perceptions of Respect for Expertise

Table of β Coefficients						
	Model 1: individual policy	**Model2: technical policy**	**Model 3: political saliency**	**Model 4: individual policy**	**Model 5: technical policy**	**Model6: political saliency**
Adjusted R Square	.102	.104	.105	.118	.122	.122
Constant	3.785**	3.488**	3.527**	3.799**	3.381**	3.392**
		Independent	**Variables**			
Distance from Govt						
Ref: Ministries						
Agencies	-.223**	-.302**	-.290**	-.313**	-.386**	-.384**
Size of the Organisation						
Ref: <50						
50-99	-.042	.020	.029	-.062	.001	.006
100-499	.055	.155	.155	.070	.189	.183
500-999	.016	.118	.113	.050	.170	.162
1000-5000	.006	.116	.110	.028	.152	.146
>5000	-.101	.030	.048	.000	.146	.154
Political Saliency of Policy						
Ref: Other Policy Areas						
Social Policy			-.124*			-.077
Economic Pol			.031			.063
Technical Level of Policy						
Ref: Not Tech						
Very Tech		-.159			-.179*	
Moderately Tech		.033			.020	
Individual Policy Areas						
Ref: Employment						
General Govt	.139			.103		
Finance	.398**			.359**		
Economic	-.034			-.030		
Infrastructure	-.157			-.186		
Justice	-.026			-.082		
Health	-.022			-.083		
Social Protect	.034			.031		
Education	.034			.022		
Environment	-.119			-.136		
Recreation	-.166			-.172		
Foreign Afrs	.143			.920		
Other	.038			.220		
		Control	**Variables**			
Countries						
Ref: Serbia						
UK	.281	.513*	.486*	.625*	.954**	.903**
Germany	1.003**	1.157**	1.153**	.556**	.778**	.777**

France	.500**	.677**	.666**	.356*	.606**	.603**
Italy	.044	.274*	.293*	-.135	.184	.206
Estonia	.133	.364**	.340**	-.032	.255	.241
Norway	1.228**	1.446**	1.452**	1.181**	1.457**	1.476**
Netherlands	.628**	.832**	.818**	.361*	.622**	.620**
Hungary	-.365	-.161	-.161	-.424**	-.167	-.154
Austria	-.071	.131	.153	-.301	-.015	.009
Portugal	-.366	-.148	-.145	-.404*	-.188	-.180
Lithuania	.007	.275*	.279*	.006	.348*	.356*
Ireland	.564**	.807**	.809**	.437**	.707**	.716**
Sweden	.916**	1.169**	1.180**	.846**	1.184**	1.199**
Denmark	1.440**	1.674**	1.678**	1.136**	1.436**	1.447**
Sex of Respondent						
Ref: Female						
Male				.122	.121*	.111
Position in Organisation						
Ref: Third Tier						
First Tier				.599**	.613**	.615**
Second Tier				.231**	.236**	.236**
Education Level						
Ref: PhD						
Graduate				-.375**	-.269*	-.264*
Postgraduate				-.221*	-.221*	-.228*

** Correlation is significant at the 0.01 level |* Correlation is significant at the 0.05 level

Interpretation of the model

H6: The further the distance from government, the higher the respect for expertise

Distance from government has a negative β coefficient in each model and was found to be statistically significant at the 0.01 level. This indicates that organisations that are further from central government are less likely to perceive respect for expertise as high. This is the exact opposite of the predicted hypotheses.

H7: The more technical the policy area, the higher the respect for expertise

The coefficients for the very technical dummy variable were both negative, with only one of the models showing significance at the 0.05 level. This contradicts the above hypothesis. The moderately technical variable came back as positive, indicating more respect for expertise, but this was not significant.

The only individual policy area to come back as statistically significant is finance, with the coefficient indicating more respect in this area than employment services. This corresponds with the hypothesis as finance is seen as more technical than employment services. However conclusive conclusions

cannot be drawn from this as only one policy area is significant. However looking at the results of individual policy areas, most of the moderately and very technical policy areas show less respect for expertise compared to employment services. This also contradicts the hypothesis. However as these are not statistically significant, they cannot be used.

