

# The Agendas of Public Administration Reforms in Lithuania: Windows of Opportunity in the Period 2004–2017

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## Abstract

The article analyses changes in the reform agendas of the Lithuanian government in the period 2004–2017. Instead of exploring the systemic and formal agendas of administrative reforms based on government strategies and programmes, it focuses on the institutional and actual agendas of Lithuanian authorities using a set of 20 reform initiatives. In addition to the analysis of the institutional context, we also assess a coupling logic and the exercise of political or bureaucratic entrepreneurship during reform policy making. The article finds that budgetary constraints and the reform policy priorities of the Lithuanian governments explain the ambitious agendas of administrative reforms during the 2008–2012 government and, to a lesser extent, during the 2016–2020 government. The political logic of coupling and political entrepreneurship dominated the flow of the reform process when these governments were in office, producing the top-down approach to reform policy making. In contrast, the 2004–2006, 2006–2008 and 2012–2016 governments relied strongly on a policy-centred logic of coupling together with bureaucratic entrepreneurship, which resulted in the bottom-up approach to administrative reforms in the country.

## Keywords:

public administration reforms, agenda setting, windows of opportunity, policy entrepreneurship, Lithuania.

## 1. Introduction

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The global financial crisis and EU policies have affected the reform agendas of European governments in recent years. Previous research has revealed that the finan-

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cial and economic situation determined the ambition of reforms in specific countries (Kickert et al. 2015). EU institutions influenced reforms in EU member states through the new EU 2020 strategy, the European semester, European Social Fund (ESF) and European Regional Development Fund support to public administration, as well as different conditionalities and instruments. For instance, the European Commission set the thematic ex-ante conditionality of developing “a strategic policy framework for reinforcing a Member State’s public authorities’ administrative efficiency and their skills” for the programming period 2014–2020 (European Commission 2017b).

In response to these external developments, many governments in Central and Eastern Europe (CEE) undertook extensive reform commitments in the form of comprehensive reform strategies that bundle various change initiatives (Nakrošis 2015). All EU member states are also obliged to prepare National Reform Programmes, which summarise the key structural reforms that are being implemented or are planned to be implemented in the framework of the European semester. Some of these reforms are designed to comply with the EU’s country-specific recommendations.

Lithuania is not an exception from this regional trend. After the country’s accession to the EU, a single strategic framework for public administration reforms was created, aimed at better coordinating individual efforts. In 2004, the Lithuanian government adopted the Strategy of Public Administration Development until 2010. In 2012, to better implement a national strategy “Lithuania 2030” and to prepare for the use of EU structural funds in the programming period 2014–2020, the Lithuanian government approved the Public Governance Improvement Programme 2012–2020. Also, the country’s National Reform Programme, which is presented every year to the Commission, contains some measures of administrative reforms.

The content of such reform strategies and programmes reveals the systemic, longer-term and formal agendas of national governments. To better understand the process of reform policy making, it is necessary, however, to focus on the institutional and actual agendas of state authorities. In this article, we analyse the reform issues that were promoted actively by the Lithuanian governments, its politicians and senior executives during the reform process, as well as being explicitly up for serious consideration of the country’s legislature and executive. Since political attention to policy issues is often unstable and depends on changing social, economic or political circumstances (Jones and Baumgartner 2012), it is also important to explore how reform agendas evolve over time. Because it is still not clear how contextual factors shape the actions of policy actors (Mintrom and Norman 2009), we are interested in the ways in which the economic and political climate facilitates or constrains reform opportunities.

The purpose of this article is to describe and explain changes in the reform agendas of the Lithuanian government from 2004 to 2017. This period covers the following Lithuanian governments: the 2004–2006 government under Prime Minister A. Brazauskas; the 2006–2008 government under Prime Minister G. Kirkilas; the 2008–2012 government under Prime Minister A. Kubilius; the 2012–2016 government under Prime Minister A. Butkevičius; and the first year of the 2016–2020 government under Prime Minister S. Skvernelis. The 2004–2006, 2006–2008 and 2012–2016 governments were led by the leaders of the Lithuanian Social Democratic Party. The 2008–2012 government was led by the leader of the Homeland Union (Lithuanian Christian Democrats), while the 2016–2020 government is led by the co-leader of the Lithuanian Farmers and Greens Union.

