The Polish internal debt as a lack of public sector management effectiveness
**Introduction**

The effectiveness of an organization is usually seen as the difference between outlays and achieved financial results. In this age of globalization and unification of Europe, we have witnessed a significant increase in competition processes. This has made it necessary to take actions directed at improving effectiveness in organizations through cost optimization, as well as looking for other, non-economic determinants of organizational development. These actions, and particularly actions within the area of human resources management, should be characterized by economization, namely making them either more cost-effective or more efficient.

The notion of effectiveness it is a polysemantic term, related to many disciplines of both human and organizational activities. All of them are based on a lexical notion of effectiveness and the symptoms of individual activity of human being and its creation as well as lively and inanimate nature\(^1\). The word “effectiveness” is a derivative of two Latin terms: “effectivus” and “effectus”. The first of them means to be effective, the latter – a result. W. Kopaliński claims that the efficient activity it is the efficient, effective, skilled, real symptom of human activity\(^2\). The authors of polish dictionary, explaining the notion of effectiveness, taking into consideration the productivity aspect\(^3\). The relation between effectiveness and productivity as perceived as the input/output ratio.

The problem of economical effectiveness defined as the relation between particular effect and the single production factor or group of factors. Both in the theory of economy and real economic activity, there are various measurements of the phenomena mentioned above in context of definition of expense and result. Hence, it is possible to acquire different economic relations formulated the connection of results\(^4\) and expenses\(^5\) ratio or a future relation of expected economical effects and expenses.

The basic relations of effectiveness are: efficacy, asset productivity, investment efficiency, and the level of material and energy absorption. The result of increasing the level of effectiveness is the growth of three first elements and the down-grade the last two ones.

---


\(^3\) M. Szymczak, *Słownik*, PWN, 1998, pp. 516

\(^4\) Production, added value, Gross domestic product et cetera

\(^5\) Employment, assets, investment, used supplies, energy, fuel et cetera
The effectiveness can be investigated in the micro-scale\(^6\) or macro-scale\(^7\). The organizational effectiveness is determined by optimal management of production resources that are at disposal within organization as well as its flexibility and abilities to adapt the external symptoms like market requests, competitive configurations, future conditions of sales and production and accurate management decisions. The enterprise effectiveness is also determined by job performance, perceived as a function of motivation, external conditions and qualifications and competencies\(^8\).

For last two decades, which were the restructuring period of Polish economy, the need for development ways searching has been increasing, what is particularly seen in the case of recession. The escalation is perceived both in operational activity of organizations which were establish many years ago and the new ones. The qualitative and quantitative level of mentioned activities is not homogeneous. Practically, the organizations initiate projects or conceptions based on scientifical achievements. The one of these concepts is the talent management idea what is the coherent part of organizational effectiveness, especially among the knowledge based organizations.

To achieve the competitive advantage in the global economy, it is necessary to use the potential of competent, creative, brave and honest people\(^9\). Simultaneously, the optimization of this growth trajectory is related to innovation. Yet, the talent management, as a human resources management discipline, it is the unequalled idea, especially in large organizations, where the talent management is not present or strictly limited.

The majority of problems referring to effectiveness is focused on decision making and supplying information for risk management. First of them is defining effectiveness as the productivity unit. The second problem is in distinguishing managers’ activity\(^10\) and whole operational organizational activity\(^11\) evaluation. The next difficulty occurs when there is necessary to precise the limits of effectiveness that the organization placed in particular environment should not exceed. The fourth problem it is a result of calculating the effectiveness basis on the rate of return. Taking the “entrepreneur point of view” the biggest rate of return of capital invested is reached when the margin profit is also the biggest. Yet, the “social point of view” determines the invert situation – the effective assets allocations can be reached when the rate of return is rather low.

\(^{6}\) Focusing on single organization or enterprise, also on the separated production factor engaged in production process  
\(^{7}\) According to whole national economy  
\(^{8}\) \(E= f(M*W*K)\), where: \(E\)-effectiveness, \(M\)-motivation, \(W\)-conditions, \(K\)-competencies and qualifications, M. Adamiec, B. Kożusznik, Zarządzanie zasobami ludzkimi, Aktor, kreator, inspirator, A.E., Katowice 2000  
\(^{9}\) A. Janowski, The competency management as a determinant of life insurance companies development (in:) R. Barcik (red.) Nowoczesne kierunki w rozwoju lokalnym i regionalnym, ATH w Bielsku Biała, 2008, pp.168-174  
\(^{10}\) Managerial efficiency  
\(^{11}\) Efficiency-in-use
Productivity versus efficiency – Harrington Emerson’s conception

According to the economic literature analysis, a productivity of labor is calculated as a relation of the work result and the necessary expenses\(^{12}\). This, mentioned above social result is understood, referring to Z. Morecka’s opinion, as the one, that fulfills specific human needs-the sum of socially desirable goods and services.

Before the industrial breakthrough, the term of efficiency was used in general meaning. Just in the end of XVIII century, in the area of technical sciences, there began to define the machinery productivity as a ratio of the result\(^{13}\) and engaged supplies\(^{14}\). Yet, in the economic sciences, such an approach is more precise to what should be taken into consideration and to be measured and, finally in what kinds of units.

In the economic sciences there is widely accepted that the efficiency is related to performance-realization measured in comparable units[Dictionary….: pp. 229]. On the contrary, in the management sciences, the productivity is understood as decision making, organizational effectiveness or system approach\(^{15}\). It is emphasized that the effectiveness criteria there are specific weighted standards by which the achievements according to the organizational goals are evaluated. Additionally there is not enough concern in the area of basic data there is to calculate the notion of being successes and the failure consist of. Furthermore, there is the need for identification and solution problems occurred during conflicting aims undertaking\(^{16}\).