Table 5.14 Summary of Results for Respect for Expertise and Technical Expertise

	Expected	Actual
Very Technical	+	-
Moderately Technical	+	+
Finance	+	+

H8: The more politically salient the policy area, the lower the respect for expertise

Social policy is seen as having less respect compared to other policy areas, which follows the hypothesis, however this was only found to be statically significant at the 0.05 level in one of the models. Economic affairs policy areas, seen to be the least politically salient according to Verhoest et al. (2010) is seen to have more respect for expertise, which follows the hypothesis, but is not statistically significant in any of the models.

Again the only policy area to come back statistically significant is finance, whose β coefficient is positive, indicating more respect than employment services. This follows the hypothesis as employment services is categorised in the most politically salient category in table 4.2 in Chapter 4, while finance is in the least politically salient category. If the other policy areas are looked at, a pattern does not seem to emerge. Some areas have more perceived respect, despite being in the most politically salient category, such as social protection and education, while some areas have less respect despite being in the less salient categories such as environmental protection and economic affairs. These are not statistically significant therefore cannot be used as a determinant.

Table 5.15 Summary of Results for Perceptions of Respect for Expertise and Political Saliency

	Expected	Actual
Social Policy	-	-
Economic Policy	+	+
Finance	+	+

H9: The bigger the organisation, the lower the respect for expertise

Generally speaking, most of the unstandardized β coefficients came back positive, indicating that larger organisations are more respected, given that the reference category was the smallest organisation. There are three negative values but there is no pattern. Furthermore, none of the results are significant therefore size cannot be used as a determinant for this dependent variable.

Control Variables

Of the control variables, countries mostly came back as significant at either the 0.05 or the 0.01 level. Most countries showed positive coefficients, indicating higher levels of respect for technical expertise than Serbia. Gender was significant in one model, with all coming back with positive coefficients, signifying that males may perceive a higher level for respect for expertise than females. Position within the organisation was statistically significant at the 0.01 level in all models, with those in the highest tier more likely to perceive respect as higher, and those on the second tier also perceiving respect to be higher than those on the third tier, which is to be expected. Education level was also statistically significant with those with the highest level of education perceiving respect to be higher and those with the lowest level perceiving respect to be lowest, which is also to be expected.

5.3.4 Perceived Interference in Routine Activity: Multiple Linear Regression Analysis

A similar process for the regression on this dependent variable was run as the previous section, with a few small differences. Firstly, the dependent variable was run using a square route transformation, to ensure the assumption of normal distribution was met. Secondly, size was recoded into a dichotomous variable due to similar reasons as the first dependent variable. When preliminary regressions were run, the dummy variables representing the three largest organisations were statistically significant, while the three small organisations were not. Therefore in order to better utilise the results, the three smallest organisation sizes were coded as 0, while the three largest organisations were coded as 1.

The regressions were run in the same vain as the previous dependent variable. Three regressions were run using distance, size and the three separate measures of policy area, as well as countries as a control variable. The results for these are represented in table 5.16 as models 1, 2 and 3. The regressions were run again to include education level, gender and position in the organisation as control variables and the results for these can be found under model 4, 5 and 6. The results of the adjusted R square value and the unstandardized β coefficients can also be seen below in table 5.16. Again, as all of the independent variables were measured in the same way, it was not necessary to include standardised coefficients. The adjusted R square value is a little higher for this dependent

variable with the first three models accounting for just over 13% of variance in the dependent variable. The F value for each of the models was statistically significant at the 0.01 level, meaning it is highly unlikely that the results occurred by chance and at least one of the independent variables has a statistically significant effect on the dependent variable (Acton & Miller, 2009). The effect of the independent variables will be discussed separately below.

Table 5.16 β Coefficients for the Multiple Linear Regressions for Perceptions of Interference in Routine Activity

Table of β Coefficients						
	Model 1: individual policy	**Model2: technical policy**	**Model 3: political saliency**	**Model 4: individual policy**	**Model 5: technical policy**	**Model6: political saliency**
Adjusted R Square	.138	.134	.133	.140	.135	.134
Constant	1.665**	1.651**	1.655**	1.580**	1.575**	1.574**
		Independent	**Variables**			
Distance from Govt						
Ref: Ministries						
Agencies	-.153**	-.156**	-.155**	-.144**	-.145**	-.145**
Size of the Organisation						
Ref: Small Orgs						
Large Orgs	.153	.088**	.094**	.093**	.090**	.094**
Political Saliency of Policy						
Ref: Other Policy Areas						
Social Policy			-.009			-.006
Economic Pol			-.052*			-.051
Technical Level of Policy						
Ref: Not Tech						
Very Tech		0.027			.015	
Moderately Tech		-.046*			-.048*	
Individual Policy Areas						
Ref: Employment						
General Govt	.013			.021		
Finance	-.063*			-.066*		
Economic	-.015			-.006		
Infrastructure	.038			.046		
Justice	.004			.008		
Health	-.044			-.038		
Social Protect	-.001			.007		
Education	-.043			-.018		
Environment	.025			.028		
Recreation	-.022			-.017		
Foreign Afrs	.034			.011		
Other	.007			.021		