This period of study makes it possible to compare agenda setting across the five governments of different political ideologies. We first review the broad context of public administration reforms by assessing the influence of such external factors as EU or OECD requirements, the financial crisis and a composition of the governing coalitions that affect the agenda-setting process in Lithuania. We then analyse the policy windows and their coupling logic that led to the emergence of key reform issues on the institutional agendas of the country's authorities.

The article focuses on the agenda-setting phase of the reform process, as explaining the adoption of individual reform decisions goes beyond the scope of this research and was addressed elsewhere (e.g. Nakrošis et al. 2018). A reform initiative is our main unit of analysis. Instead of analysing the formal policy content (aims, objectives and actions) set out in the reform strategies and programmes, we carry out an analysis of the main legal, organisational and managerial measures announced by Lithuanian authorities during the period 2004–2017. After reviewing the existing literature, we selected a set of the 20 most important reform initiatives for our research.

Lithuania's case is interesting because of political and economic reasons. The country's political system is characterised by the polarisation and distrust between two major parties – the Homeland Union and the Lithuanian Social Democratic Party – which have been replacing each other in power since the re-establishment of independence in 1990 (Nakrošis et al. 2018). The confrontational nature of Lithuanian politics can force the party blocs centred around conservatives and social-democrats to differentiate their reform agendas. Also, the country's economy was particularly strongly affected by the global financial crisis. To achieve fiscal consolidation, Lithuanian authorities introduced fiscal consolidation measures, including spending cuts (reduction of wages in the public sector, cutting social expenditure on maternity leave or old-age pensions) and tax increases (VAT, profit tax, excise tax and abolition of VAT exemptions for some products and services) (Nakrošis et al. 2015).

We argue that a combination of the financial crisis (or other budgetary constraints) and the reform policy priorities of the Lithuanian governments explains changes to the overall agendas of public administration reforms during the period 2004–2017. If a policy-centred logic of coupling along with bureaucratic entrepreneurship prevailed during the 2004–2006, 2006–2008 and 2012–2016 governments, windows of opportunities were opened up – mostly by a political logic of coupling combined with political entrepreneurship that was dominant during the 2008–2012 and 2016–2020 governments. EU and OECD requirements or recommendations played an important role during the agenda-setting process by highlighting some reform issues (especially when the policy-centred logic was dominant) and, in the case of EU institutions, providing funding to implementing some of the reform commitments.

This article is divided into the following sections. The next section elaborates a theoretical framework for analysis and outlines our research methodology. The empirical part of the article presents the background information on Lithuania and the results of our empirical analysis. We conclude by summarising our research results, discussing our theoretical contribution and outlining suggestions for future research.

## **2. Framework for analysis and methodology**

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Our research on reform agenda setting was informed by the literature on the public policy process and public administration reforms. More specifically, we relied on Kingdon's Multiple Streams Approach whose "barrier to entry" into policy process studies is low compared to other policy process approaches – the flexibility of this theoretical approach enables its use for various research purposes (Cairny and Jones 2016). This approach has also been adapted to reflect more fully the complexities of EU decision-making processes (Ackrill et al. 2013).

The policy window is one of the most popular concepts of this approach. Its main structural components include the institutional context, the logic used to couple streams and a decision-making style (Jones et al. 2016). Policy entrepreneurs take advantage of windows of opportunity to promote policy change (Kingdon 1984). Success of entrepreneurial behaviour depends on three critical factors: resources (e.g. time and money), access to critical decision-makers and the strategies they employ (Jones et al. 2016).

In this article, we explore each of these agenda-setting elements. First, we take into account the institutional context or the main factors facilitating or constraining reform agenda setting (crisis, changes of government and integration into international organisations). Second, we analyse a dominant coupling logic and the arguments prevailing during reform policy making. Third, we assess the exercise of (political and bureaucratic) entrepreneurship during the reform process.

Agenda-setting literature analyses this stage of the policy process through the lens of a few interconnected “streams” of policy events and actors. The Multiple Streams Approach assumes that the streams of problems, policies and politics live their own lives, but sometimes they are joined to create windows of opportunity (Kingdon 1984). Based on these three streams, it is possible to identify the three main logics of agenda setting in terms of different coupling options.