The similar approach is described in the J. Gould and W. Kolb’s dictionary where the effectiveness is shown as the pure technical and economic aspect – the efficiency of production. The Authors claim that after 1958 began to use the term of productivity to describe the particular production expense or supply and the efficiency was reserved for evaluation all the results. The many other Authors convince that the meaning of productivity and efficiency is equal\(^{17}\). Hence, 90 year ago H. Emerson\(^{18}\) formulated 12 principles of

---

\(^{12}\) Z. Morecka, *Społeczne aspekty wydajności pracy*, „Nowe Drogi” 1975, nr 7, pp. 7

\(^{13}\) F.e. the volume of the produced energy

\(^{14}\) F.e. the volume of coal


\(^{16}\) For example, ...quality auditors have usually different tasks from production engaged workers, [C. Heyel, *The Encyclopedia of Management*, Second Edition by C. Heyel, New York 1973, pp. 156],


\(^{18}\) The Author of first managing by objective management conception, perceived as the basis of activity in many American organizations
efficiency. These principles were collected to establish suggestions for managers to enable controlling and management by objectives and following changes and reject the routine.

The polish managers had the accession to principles mentioned above in 1925. The introduced concept of twelve principles of efficiency as the rational organizational management is valid as much today as 90 years ago. A Chief Executive Officer has still to precisely formulate the organizational objectives and implement them to the subordinates and performers as a ideal goal to follow.

Yet, an organizational engineer should be reasonable to cut unneeded expenses. Then, there is necessary to force managers to use the competent counsel instead of intuition management. The advice of every worker who is the professional is highly desirable. Both today as well as 90 years ago, the discipline to obey by each member of the organization at the same extend. H. Emerson claimed then the discipline that is in force to not everyone is useless as a factor of efficiency. Moreover, the disciplinary punishments are not good stimuli for efficient work. He emphasized that the most important factors were the liking and empathy. The Author focused also on the correct internal information within organization: reliable, immediate and accurate records should be the main information for management to make appropriate decisions. The false, inaccurate and late information can be the cause of both organizational and environmental losses. On the contrary, planning and dispatching it is the task for managers and every employee. Incorrect organizing is the reason of many unnecessary costs. The implications of Emerson’s paper are frequently used in the economic literature, in management one especially because they are useful for establish practical goals.

Standards and schedules were calculating basis on the working time and activity of workers during the production process. Except the knowledge the experience is also highly desired, the standards and schedules can be over or under calculated otherwise.

---

21. According to Emerson’s approach, there is a low level common sense and high level one. The low level accompanies to everyone since his childhood, the latter is the result of self-working and it allows to foresee the future perspectives of development. Only the high level common sense is the efficient tool to fight against counterproductive behavior. Such a behavior determines the wastages of supplies, unnecessary costs, pointless human labor; H. Emerson, Cost and Efficiency Records, University Microfilms Intl, 1912, pp. 182
22. Understood as an ability of emotional harmonizing with surroundings [G. Bartkowiak, Psychologia zarządzania, AE Poznań, 1999, pp. 181]
24. Emerson understood standardized operations as normalized activities. Every employee can be satisfied if he would know what kind and how much of work is was expected from him. Written standard-practice instructions were the solid rules and customs of organization. A competent and well educated employee should analyse carefully and write these rules and refer them to law. The task is to write the practical oriented not imaginary instruction that should be updated. Efficiency reward is always needed because there is no reasonable correlation between payment and work results according to the day’s work but habitual fairness requires linear relation between the salary and results of work. Still, the efficiency reward should not have been limited to pecuniary one only.
In practice, many authors, engineers, economists make equal productivity and effectiveness or narrowly perceived efficiency and skillfulness. Yet, in the theme literature there is the opinion to take into consideration the effectiveness in largo sense.

**Effectiveness – multiaspectual approach of M. Holstein-Beck**

M. Holstein-Beck claims that it is extremely important to present multiaspectual variant of effectiveness. The Author, searching for the answer for questions of what the effectiveness is and what the evaluation effectiveness criteria are, identified the evolution process for 120 years. In the context of process mentioned above, there were six aspects of effectiveness:

- **Etymologic-synonymous** – every kind of activity is efficient when it drives to accomplish the goal, it doesn’t matter if the goal and its activities were moral and socially accepted,
- **Praxiological** – the effectiveness it is a positive feature of the activity which result is positively evaluated, it doesn’t matter if it was planned or not,
- **Bureaucratic-organizational** – the effectiveness is understood as a control execution basis on the knowledge,
- **Personal and behavioral** – according to the main concept of this approach, the efficiency is differ from effectiveness because the efficiency defines the accurate level of task realization and the effectiveness the level of task realization surpass,
- **Technic / economic** – The scope of the term of effectiveness refers to time context
- **Humanistic** – there are not effective organizations without the effective groups and individuals.

---

26. *Initiated with industrial revolution and valid presently*
28. *Effectiveness is equal to progress efficiency. The social environment better perceives the efficient activities because this is not complicated to estimate them in contrary of effective ones, which are complicated, risky, not always economic and present goals threatening. But the efficient activities are not flexible In the case of situation changes, what, as a consequence is the reason of lack of efficiency. The effective behaviors are characteristic for creative personality, controlling the future, which is the derivative of present decisions. This is why the Author named it „progress efficiency”[K. Obuchowski, W. Pałużowski (eds.), *Efektywność a osobowość*, Ossolineum, Wrocław 1982, pp. 74; K. Obuchowski, *Wybrane problemy prognozowania osobowości*, in: A. Sołtysi, A. Rząśniewski (eds.), *Studia z teorii i metodologii prognozowania społecznego*, Warszawa 1976, pp. 43-68]*
29. *Effectiveness „ex post” it is the relation between the results and made expenses, yet, the effectiveness „ex ante” is understood as relation between the activity goal and anticipated expenses [M. Kempisty, *Mały słownik cybernetyczny*, WP, Warszawa 1973. The economic effectiveness is identified with productivity but under one condition that there is the a demand for all the products that were produced as cheap as possible without making the stock piles [M. Pohorille, *Mała encyklopedia ekonomiczna*, PWE, Warszawa 1962, pp. 1467]*
30. *The effective group factors: relaxing atmosphere, it is allowed to discuss about the tasks, goals are accepted, everybody has rights to discuss, opposite opinions are allowed, the majority doesn’t rule [D.J. Lawless, *Organizational Behavior, The Psychology of Effective Management*, New York 1979, pp. 29–39].*
The organizational effectiveness theories