		Control	Variables			
Countries						
Ref: Serbia						
UK	.006	.011	.190	-.141	-.132	-.126
Germany	-.105*	-.093*	-.088*	-.074	-.049	-.045
France	-.276**	-.265**	-.264**	-.284**	-.265**	-.264**
Italy	-.066	-.056	-.055	-.072	-.060	-.058
Estonia	-.022	-.007	-.006	-.009	.010	.011
Norway	-.071	-.056	-.058	-.068	-.048	-.050
Netherlands	-.239**	-.229**	-.228**	-.238**	-.216**	-.216**
Hungary	-.168**	-.153**	-.155**	-.171**	-.150**	-.151**
Austria	-.185**	-.174**	-.176**	-.137**	-.119**	-.121**
Portugal	.164**	.179**	.174**	.196**	.213**	.209**
Lithuania	.059	.072	.071	.080	.097*	.096*
Ireland	.200**	.214**	.212**	.189**	.207**	.207**
Sweden	-.191**	-.181**	-.178**	-.182**	-.161**	-.158**
Denmark	.509**	.524**	.526**	.575**	.597**	.600**
Sex of Respondent						
Ref: Female						
Male				.031	.035	.035
Position in Organisation						
Ref: Third Tier						
First Tier				-.043	-.052	-.052*
Second Tier				-.028	-.026	-.027
Education Level						
Ref: PhD						
Graduate				.056	.060	.061
Postgraduate				.091**	.085**	.086**

** Correlation is significant at the 0.01 level |* Correlation is significant at the 0.05 level

Interpretation of the model

H11: The further the distance from government, the less interference in routine activity

Distance has a negative β coefficient at a significance level of 0.01 in every model. This indicates that organisations closer to central government are more likely to have higher perceived interference in routine activities than agencies that are further away. This corresponds with the above hypothesis.

H12: The more technical the policy area, the less interference in routine activity

Looking first at the aggregate variables for technical policy areas, moderately technical policy areas have less perceived interference in routine activities than not technical policy areas at a statistically significant level of .05, which corresponds with the hypothesis. However very technical policy areas show a positive β value, which indicates a higher level of perceived political interference than not

technical policy areas. This contradicts the hypothesis. Very technical policy areas were not statistically significant.

If individual policy areas are looked at, finance was the only policy area found to be significant. It shows a negative coefficient, indicating that financial policy areas show less interference than employment services. This follows the hypothesis as finance is considered more technical than employment policy. The other coefficients do not show any pattern according to the level of technical expertise needed. For example, environment, general government and justice all show more interference, while economics and education show less. It could be said that more technical policy areas show more interference, such as environmental protection and infrastructure, which would go against the hypothesis, however neither of these are statistically significant and therefore cannot be used as determinants.

Table 5.17 Summary of Results for Perceptions of Interference in Routine Activity and Technical Expertise

	Expected	Actual
Very Technical	-	+
Moderately Technical	-	-
Finance	-	-

H13: The more politically salient the policy area, the more interference in routine activity

Looking first at the aggregate variables for political saliency, both social policy and economic policy have negative β coefficients which signify less perceived political interference than other policy areas. According to the Verhoest et al. (2010) model, economic policy should show less, while social policy should show more. However economic policy is only significant at the 0.05 level in one of the models, while social policy is not significant at all.

Turning to the individual policy areas, finance is the only significant policy showing a negative coefficient which indicates less perceived interference than employment services. Looking at other coefficients, even though they are not significant, a pattern does not emerge according to political saliency. Although both economic policy areas show less interference which corresponds to the hypothesis, the other policy areas are not as clear. Some policy areas such as general government, environmental protection and justice, public order and safety show more interference despite being seen as less politically salient. On the other hand education and health policy show less interference despite being cited as the most consistently politically salient policy areas. However these results were not statistically significant therefore cannot be used as a determinant.