The first type of the coupling logic is *the problem-centred logic of agenda setting*, where problems are looking for policy solutions and political support. This type of coupling between problems, policies and politics can occur when pressing challenges or focusing events call for urgent political actions and policy decisions. *The political nature of agenda setting* – where political motives are driving problem definition and formulation of policy alternatives during policy making – is the second type of setting. This setting can arise after a major change of government when new political leaders undertake new reform commitments or when a policy failure turns into a political scandal. The third type of coupling is *the policy-centred logic of agenda setting*, where policy solutions are looking for potential problems and political attention. This type of coupling can happen when existing policy solutions (good practices from abroad or requirements and recommendations from international organisations) are promoted by specific policy actors.

In the first case, the problem stream dominates the policy-making process, subsuming other flows. In the second case, it is the political stream that becomes dominant, limiting the possibilities for other streams. In the third case, the policy stream sets the flow of the reform process, nesting the remaining streams within it (Howlett et al. 2015). Although these streams are only semi-independent and interconnected, we analyse them on a separate basis to point out the dominant logic of reform agenda setting in Lithuania.

Entrepreneurial behaviour should exhibit the following characteristics at least to some degree: displaying social acuity, defining problems, building teams and leading by example (Mintrom and Norman 2009). The exercise of entrepreneurship can also depend on the positions of policy entrepreneurs and the strategies they employ during the decision-making process. It is important that the existing research on agenda setting recognises that administrative agencies and bureaucrats are the central components of policy making that should be addressed by researchers (Pump 2011).

In our article, we differentiate between bureaucratic and political entrepreneurship. If a reform initiative is advocated by heads of state institutions or (senior) civil servants using administrative means (concept papers, draft legal acts, administrative letters, etc.), entrepreneurship is likely to be exercised in a bureaucratic way. In contrast, when top politicians pursue important initiatives, they frequently act in a political way by engaging with authoritative decision-makers, parliamentary groups and committees, or government ministers in the cabinet.

This article is based on the EUPACK report on Public Administration Reform Trends and Reform Dynamics in Lithuania (Nakrošis 2017) and other project deliverables. The overall purpose of this project was to enhance the knowledge and understanding of the status and reform dynamics of public administrations in EU Member States, as well as the contribution of external support (including EU funding) for improving its quality with a view to better targeting EU support in this area in the future.<sup>2</sup> The implementation of this project in Lithuania was based on desk research (literature reviews and analyses of administrative data), a mapping of administrative reform initiatives and administrative capacity-building projects supported by the ESF, as well as interviews with officials of the Lithuanian ministries and external experts from academia.

In the framework of the EUPACK project, we mapped the reform initiatives carried out by the Lithuanian governments in power from 2004 to 2016. While writing this article, this analysis was extended to cover the first year of the 2016–2020 government. After screening the main sources of information, we first established a long-list of reform initiatives. Having reviewed each of these initiatives and consulted the Lithuanian officials responsible for reforms, we then identified a set of the 20 most important initiatives based on various primary and secondary sources of information. Each of these reform measures was assessed following our methodology outlined above (in terms of a coupling logic and type of entrepreneurship). To assess which type of coupling logic and entrepreneurship prevailed, we analysed appropriate sources of primary and secondary information, as well as, when appropriate, consulting the Lithuanian officials responsible for reforms.

The initiatives selected for a more in-depth analysis correspond well to the main measures and good practices of public administration reforms identified by Lithuanian authorities or the European Commission. For instance, the Lithuanian Ministry of the Interior, which participated in the 2013 EUPAN survey during the country's Presidency in the EU Council, suggested the following key initiatives: the Public Governance Improvement Programme for 2012–2020; redistribution of functions of the county governor's administrations; and improvement of the institutional structure of the executive power. The latter two initiatives of specific nature are included in the scope of our analysis. A few of the initiatives analysed in our article were addressed in the OECD (2016) overview of country reform initiatives, which mentioned, for instance, the establishment of the "Sunset" Commission; the preparation of a competency model for civil servants; and the development of a strategic planning and monitoring system in Lithuania.