The organizational effectiveness has been the subject of special concern of the researchers and scientists for four last decades. The complexity of effectiveness constructs caused many problems during its estimation and defining processes.

R. Zammuto noticed the divergence between the goal oriented\(^{31}\) and system\(^{32}\) models. This divergence began further criticisms\(^{33}\). The choice of organizational effectiveness ratios was determined by the opinion of the researchers, their criteria also judgments\(^{34}\). The rejection of searching the common definition and approach of effectiveness was claimed by many other authors\(^{35}\), yet there are opposite opinions that it is very important to do all the possible efforts for searching for solution of this problem\(^{36}\).

O. Behling underlays the significance of appropriate approach classification in the area of organizational effectiveness to avoid discords between respective models\(^{37}\). This view seems to be well-founded because positions of other author were quite different both applicant and implicate aspects, especially in proposed models\(^{38}\). Further the researcher shows that the effectiveness models are related to both individual and communities activities, therefore they differ in the area of generality and abstraction level. J. Campbell argues that validity of the model should be positively correlated to the practice of economic activity, what determines the effective organization concept\(^{39}\).

According to R. Beckhard’s opinion the organization is effective when the every part of it is goal oriented. Forms are the derivates of functions. The defined problems, tasks or projects are the criteria of people organizing system. Decision are made by people who are closest to a source, it doesn’t matter what their occupational position is. The stimuli system consists of

---

31 R. Zammuto argued, that the lack of precise interpretation and understanding of organizational effectiveness for lat 40-ty years was caused by the lack of application comparing variant of conducted research [R. Zammuto, A comparison of multiple constituency models of organizational effectiveness, Academy of Management Review, 9, 1984, pp. 606-616], the classifying limitations that were the derivative of variant research an ineffective scheme for this approach. [A. Etzioni, Modern organizations, Englewood Cliffs, NJ, Prentice Hall, 1964, B.S. Georgopoulos, A.S. Tannenbaum, A study of organizational effectiveness, American Sociological Review, 22, 1957, pp. 535-540; P.E. Mott, The characteristics of effective organizations, New York, Harper and Row, 1972]


34 R.J. Webb, Organizational effectiveness and voluntary organizations, Academy of Management Journal, 17, 1974, pp. 663-677


36 In Author’s opinion the comparison analysis of small business and the corporate one is not justified because only the similar enterprises can be the subject of comparison. [L.G. Hrebriak, Complex organizations, St. Paul, MN, West Publishing, 1978]

37 O. Behling, Some problems in the philosophy of science organizations, Academy of management review, 3, 1978, pp. 195

38 Cunningham classified 7 alternate strategies, claimed that every of them is unique and supports very important information that should be chosen according to the necessary data [J.B. Cunningham, Approaches to the evaluation of organizational effectiveness, Academy of Management Review, 2, 1977, pp. 463-474]. Seaton selected 9 classification models, based on the 6 points: 1. What is organization, 2. Is the organizational behavior rational or not? 3. If the organizational environment determines the results and if there are any limitations, 4. What is the notion of effectiveness, 5. If the relations between divisions are agreeable or abrasive, 6. What factor do the impact as effectiveness determinants? [F.W. Seaton, A comparative analysis of current models of organizational effectiveness within the context of organizational theory, Proceedings of the Midwest, Academy of Management, 1985].

39 R. Zammuto notice, that there is little attention in the area of human resources values and their impact on organizational effectiveness because this factor was not considered in basic principles of model.
rewards and penalties for managers. The horizontal and vertical communication is relatively in order, people are open minded and “win-lose” behaviors are very rare, therefore conflicts are treated as problems to solve. The organization and the parts of it are perceived in the context of common relations and interactions with external environment. This is the open system based on taking care of members and departments and help them to maintain integrity and independence in environment relations. The procedures of organizations implement the feedback mechanisms to allow members to learn by experience.

The similar implications can be found in Polish literature. The example of Polish effectiveness measurements is Sz. Soltys’es conception. The researcher proposes to measure the effectiveness of the organization through social goals achievement and social costs being results of these goals. The Author distinguish three levels of social work goals achievements: first of them it is the organization level, next the unit level within organization, and finally the level of the organization member. The social goals of organization work important for a member of organization there are: self-realization, subjectiveness of the human being in the work area, human dignity, mental health, job satisfaction, lack of monotony, decision participation, autonomy in the area of thinking, activity and job selection, fair distribution of work effects, social position, god interpersonal relations, feeling sense of work. Yet organizations, during goal achievement process generates both social and economic costs. Social costs are: job dissatisfaction, lack of development possibility, disintegration of work teams or whole organization, mental health disorder of organization participants, alienation, the lack of individuals autonomy and self-realization. Using the known from praxiology terminology: efficiency, skillfulness, effectiveness Soltys constructed the term of social organizational effectiveness consists of “social organizational effectiveness” and “social organizational efficiency”. According to the notions mentioned above the Author established several social effectiveness of work ratios such as: alienation, mental health, job satisfaction, the level of organizational formalization, group integrity, morale, identification, interpersonal relation characteristics. This approach is one of many efforts of searching for social organizational effectiveness measures. The main criticisms of