Table 5.18 Summary of Results for Perceptions of Interference in Routine Activity and Political Saliency

	Expected	Actual
Social Policy	+	-
Economic Policy	-	-
Finance	-	-

H14: The bigger the organisation, the more interference in routine activity

The variable for large organisations has a positive β coefficient and is statistically significant at the 0.01 level in each model. This indicates that respondents in larger organisations have higher levels of perceived interference in routine activities than smaller organisations, which correspond with the above hypothesis.

Control Variables

Of the control variables, many of the countries were statistically significant, mostly indicating less interference than Serbia. Gender and position within the organisation were not statistically significant. Both levels of education showed positive coefficients indicating more perceived interference in routine activity. This is to be expected as they are the two lower levels of education. However, only the dummy variable for postgraduate degree was statistically significant.

5.4 Conclusion

In conclusion, distance from government is a determining factor in all of the dependent variables, while the size of the organisation is a determining factor in two of the three dependent variables. No conclusive results were found in relation to policy area. Below is a summary table of the actual results compared to the expected results from section 3.5. As can be seen, many do not follow the hypotheses, particularly when looking at distance from government. Organisations that are closer to the government were found to have more perceived politicisation, aside from respect for expertise. These results will be discussed further in the next chapter.

Table 5.19 Summary of Results

	Political Appointments		Respect for Expertise		Interference in Routine Activity	
	Expected	Actual	Expected	Actual	Expected	Actual
Distance from Government	+	-	+	-	-	-
Technical Level of the Policy Area	-	Inconclusive	+	Inconclusive	-	Inconclusive
Political Saliency of the Policy Area	+	Inconclusive	-	Inconclusive	+	Inconclusive
Size of the Organisations	+	+	-	No effect	+	+

6 Conclusion

6.1 Introduction

This final chapter will discuss the findings of the analysis, tying it into the literature reviewed in chapter 3. It will clearly answer the central research question and three sub-questions, discuss what this means for the theoretical framework used, and make a comment on what this means for the political-administrative relationship. Recommendations will be made for future research and finally the limitations encountered during this study will be considered.

6.2 Discussion of Findings

The central research question is;

A*re there different levels of perceived politicisation in public sector organisations and if so how can they be explained, from the perspective of information asymmetry?*

The first part of the question relating to differing levels in perceived politicisation was answered in section 5.2, by examining the frequency and distribution of the responses in the Likert scale. Differing levels of politicisation were found across each of the three methods of politicisation described, with perceived interference in routine activity being the lowest form of politicisation and perceived interference in senior level appointments being the highest. Perceived respect for expertise also showed variety in responses. The second part of the central research questions will be better answered through the three sub-questions, which will also briefly refer to the theory of information asymmetry. A further discussion of the impact of the findings on this thesis will be discussed later in this chapter.

1. Can different levels of perceived politicisation in organisations be explained by distance from central government?

Distance from government was the most important variable for each of the dependent variables; however the results do not fit with the theory of information asymmetry, or with much of the literature. There is a lower perception of political appointments in agencies than organisations under the control of central government. This conflicts with the current literature which overwhelming states that political appointments are higher in agencies so that politicians can regain some control (Dahlstrom & Holmgren, 2015; Verhoest et al., 2010; Peters, 2010). However, it does correspond with Niklasson's (2013) study on Swedish agencies, which do not have higher political appointments than central government organisations. The distance from government finding in relation to perceived respect for technical expertise also conflicts with expectations. There is less perceived respect in agencies than in ministries. It was expected that as politicians have less interaction with

agencies due to their distance and independence, there would be less opportunity to show disrespect. However bureaucrats feel more respected in the ministries. This also conflicts with the literature which examines the increase in outside sources of information and a decrease in moral for civil servants (Savoie, 2004; Sausman & Locke, 2004; Dierickx, 2004). Finally, the result for perceived interference in routine activity was as expected. There is a higher perception of interference in ministerial organisations than in agencies. Due to the distance, it would have been extremely difficult for this result to be anything else. Although there was not much literature available on this, this is almost common sense.