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2 This project was launched by the European Commission, DG Employment, Social Affairs and Inclusion (unit F1. ESF and FEAD Policy and Legislation) under the Contract VC/2016/0492 "Support for developing better country knowledge on public administration and institutional capacity building". The author of this article was involved in the execution of this contract.

The Commission's toolbox for public administration practitioners identified a number of inspiring examples in Lithuania, which included the development of an anti-corruption strategy and corruption risk analysis; Lithuania's system of open competition and examination in the civil service; measuring customer satisfaction in Lithuania's ESF; as well as implementing and evaluating quality service delivery in the country's courts. Also, this document mentioned the abolishment of the country's county administrations and a few examples of better regulation policy (European Commission 2017a). Most of these examples feature in the list of the top 20 public administration initiatives that are examined in this article.

### **3. Background information on the institutional context of reforms in Lithuania**

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Lithuania is a unitary state with two levels of government – the central government and local governments. The country is also a semi-parliamentary democratic republic. In terms of the nature of executive government, Lithuania finds itself in between the extremes of majoritarianism and consensualism (Pollitt and Bouckaert 2011). There is a multi-party system in place, and since 2000 governments have been formed by party coalitions rather than a single party. The country also has a rather strong executive figure embodied by the president, who is the head of state.

After Lithuania's accession to the EU, its economy experienced an economic boom. While economic growth was initially driven by productivity gains and positive effects from joining the EU (access to the Single Market and the financial benefits of EU funding), it increasingly became reliant on the expansion of domestic demand fuelled by a credit boom. Major macroeconomic imbalances (inflation, wage growth and especially current account deficits) worsened by the continuous growth of budgetary expenditure and the inability of Lithuanian authorities to accumulate a budget surplus during the years of fast economic growth. Therefore, the country's economy became very vulnerable when the global financial crisis struck and capital financing from outside dried out at the end of 2008 (Nakrošis et al. 2015).

Lithuania, along with the other Baltic countries, was among the worst-hit economies in the world in 2009. The country's real output fell by almost 15 % in 2009. This can be explained by the specific vulnerabilities that Lithuania had accumulated prior to the crisis as well as delayed political reaction and rapid worsening of market expectations. Fiscal consolidation in Lithuania largely occurred on the expenditure side, which involved cuts in the budgets of central and municipal authorities, reductions in public sector wages, civil service salaries and various social benefits (Nakrošis et al. 2015). It resulted in a considerable reduction of the government expenditure, which had been considerably increasing by 20–25 % on a yearly basis during 2004–2008.

Lithuania's GDP started growing in 2010 as a result of the successful fiscal consolidation, a recovery in the global economy, the competitiveness of the country's export-led industry, and increasing domestic demand. Lithuania has since numbered among the fastest-growing economies in the EU with real GDP growth around 3%. Though the economic growth rate dropped to 1.7% in 2015 due to the negative effects of sanctions imposed by Russia on exports from the EU, economic activity somewhat picked up in 2016 with a GDP growth rate of 2.2%.

After Lithuania's accession to the EU in 2004, the country's authorities continued to adapt domestic policies and institutional arrangements to supranational requirements and recommendations. Lithuania maintained a rather good record of transposition and implementation of EU law, as illustrated by a low transposition deficit and a relatively small number of infringement cases initiated against the country. The absorption of EU investments took place relatively quickly, with the country achieving high rankings in terms of the payment rate of EU cohesion policy. However, it became more challenging for Lithuanian authorities to keep a high implementation pace after new requirements were introduced for the results orientation of EU funds during the programming period 2014–2020 (Nakrošis et al. 2016).

In the framework of the European semester, EU institutions issued a number of country-specific recommendations to Lithuania in the area of public administration. The core issues of the European semester relating to the country's progress included (i) the reform of state-owned enterprises; (ii) the business environment (regulatory reform, capacity of regulatory bodies and administrative burden for enterprises); (iii) civil service reforms; (iv) improving the budgetary process; and (v) an effective absorption of EU funds in the country (Nakrošis 2017). These recommendations informed the reform process in the country by highlighting the main reform issues. However, the National Reform Programme, which summarises the key reforms that are being implemented or are planned to be implemented in the field of public administration, represents a reporting document rather than an ambitious reform agenda at the domestic level.