---

40 Current affairs execution, short term ones, development of the subordinates, creation of task units
41 When the conflicts occur, they are related to tasks and Project, not interpersonal disturbances
42 R. Beckhard, Definicja efektywności organizacji, opracowanie J. Wacławskiego, CDDK 1973
43 Social labor goals there are states or processes achieved during work, they occur In social and psychological sphere of human beings [W. Jacher (eds.), Socjologiczne mierniki efektywności pracy, Katowice 1985, pp. 67]
44 For example, the existence, development, harmonious relations with environment, growth and expansion
45 For ex ample, the existence and maintaining the group culture, creativity, group integrity, good interpersonal relations, group morale
46 Among others
47 Signifying the potential abilities actualization, improvement, learning
48 That is the relation of achieved social goals and social expenses
49 Understood as relation between achieved and planned social effects of work
this method are the plurality and qualitative character of used ratios, what almost does impossible to construct one precise and reliable measure.

The indicators mentioned above are correlated to internal processes within organization. Yet, the effectiveness depends on relation with external environment either. In the M. Kostecki’s opinion the organization it is open system related to environment\textsuperscript{50}. For that reason the organizational effectiveness cannot be calculated basis on the internal criteria – because the organization realizes also the external expectations of the society. Accordingly, the level of society demand satisfaction there is the organizational effectiveness indicator, including expectations from political system, law system, market one, et cetera\textsuperscript{51}. One of the unintentional malfunctions occur as the determinant of assumptions of the Kostecki’s model there is the damage of natural environment that M. Holstein-Beck calls ecological aspect of organizational effectiveness\textsuperscript{52}.

The next approach of Polish school of effectiveness is shown in the K. Doktór’s model. The Author perceives the organizational effectiveness as a determinant of executing decisions – the functioning of economy relays on political decision making on the highest level of government management meanwhile the subordinated units cooperating with local enterprises are to follow instructions.

Ref.: own study based on K. Doktór, \textit{Społeczne treści zarządzania}, „Nowe Drogi” 1980 nr 2

\textsuperscript{50} M. Kostecki, \textit{Socjologiczna koncepcja efektywności organizacyjnej}, “Problemy organizacji” Nr 1/1980

\textsuperscript{51} W. Jacher, pp. 53-73

\textsuperscript{52} The term of ecology was implemented by Ernest Haeckel in the second half of the XIX century and there was defined as “the science, which interest is the entirely relation between animals and their both lively and inanimate environment” [Ch. Krebs, \textit{Ekologia}, PWN, Warszawa 2001, pp. 3; M. Holstein-Beck, \textit{Szkice o pracy}, KiW Warszawa 1987, pp. 42]
The most significant value of this model is its political nature of economic management. The political power is the Demiurg\textsuperscript{53} of management system and several criteria of effectiveness is strictly based on political decisions. Leaving out the typical economic problem on the central level of government, it seems to be authorized to claim that where the economy is based on such central rules, the ratios of effectiveness are replaced with loyalty to political government ones. This model doesn’t take into consideration consumer requirements. It consists of three factors – parts of the system: politician – administrator-performer: Consumer needs are out of grading\textsuperscript{54}.

The researchers from India - S. Bhargava, B. Sinha\textsuperscript{55} propose the model, that comes from a study performed on contemporary Indian organizations and shows that organizational structure has the potential to improve the overall perceived effectiveness of the organization. In this approach, a 7-point scale applied to four specific components was used to predict organizational effectiveness\textsuperscript{56}. The result of this research was that an organization with a heterarchical structure was perceived as having higher degrees of production, commitment and effective leadership with less interpersonal conflict than a hierarchical structure. Though these results are derived from the public sector, the model and outcomes of this study suggest research possibilities for the non-profit sector. Despite its simplicity, a main criticism of using this model as a measure of organizational effectiveness in comparing for-profit and non-profit organizations is the relative interpretation of the commitment and productivity components. It is thought that commitment in the for-profit domain is tied to career progression, personal income and business survival, whereas commitment for non-profits is based on generosity and volunteerism which may not have a bearing on organizational effectiveness. The concept of productivity in the non-profit sector is less tangible and more perceptual than in the for-profit sector. With the noted refinements the model might be used for both sectors.

The next organizational effectiveness model constructed by Ridley & Mendoza\textsuperscript{57} is also based on interrelated organizational processes and was recently developed primarily as a tool for management consultants. This approach, that integrates foundational concepts of systems, organizational and consultation theory, is formulated on the most basic processes of

\textsuperscript{53}The term of „demiurg” is defined as: 1. phil., rel. „superhuman being, who created the Word”; 2. In ancient Greece: the person who practiced the public useful job, for example craftsmen, doctor or fortune-teller; 3. In some Greek cities it was the title of high level official

\textsuperscript{54}They perceive result comparison with planned goals as a main criterion of effectiveness evaluation. The take into consideration specific features of organization and rules as a social variable.


\textsuperscript{56}Specifically, the components were production, commitment, leadership and interpersonal conflict. Production was defined as the flow of output of the organization. Commitment was established as a component to measure the degree of attachment to the organization. Leadership was defined as a degree of influence and personal ability. Interpersonal conflict refers to the degree of perceived misunderstanding between supervisors and subordinates.

\textsuperscript{57}C.R. Ridley, D. Mendoza, Putting organizational effectiveness into practice: The preeminent consultation task, Journal of Counseling and Development, 72, 1993, pp. 168-178
organizational effectiveness, namely, the need for organizational survival and the maximization of return on contributions. The theoretical framework of this model is based on a series of assumptions, such as the availability of "organizational energy reserves", the ability to benefit from returns, the presence of a resource utilization metric, and a long term perspective. These assumptions lead the Authors to develop a model of eleven key processes that are posited as determining the organizational effectiveness\(^{58}\).