In sum, agencies have less perceived interference in appointments, routine activity and less respect for technical expertise. The theory of information asymmetry does not hold well here. Although the hypothesis for interference in routine activity still holds under this theory, it would have been very difficult not to. The hypotheses for the other two dependent variables do not hold at all for the information asymmetry theory, given that this was the strongest independent variable, and mostly disproved the hypotheses. One possible explanation for this is that the data came from a survey of the executives. If the example of political appointments is taken, would the executives, particularly those at the top tier admit that they were appointed due to political criteria instead of their ability to do the job? Although the data can be considered an accurate reflection of perceptions, more care needs to be taken when making conclusions on factual reality.

2. Can different levels of perceived politicisation in organisations be explained by the technical level of the policy area the organisation deals with?
3. Can different levels of perceived politicisation in organisations be explained by the political saliency of the policy area the organisation deals with?

Sub-questions three and four can be answered together. The independent variables for policy area for both technical level and political saliency did not show any conclusive findings. This is not to say that policy area has, or does not have an effect on politicisation, merely that this study could not provide an answer and therefore this sub-question cannot be answered effectively. Areas of further research for this will be suggested later in the chapter.

4. Can different levels of perceived politicisation in organisations be explained by the size of the organisation?

The independent variable for size of the organisation is the variable most similar to the predicted hypotheses. Larger organisations are more likely to have higher perceived interference in both

senior level appointments and in routine activities. There did not seem to be an effect for respect for technical expertise. This corresponds with the limited available literature (Niklasson, 2013; Verhoest et al., 2010) as well as the theory of information asymmetry. Larger organisations have more resources, therefore more access to information, and thus the politician is more likely to want to exert some control. The perceptions of civil servants show that this may be more likely through political appointments and interference in routine activity.

6.3 Conclusions

From the independent variables included in the thesis, distance from government appears to be the most influential factor when explaining differences in politicisation in public sector organisations, with organisations closer to central government showing higher perceptions of politicisation. Size of the organisations is also a contributing factor with larger organisations showing higher perceptions of politicisation. It remains uncertain how policy areas affect politicisation of public sector organisations, if they do at all. However, the control variables have also shown to explain some of the differences, particularly the country variables and the position held in the organisation.

What does this mean for the theory of information asymmetry? As seen above, although the hypotheses fit for one of the independent variables, they do not appear to fit for the others. Therefore it can be concluded that there must be another explanation for differing levels of politicisation. If it could be explained by asymmetric information, agencies should have higher rates of politicisation, but according to the perceptions' of top executives this is not the case. Therefore the question must be asked why politicians choose to politicise organisations closer to them. Possibly due to NPM reforms, politicians can more easily place the blame on agency executives, thus avoiding blame themselves and not harming their chances of re-election. There is a possibility that there is no rational reason, maybe they do it because there is a greater opportunity to politicise them as it is easier to politicise organisations that are closer to them. The reasons remain unclear and it is beyond the scope of this thesis to provide further explanations beyond the finding that information asymmetry does not seem to play a role here. There are indications in the results that policy area may play a role, but not in the way that was theoretically informed or operationalised in this study, again indicating that information asymmetry does not play a role. Although size of the organisation does for the most part correspond with the hypotheses, there could be other reasons for this aside from information asymmetry, for example blame avoidance. Larger organisations may be more prominent in the public due to larger budgets or important services. Politicians may choose to politicise to ensure effective policies and in turn increase their chance of re-election. Again, it is beyond the scope of this thesis to draw such conclusions. The most that can be said is that

information asymmetry is not a consistent theory to explain differences in politicisation in public sector organisations.

Finally, what does this mean for the political-administrative relationship? Firstly it must be noted that this thesis did not test the effects of politicisation nor did it test the merits of the Weberian bureaucracy against a more politicised bureaucracy. However, given the results of the research and the value placed on depoliticised systems, it is appropriate to make a comment on what this means for the relationship. The perceptions of many civil servants indicate that there are high levels of politicisation in certain areas, particularly for political appointments, while external policy advice is also a concern. Although the intention may be to create more responsive competence for effective policy implementation, kept unchecked and unregulated this may lead to problems of corruption and favouritism, as well as a more short-sighted vision for public organisations. Seeking outside information is also only a concern depending on the intention. Is the purpose to gather as much information as possible to make the best policy decision, or is it solely to gather information to support a stance? The latter is a cause for concern. Although arguments can be put forward that regulated politicisation can enhance the effectiveness of policies, provided there are safeguards, there really is no way to regulate intentions. Furthermore if some forms of politicisation are deemed acceptable on a small-scale, this may pave the way for more forms of politicisation as politicians may keep expanding the boundaries in their favour. After all, it is politicians that will have to establish regulations surrounding the phenomenon.