Lithuania is seeking to become a member of the OECD. The country's membership application was renewed in 2012, and the accession process started in 2015. Every applicant state is required to implement the principles laid down in the OECD guidelines. A series of OECD committees carry out technical reviews of the country's situation and the progress achieved in specific policy fields. For instance, the OECD is closely monitoring changes to transparency and efficiency in the management of state-owned enterprises or the application of anti-corruption measures in the country. Also, applicant countries should address recommendations provided in specific OECD policy reviews and other reports. For instance, in response to a public management review on open government (OECD 2015a) or a review on



regulatory policy (OECD 2015b), Lithuanian authorities set out a number of activities for implementation.

Five governments of different political ideologies have been in power in Lithuania from 2004 to 2017. The 2004–2006, 2006–2008 and 2012–2016 governments were led by the leaders of the Lithuanian Social Democratic Party (Prime Ministers A. Brazauskas, G. Kirkilas and A. Butkevičius, respectively). The 2008–2012 government was led by Prime Minister A. Kubilius, the leader of the Homeland Union (Lithuanian Christian Democrats). The 2016–2020 government is led by Prime Minister S. Skvernelis, the co-leader of the Lithuanian Farmers and Greens Union.

All of these governments were coalition governments, involving one or more coalition partners in their ruling majorities. The 2016–2020 ruling coalition led by the Lithuanian Farmers and Greens Party initially contained the Lithuanian Social Democratic Party, but some of the members of the party's parliamentary group decided to split from the ruling majority in 2017. The Kubilius and Butkevičius governments were the first two Lithuanian cabinets that fully served their four-year terms, whereas the Brazauskas and Kirkilas governments were in power for about two years. The Skvernelis government was in office at the time of writing this article.

#### **4. The reform agendas of the Lithuanian governments during 2004–2017**

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This section of the article discusses the administrative reform agendas of Lithuanian governments during 2004–2017 on the basis of the top 20 reform initiatives. The reform agendas focused on the areas of Organisation and Management of Government; Service Delivery and Digitalisation; as well as Civil Service and Human Resource Management. These areas featured six, five and four reform initiatives, respectively, during this period. Three reform measures were initiated in the area of Policy Making, Coordination and Implementation, two of them in the area of Transparency and Accountability (see Table 1 below).

The 2008–2012 government led by A. Kubilius was the most active in terms of major reforms – it started the execution of nine reform initiatives. The 2016–2020 government led by S. Skvernelis was also actively engaged in reform policy making – it took on three new reform initiatives from the end of 2016 to the end of 2017. Although the 2012–2016 government led by A. Butkevičius served the full term, it initiated only three important reform measures, followed by the 2006–2008 and 2004–2006 governments, which took responsibility for only two important measures each.

The main motive of twelve reform initiatives was capacity/service/policy improvement in the public administration system, while three of them concerned cost-saving and efficiency. The remaining five measures had a mixed purpose in terms of seeking both improvements in public administration and its greater ef-

**Table 1**  
The main reform initiatives of the Lithuanian governments in the period 2004–2017

<b>Term of government</b>	<b>Transparency &amp; Accountability</b>	<b>Civil Service &amp; HRM</b>	<b>Service Delivery &amp; Digitisation</b>	<b>Organisation &amp; Management of Government</b>	<b>Policy Making, Coordination &amp; Implementation</b>
<b>The 2004–2006 government</b>			Increasing the availability of online public services (2005–ongoing) (I)	Public sector accounting reform (2005–2012) (I)	
<b>The 2006–2008 government</b>		Training of civil servants (2007–ongoing) (I)	Introduction of the one-stop-shop principle and quality management standards (2007–ongoing) (I)		
<b>The 2008–2012 government</b>	Reform of the governance of state-owned enterprises (2009–ongoing) (C and I)	Staff reductions and cuts to civil service salaries (2008–2011) (C) Civil service reform (2010–2012) (C and I) Introduction of the competency model in the Lithuanian civil service (2010–2016) (I)	Development of the interoperability of state information systems (2008–ongoing) (I)	Improvement of result-oriented management (2009–2012) (I) Re-establishment of the “Sunset” Commission and optimisation of the institutional set-up (2009–2012) (C) Abolishment of the county administrations (2009–2010) (C and I)	Reform of the regulatory institutions (2010–ongoing) (I)
<b>The 2012–2016 government</b>	Anti-corruption assessment of draft acts (2014–ongoing) (I)		Optimisation of the state information infrastructure (2015–ongoing) (C and I)		Public consultation with stakeholders (2013–ongoing) (I) Reduction of administrative burden to businesses and citizens (2014–ongoing) (I)