As an organizational effectiveness construct, this model’s value resides in its use as a mapping device from which consultants and their customers can synchronize expectations and visualize improvement opportunities. Despite of its theoretical contribution, the model needs further both empirical research and valid instruments.

The model of organizational effectiveness developed by B. Jackson\(^ {59}\) considered is based on gathering perceptions of pre-selected efficiency indicators. B. Jackson established this model to examine the differences between community and member-based non-profit organizations. Jackson used a survey instrument in a descriptive research study designed to measure perception of each of six indicators and the relative priority each indicator would have within community based and member based non-profits\(^ {60}\).

Although this construct is appealing due to its simplicity and the availability of a validated survey instrument, its Author recognizes that an expanded model, to include categories of organizational configuration, organizational competencies and organizational capabilities, is more desirable\(^ {61}\). Referring to the performance of the board of directors as an indicator, B. Taylor and R. Chait\(^ {62}\) suggested that boards of non-profits have minimal impact on effectiveness as it is shown in the competing values framework\(^ {63}\), that is based on past attempts to formalize organizational effectiveness criteria. This model constructed by R. Quinn, K. Cameron\(^ {64}\) has been used in a wide variety of organizational research studies, such as organizational culture and strategy\(^ {65}\), effectiveness of management information systems\(^ {66}\), organizational communications\(^ {67}\) and also in organizational transformation\(^ {68}\).

\(^{58}\) The first two processes, organizational survival and maximization of return, are defined as superordinate processes. The third process is self-regulation, which is responsible for orchestrating balance among the superordinate and subordinate processes. The eight subordinate processes are listed as internal-external boundary permeability, sensitivity to status and change, contribution to constituents, transformation, promoting advantageous transactions, flexibility, adaptability and efficiency.

\(^{59}\) B. Jackson, Perceptions of organizational effectiveness in community and member based non-profit organizations, Doctoral dissertation, University of La Verne, 1999, ProQuest Digital Dissertations

\(^{60}\) The six selected indicators of organizational effectiveness include management experience, organizational structure, political impact, board of directors involvement, volunteer involvement and internal communications.

\(^{61}\) An expanded version of the model with these categories increases both the validity and reliability of the organizational effectiveness measurement. Also, the model uses indicators that are inadequate to measure OE across domains, such as volunteer involvement and board of directors involvement. A correlational study between volunteer involvement and employee involvement needs to be performed to make this indicator more applicable to the for-profit organizations.


\(^{63}\) CVF

\(^{64}\) R.E. Quinn, K. Cameron, Organizational life cycles and shifting criteria of effectiveness: Some preliminary evidence, Management Science, 29, 1983, pp. 33-51

\(^{65}\) A.C. Bluedorn, E.F. Lundgren, A culture-match perspective for strategic change, Research in Organizational Change and Development, 7, 1993, pp. 137-179
Beginning of work on the CVF came from attempts by managers and academic researchers to offer a robust construct to evaluate organizational effectiveness. R. Quinn and J. Rohrbaugh\(^6\) put to use multidimensional scaling and created a spatial model of organizational effectiveness with three subordinate value continua\(^7\). In 1988, R. Quinn\(^1\) claimed that only two of the subordinate continua\(^2\), were appropriate to describe the organizational effectiveness construct and when combined, these could be visualized as a set of quadrants\(^3\). Referring to R. Quinn, every quadrant constitutes a model in itself. The "Human Relations Model" sees participation, discussion and openness as a means to improve morale and achieve commitment. The "Internal Process Model" sees internal processes such as measurements, documentation and information management as methods to achieve stability, control and continuity. The "Open Systems Model" relates insight, innovation and adaptation as a path towards external recognition, support, acquisition and growth. Finally, the "Rational Goal Model" seeks profit and productivity through direction and goals\(^4\).

Except the models mentioned above there were constructed many other organizational effectiveness approaches, for example: variant model\(^7\), ecological population model\(^6\), social justice model\(^7\), evolutionary model\(^8\), power model\(^9\), economical politics model\(^1\), interpreting system model\(^1\), yet there were not popular in the world of science.

\(^{66}\) R.B. McGraw, Union-management interface: Using the competing values framework as a diagnostic tool to bring increased involvement at the plant level. Human Resource Management, 32, 1996, pp. 51–74

\(^{67}\) P.S. Rogers, H.W. Hildebrandt, Competing values instruments for analyzing written and spoken management messages, Human Resource Management, 32, 1993, pp. 121–143

\(^{68}\) R. Hooiberg, F. Petrock, On cultural change: Using the competing values framework to help leaders execute a transformational strategy, Human Resource Management, 32, 1993, pp. 29–50

\(^{69}\) R.E. Quinn, J. Rohrbaugh, A spatial model of effectiveness criteria: Towards a competing values approach to organizational analysis, Management Science, 29, 1983, pp. 363–377

\(^{70}\) Flexibility-control, internal-external, and means-end


\(^{72}\) Control-flexibility and internal-external

\(^{73}\) Labels for each one of these quadrants are: 1. human relations, 2. open systems, 3. rational goal and 4. internal process

\(^{74}\) The validity of these four quadrants or dimensions was also tested by R. Quinn and G. Spreitzer [R.E. Quinn, G.M. Spreitzer, The psychometrics of the competing values culture instrument and an analysis of the impact of organizational culture on quality of life. Research in Organizational Change and Development, 5, 1991, pp. 115 – 142] on a sample of 796 executives from 86 public utility firms in the United States, where the analysis was performed by comparing two types of competing value scales. This model was validated a third time by using a Structural Equation Modeling (SEM) approach on a sample of 300 managers and supervisors employed by a multi-hospital system in the United States [T.J. Kalliath, A.C. Bluedorn, D.F. Gillespie, A confirmatory factor analysis of the competing values instrument, Educational & Psychological Measurement, 59, 1993, pp. 143 – 159]