6.4 Recommendations

There are many areas that could be further explored following from this. Firstly, similar data sets could be created in other regions. The study could then be replicated to see if the same findings hold for other regions of the world. Secondly, country is a contributing factor. This was shown during the preliminary regressions when the R square value increased by almost 10% when countries were included. The study could be replicated using individual countries to examine if there are any major differences between the countries.

Policy area should be further examined. There were indications that it may be important but no conclusive findings could be established from this study. This could be due to the measurements used. A further examination should be pursued in order to concretely say that policy area has or does not have an impact on politicisation.

The R Square for each of the models was very low therefore other factors could be used to try and explain politicisation. This may be quite difficult to do, especially in a quantitative manner. Country level factors could be examined such as those in the qualitative case studies, for instance the impact

of coalitions and change in ideology of government. However the data for this would be very difficult to gather, considering data for levels of politicisation are only available for 16 countries in COCOPS.

More broadly speaking, it would be best if levels of politicisation could be established in more concrete terms than perceptions. The scale of the phenomenon could then be more accurately measured and actions then taken to address it, if needed. Although opinion is divided on the merits of a more politicised system, it is the opinion of the author that this would lead negative effects on the system and thus society. Therefore if allowed, it should be heavily regulated but it may be best to return to a more Weberian system.

6.5 Limitations

There were many limitations encountered during the course of this study. Firstly was time and space. The thesis had to be completed in a short amount of time and a limited word count, which limited the scope of the research.

The primary limitation was however the data used. It was vital the data was consistent and the most appropriate dataset available was from COCOPS. Although this source was very comprehensive, it only covered European democracies and therefore there could be a large regional bias in the findings. Furthermore, the data is based upon perceptions and not facts which limit the inferences that can be made. There is no way of knowing how these perceptions correspond with reality. Using the example of political appointments again, it is rather unlikely that someone will admit to having their job based on political criteria instead of their ability to do the job. Furthermore, if they do have their job based upon political criteria, they are unlikely to admit to further forms of politicisation as they may not wish to cast their political masters in an unflattering light.

The data set itself was at times problematic, particularly in relation to overcoming the assumptions of linear regression. Many decisions had to be made that may have affected the results such as the decision to conduct a binary logistic regression for the first dependent variable. This was at times compounded by rusty statistical knowledge. Although statistics was studied and quantitative data was used before, it was quite some time ago. Consequently, some refreshing was needed. The operationalisation of the variables may also have impacted the findings. For example the technical level of policy areas was not categorised by any past framework or literature as the political saliency was. This may also have introduced bias.

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Appendix A: Questions Used from the COCOPS Survey

Part I. General Information

This section seeks general information about your organisation, and your position. It covers important background information for this research.

1. What type of organisation do you work for?

Ministry at central government level	☐
Agency or subordinate government body at central government level	☐
Ministry at state or regional government level	☐
Agency or subordinate government body at state or regional government level	☐
Ministry or other public sector body at other subnational level	☐
Other *(please specify):*	☐

2. Which policy area does your organisation work in?
(you may select more than one if they are commonly seen as one joint policy area in your country)

General government	☐
Foreign affairs	☐
Finance	☐
Economic affairs	☐
Infrastructure and transportation	☐
Defence	☐
Justice, public order & safety	☐
Employment services	☐
Health	☐
Other social protection and welfare	☐
Education	☐
Environmental protection	☐
Recreation, culture, religion	☐
Other *(please specify):*	☐

3. What is the approximate overall number of employees (in heads, not FTE) in your organisation?

< 50	☐
50-99	☐
100-499	☐
500-999	☐
1000-5000	☐
> 5000	☐
Not sure	☐

4. What kind of position do you currently hold?

Top hierarchical level in organisation	☐
Second hierarchical level in organisation	☐
Third hierarchical level in organisation	☐
Other (*please specify*):	☐

12. What is your view on the following statements

	Strongly disagree 1	2	3	4	5	6	Strongly agree 7	Cannot assess
Politicians respect the technical expertise of the administration	☐	☐	☐	☐	☐	☐	☐	☐
Politicians regularly influence senior-level appointments in my organisation	☐	☐	☐	☐	☐	☐	☐	☐
In my organisation politicians interfere in routine activities	☐	☐	☐	☐	☐	☐	☐	☐