\(^{75}\) This approach does impact on meaning of traditional system models, assuming the interactions organization-environment existence. Yet, the conducted research were focused on common external factors (i.e. uncertainty) and the within organization ones (i.e. structure adaptation). The organizational effectiveness is defined as the integrity between an organizational effectiveness and its structure, yet, the Author didn’t construct precise effectiveness measurements [G. Burrell, G. Morgan, Sociological paradigms and organizational analysis: Elements of the sociology of corporate life, London, Heinemann, 1979; J.M. Pennings (eds.), New perspectives of organizational effectiveness, San Francisco, Hosey-Bass, 1977, pp. 393–410; J.D. Thomson, Organizations in action, New York, McGraw Hill, 1967; J. Woodward, Industrial organization: Theory and practice, London, Oxford University Press, 1965]

\(^{76}\) G.R. Carroll proposes three organizational ecology approaches (developmental, selective, macroevolutionary), distinguished with the level of analysis (organizational, populational, environmental) and used to explain the phenomena in internal and external organizational environment. In his opinion the organizational ecology describes the ultimate mortality of organization that is negatively correlated with other organization analysis (organizational, populational, environmental) and used to explain the phenomena in internal and external organizational environment. In that context "environment" refers to natural selection, through the competitive mechanisms and limitations as determinants of social changes process. Because adaptation and selection are the complementary processes, the major organizational effectiveness measure it is surviving as a derivative of structural changes [Hannan M.T., Freeman J., Obstacles to comparative studies, in P.S. Goodman, R. Harvey, Job Analysis, Handbook of Industrial and Organizational Psychology, 2\(^{nd}\) Edition, Palo Alto, California: Consulting Psychologists Press, Inc., 1999]


\(^{78}\) R. Zammuto grouped four models (relativism, power, social justice, revolutionary) together as a part of more complex point of view. Considering to existing limitations, the effective activity is defined as increasing organizational adaptation one through appeasement of environmental
Additionally, it is possible to categorize the organizational effectiveness theories on the level: (I) individual, (G) group, (O) organizational, (S) social\textsuperscript{82}, and relations between these levels imply the using of separated theories\textsuperscript{83}.

<table>
<thead>
<tr>
<th>Model</th>
<th>Main References</th>
<th>Descriptive/Prescriptive</th>
<th>Approach capitalistic/Democratic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measurable golas</td>
<td>G (int)→O</td>
<td>P</td>
<td>C</td>
</tr>
<tr>
<td>System</td>
<td>G (int+ext)→O</td>
<td>D</td>
<td>C</td>
</tr>
<tr>
<td>Variant</td>
<td>G (int+ext)</td>
<td>D</td>
<td>C</td>
</tr>
<tr>
<td>Ecological population</td>
<td>S→O</td>
<td>D</td>
<td>C</td>
</tr>
<tr>
<td>Social justice</td>
<td>O→G</td>
<td>P</td>
<td>D</td>
</tr>
<tr>
<td>Power</td>
<td>G→O→G</td>
<td>P</td>
<td>D</td>
</tr>
<tr>
<td>Evolutionary</td>
<td>S→O→G</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Economical politics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZALD</td>
<td>O→G</td>
<td>P</td>
<td>C</td>
</tr>
<tr>
<td>NORD</td>
<td>O→S</td>
<td>P</td>
<td>D</td>
</tr>
<tr>
<td>Interpreting</td>
<td>S→I</td>
<td>D</td>
<td>D</td>
</tr>
</tbody>
</table>

Ref. own study based on Kraft, 1991, pp. 82

Despite of models mentioned above, the French researchers proposed different approach to organizational effectiveness measure. In their research, the main impact was put on empirical construction of effectiveness ratios, with cooperation of management and workers of enterprises. E.M. Morin, in Her paper “Organizational effectiveness and the sense of work”\textsuperscript{84}, refers to own empirical research, where the sample was 18 managers-practicians. The authoress constructed 46 ratios, enabling describing 4 major criteria of organizational effectiveness. There are\textsuperscript{85} economical/technical model, stability and organizational development\textsuperscript{86}. E. Morin distinguish three basic tendencies: a management adhere M.

\textsuperscript{82} This model was constructed In the opposition to social justice model. The major criterion of this model is that effectiveness criteria are specified by predominant coalition. In this approach, an organization has to fulfill the requests of predominant political majority. [Hrebniak, 1978; Pennings, Goodman, 1977; pp. 146-184; J. Pfeffer, G. Salancik, The external control of organizations: a resource dependence approach, New York, Harper and Row, 1978; Pfeffer, Salancik, 1978] and other influential members [T. Connoly, E.J. Conlon, S.J. Deutsh, Goodman, 1977: pp. 146-184; J. Pfeffer, G. Salancik, 1978; Pennings, 1979 [Zammuto, 1982; Zammuto, 1984: pp. 606-616]

\textsuperscript{83} This model was constructed In the opposition to social justice model. The major criterion of this model is that effectiveness criteria are specified by predominant coalition. In this approach, an organization has to fulfill the requests of predominant political majority. [Hrebniak, 1978; Pennings, Goodman, 1977; pp. 146-184; J. Pfeffer, G. Salancik, The external control of organizations: a resource dependence approach, New York, Harper and Row, 1978; Pfeffer, Salancik, 1978] and other influential members [T. Connoly, E.J. Conlon, S.J. Deutsh, Goodman, 1977: pp. 146-184; J. Pfeffer, G. Salancik, 1978; Pennings, 1979 [Zammuto, 1982; Zammuto, 1984: pp. 606-616]

\textsuperscript{84} In this approach, an organization is perceived as a flow and transform information system, created both by individual and group activities driven to organizational goals realization. The effectiveness is defined as an interpreted precision [K.E. Weick, R.L. Daft, The effectiveness of interpretations systems, in K.S. Cameron and D.A. Whetton (eds.), Organizational effectiveness: A framework for comparative analysis, in M.N. Zald (eds.), Power in organizations, Nashville, Venderbilt University Press, 1970]

\textsuperscript{85} The attributive meaning of the notion of organization – describing the level of the organizational processes organizing. This level it is a measure of the organizational complexity [K. Krzakiewicz, Podstawy Zarządzania, TNOIK, Bydgoszcz, 1994, pp. 5]

\textsuperscript{86} The attributive meaning of the notion of organization – describing the level of the organizational processes organizing. This level it is a measure of the organizational complexity [K. Krzakiewicz, Podstawy Zarządzania, TNOIK, Bydgoszcz, 1994, pp. 5]

\textsuperscript{9} Economic models are those which explain what people and organizations do and how they use resources to produce goods and services. Examples include the demand-and-supply model, the price model, and the production model.

\textsuperscript{13} The attributive meaning of the notion of organization – describing the level of the organizational processes organizing. This level it is a measure of the organizational complexity [K. Krzakiewicz, Podstawy Zarządzania, TNOIK, Bydgoszcz, 1994, pp. 5]

\textsuperscript{14} The attributive meaning of the notion of organization – describing the level of the organizational processes organizing. This level it is a measure of the organizational complexity [K. Krzakiewicz, Podstawy Zarządzania, TNOIK, Bydgoszcz, 1994, pp. 5]
Friedman and H. Simon’s opinion. This approach determines that the interests of other groups are out of importance. The second tendency is a dominating of organizational effectiveness with economic ratios. Yet, the social, moral, spirit and ecological values are skipped. Finally, the third tendency it is the depersonalization of social partners. It is related to both clients, which are perceived as good and product consumers, and employees – which are treated as “human resources”, without their psychosociological and cultural/spiritual complexity.

**Effectiveness in practice – assumptions of public sector management future**

According to a formulation of GDP there are many possible areas of national ineffectiveness. Comparing two world wide biggest economies it seems authorized to say that „american way of life“ is constantly falling down.

Graph 2. The GDP growth in percents

In the opinion of D. Moyo the main reason of the situation mentioned above there is a lack of understanding the term of effectiveness. Moyo calls this mistake a unintentional

---


88 Although, the construction if the model is precise and the questionnaire information is highly representative, there is suggested to use the expanded version of that model, additionally including the following categories: configuration, competencies and organizational potential, what determines increasing of representativeness of organizational effectiveness measure. Yet, there are the ration in the model that are inadequate to voluntary and board management commitment measurement. The non-profit organization board doesn’t make any impact on organizational effectiveness [B.E. Taylor, R.P. Chait, The New Work of the Nonprofit Board, Harvard Business Review, 1996, pp. 36-44]

89 Z. Martyniak, pp. 31

90 Y=C [consumption] + I [investment] + G [government]

91 The american and Japan one

consequences. The prosocial politics of Western Countries, especially its "great ideas" ⁹³ have caused very economically harmful results. ⁹⁴ These results, there are the fatal determinants in the area of capital, labour market and productivity—the main elements of gross domestic product. This situation is also similar for European countries ⁹⁵. The next financial crash would be probably related to social security system. Comparing the GDP of USA and European Countries in 1950-1980 and 1980-2000 there come a conclusion that they are comparable but in first of interval mentioned above, the governments led the protectional-social politics. In the second one there were the times of free entrepreneurship and free capital flow. Additionally, the prices were relatively low. Therefore it seems to be authorized to ask if the globalization idea is valid in practice, and, following this thesis is public safety of Western and European countries jeopardized?

**Polish internal debt – lack of public sector management?**

Taking a historical point of view into consideration, it seems to be authorized to claim the public sector management in Poland is collapsing. According to the quota of polish internal debt, the conclusion is, that polish financial situation is far away from stabilization.

<table>
<thead>
<tr>
<th>Year</th>
<th>The amount of PID [bln zł]</th>
<th>Year</th>
<th>The amount of PID [bln zł]</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>53</td>
<td>2000</td>
<td>288</td>
</tr>
<tr>
<td>1991</td>
<td>65</td>
<td>2001</td>
<td>314</td>
</tr>
<tr>
<td>1992</td>
<td>97</td>
<td>2002</td>
<td>352</td>
</tr>
<tr>
<td>1993</td>
<td>133</td>
<td>2003</td>
<td>408</td>
</tr>
<tr>
<td>1994</td>
<td>152</td>
<td>2004</td>
<td>440</td>
</tr>
<tr>
<td>1995</td>
<td>167</td>
<td>2005</td>
<td>474</td>
</tr>
<tr>
<td>1996</td>
<td>189</td>
<td>2006</td>
<td>506</td>
</tr>
<tr>
<td>1997</td>
<td>221</td>
<td>2007</td>
<td>527</td>
</tr>
<tr>
<td>1998</td>
<td>237</td>
<td>2008</td>
<td>569</td>
</tr>
<tr>
<td>1999</td>
<td>278</td>
<td>2009</td>
<td>669</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2010</td>
<td>780</td>
</tr>
</tbody>
</table>