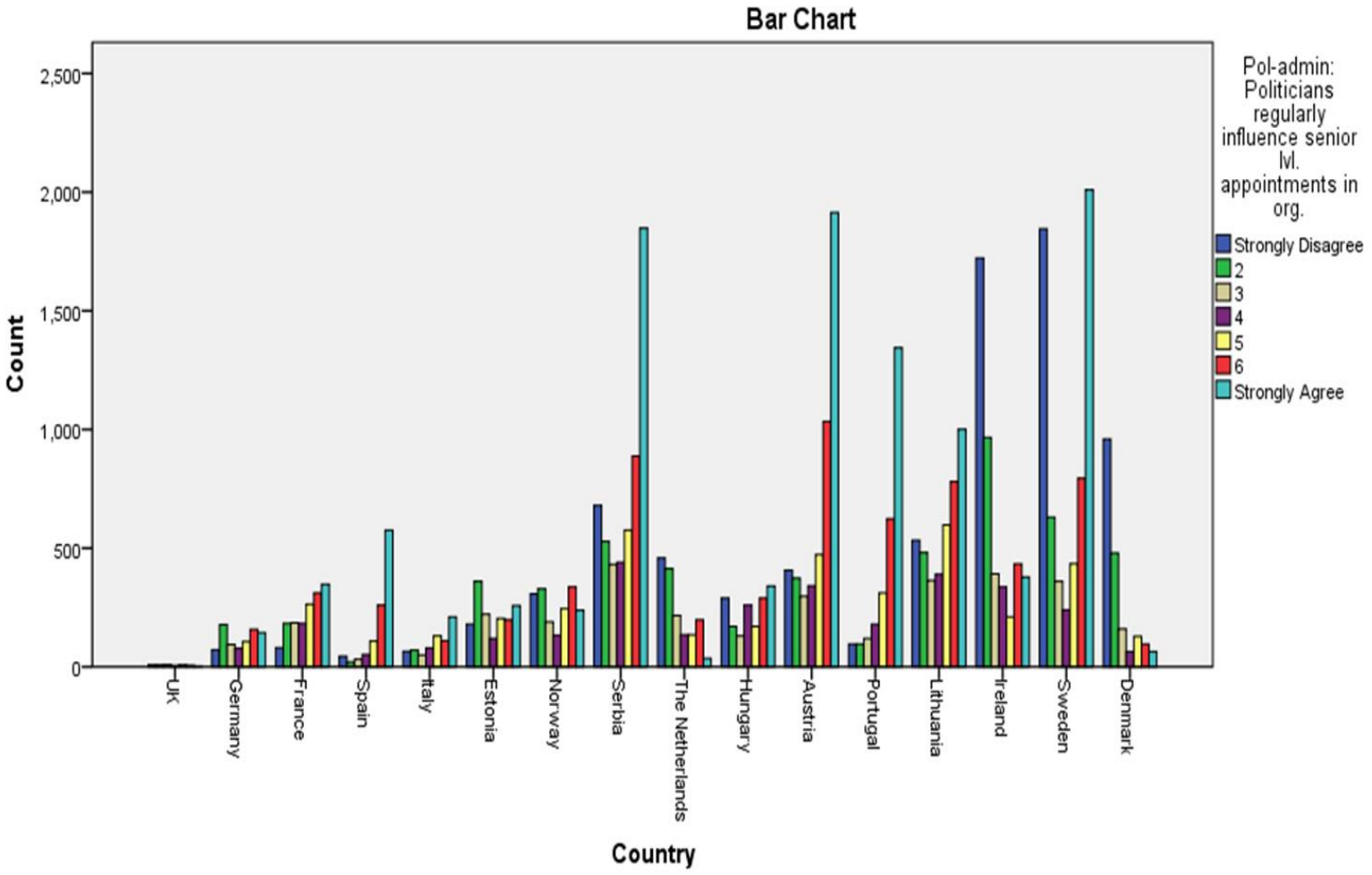
26. Are you

Male	☐
Female	☐

28. What is your highest educational qualification?

Graduate degree (BA level)	☐
Postgraduate degree (MA level)	☐
PhD/doctoral degree	☐
Other *(please specify):*	☐

Appendix B: Bar Chart of Perceptions of Political Appointments per Country



Appendix C: Bar Chart of Perceptions of Interference in Routine Activity per Country