Ref. Polish government finance department

⁹³ For example easy credits without proper calculation of credibility, the constant growth of the internal debt, everybody has right to have a place to live, food and retirement
⁹⁴ An internal debt trap, also known as a public debt trap, is a situation where a nation incurs a large amount of debt in comparison to its total income. The interest payments on the debt require the nation to reduce spending on other government services, such as road construction, highways, power plants and employment of civil service workers. The nation's infrastructure deteriorates, reducing its income, which makes it even more difficult to make interest payments on its debt.
⁹⁵ Compare the situation in Greece, Portugal. Internal debt traps reduce foreign investment. Foreign investors who wish to start an enterprise in a nation desire to build factories and offices in a location with reliable public services such as water and electricity. Since the nation can no longer reliably afford to provide these services, foreign investors stop constructing businesses in the nation and sell off their existing facilities. A nation's credit rating declines when it is in an internal debt trap. Credit rating firms such as Moody's rate a nation's credit, according to the United States Fiscal Commission. Since the definition of the debt trap is that the nation holds more debt than it can afford to pay, lenders are not willing to loan the nation additional funds unless the nation pays much higher interest rates because of the increase in risk. The value of the nation's outstanding bonds declines, so investors sell the bonds to limit their loss. A debt trap affects inflation in a country. When investors sell their assets in a nation and purchase foreign assets, the value of the foreign currency increases proportionally to the nation's currency, according to the United States Fiscal Commission. The cost of imports increases. A weaker currency does allow the nation to sell cheaper exports in comparison with other nations, although it is much harder to produce exports when the investors are pulling their funds out of the country.
The constant growth of polish internal debt and also interest costs indicate the, from the day of polish European Union accesion, when the debt mentioned above became three digit one, indicate, that the path of management, choosen by polish politics, leads to financial crash of whole country.

Bibliography

Bartkowiak G., Psychologia zarządzania, AE Poznań, 1999
Beckhard R., Definicja efektywności organizacji, opracowanie J. Wachowskiego, CODKK 1973
Behling O., Some problems in the philosophy of science organizations, Academy of management review, 3, 1978
Bluedorn A.C., Lundgren E.F., A culture-match perspective for strategic change, Research in Organizational Change and Development, 7, 1993
Carroll G.R., Organizational Ecology, Annual Review of Sociology, 10, 1984
Cunningham J.B., Approaches to the evaluation of organizational effectiveness, Academy of Management Review, 2, 1977
Emerson R., Cost and Efficiency Records, University Microfilms Intl, 1912
Emerson H., Dwanaście zasad wydajności, Warszawa 1925
Hirschowitz M., Konfrontacje socjologiczne, KiW, Warszawa 1964
Holstein-Beck M., Szkoła o pracy, KiW Warszawa 1987
Hooijberg R., Petrock F., On cultural change: Using the competing values framework to help leaders execute a transformational strategy, Human Resource Management, 32, 1993
Jacher W.(eds.), Socjologiczne mierniki efektywności pracy, Katowice 1985
Jackson B., Perceptions of organizational effectiveness in community and member based non-profit organizations, Doctoral dissertation, University of La Verne, 1999, ProQuest Digital Dissertations
Janowski A., The competency management as a determinant of life insurance companies development (in:) Barcik R. (red.) Nowoczesne kierunki w rozwoju lokalnym i regionalnym, ATH w Bielsku Białej, 2008
Kallith J.T., Bluedorn A.C., Gillespie D.F., A confirmatory factor analysis of the competing values instrument, Educational & Psychological Measurement, 59, 1993
Kempisty M., Mady słownik wypowiedzi, WP, Warszawa 1973
Kościelak M., Socjologiczna koncepcja efektywności organizacyjnej, "Problemy organizacji" Nr 1/1980
Krebs Ch., Ekologia, PWN, Warszawa 2001
Krzaśkiewicz K., Podstawy Zarządzania, TNOiK, Bydgoszcz, 1994, pp. 5
McGraw R.B., Union-management interface: Using the competing values framework as a diagnostic tool to bring increased involvement at the plant level, Human Resource Management, 32, 1996
Morecka Z., Społeczne aspekty wydajności pracy, „Nowe Drogi” 1975, nr 7
Mott P.E., The characteristics of effective organizations, New York, Harper and Row, 1972
Obuchowski K., Pałuchowski W. (eds.), Efektywność a osobowość, Ossolineum, Wrocław 1982
Pasieczny L., Encyklopedia organizacji i zarządzania, PWE, Warszawa 1981
Pohorille M., Mała encyklopedia ekonomiczna, PWE, Warszawa 1962
Quinn R.E., Cameron K., Organizational life cycles and shifting criteria of effectiveness: Some preliminary evidence, Management Science, 29, 1983
Quinn R.E., Rohrbaugh J., A spatial model of effectiveness criteria: Towards a competing values approach to organizational analysis, Management Science, 29, 1983
Quinn R.E., Spreitzer R.F., The psychometrics of the competing values culture instrument and an analysis of the impact of organizational culture on quality of life, Research in Organizational Change and Development, 5, 1991
Ridley C.R., Mendoza D., Putting organizational effectiveness into practice: The preeminent consultation task, Journal of Counseling and Development, 72, 1993
Rogers P.S., Hildebrandt H.W., Competing values instruments for analyzing written and spoken management messages, Human Resource Management, 32, 1993
Seaton F.W., A comparative analysis of current models of organizational effectiveness within the context of organizational theory, Proceedings of the Midwest, Academy of Management, 1985
Szymczak M., Słownik, PWN, 1998
Webb R.J., Organizational effectiveness and voluntary organizations, Academy of Management Journal, 17, 1974
Yuchtman E., Seashore S.E., A system resource approach to organizational effectiveness, American Sociological Review, 32, 1967
Zammuto R., A comparison of multiple constituency models of organizational effectiveness, Academy of Management Review, 9, 1984