<p><b>The 2016–2020 government (until the end of 2017)</b></p>			<p>National service centre (2017–ongoing) (C)</p>	<p>“Change baskets” (2017–ongoing) (C and I) Introduction of project management principles (2017–ongoing) (I)</p>	
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Source: the author based on the task 2 report of the EUPACK project (Nakrošis 2017).

Remark: the main purpose/motive of the reform initiative: cost-saving/efficiency (C) or capacity/service/policy improvement (I).

iciency. Most of the initiatives related to cost-saving and efficiency were pursued by the 2008–2012 government, which ruled during the financial crisis. Also, the agenda of the 2012–2016 government combined both motives of public administration reform.

Only a weak link exists between the adoption of comprehensive public administration strategies and the main reform initiatives. The Strategy of Public Administration Development until 2010, which was adopted in 2004, contained the following priorities: (i) enhancement of the administrative capacity of civil servants and improving their image; (ii) modernisation of the public administration system and the internal structure of public sector organisations; (iii) development of local self-government by creating an effective management system; and (iv) improvement of the availability, quality and transparency of public services (Lietuvos Respublikos Vyriausybė 2004). Despite the announcement of this strategy, the 2004–2006 and 2006–2008 governments embarked upon only a few significant reform measures. Also, none of their reform measures concerned the modernisation of the administrative structure, the second priority of the Strategy of Public Administration Development. The implementation of the Strategy of Public Administration Development until 2010 suffered from the legalistic approach to reform, focusing on legal changes rather than actual public administration improvements (Nakrošis 2017).

The financial crisis and the NPM-based reform policies of the 2008–2012 government changed the economic and political context of agenda setting. New reform initiatives gained the attention of decision-makers and reached the institutional agenda of the Lithuanian cabinet. To better implement its priorities, the Kubilius government employed a managerial approach to public administration modernisation. Its reform policy was based on a set of political priorities adopted by the Lithuanian cabinet in 2009, which focused on fiscal consolidation and some structural reforms (including civil service, higher education, health care and pension reforms). However, a new comprehensive administrative reform programme was not adopted until the very end of this government's term, when Lithuanian authorities started their preparations for the 2014–2020 programming period of EU funding.

The modernisation of public administration, efficiency gains and the promotion of results-based management – each of these instruments corresponding to the NPM doctrine – became important priorities of the Kubilius government. To implement these reforms, the cabinet or its individual ministers undertook various political initiatives, which included the re-establishment of the “Sunset” Commission; optimisation of the institutional structure; abolishment of the county administrations; reform of the regulatory institutions; reform of the governance of state-owned enterprises; as well as staff reductions and cuts to civil service salaries or civil service reform (see Table 1 above). The agendas of the country's public administration reforms also affected organisational change in individual state institutions. According to the 2013 COCOPS survey, public sector downsizing, customer

orientation and focus on results, which are all rooted in the NPM paradigm, were regarded as the most relevant reform trends by Lithuanian senior executives (Rauleckas et al. 2016).

In the context of economic recovery and due to the absence of an ambitious reform agenda, the 2012–2016 Lithuanian government continued only some of the previous reform initiatives and launched a few new measures in the policy fields where Lithuania was lagging behind (especially in the areas of Transparency and Accountability Mechanisms; as well as Policy Making, Coordination and Implementation). For instance, Lithuanian authorities elaborated the instrument of anti-corruption assessment or announced a new instrument of public consultation with stakeholders during this period. Greater attention to the issues of Transparency and Accountability is attributable to the country's accession to the OECD that, among other things, emphasised the issue of fighting corruption, as well as the adoption of the Public Governance Improvement Programme 2012–2020 (in 2012). The strategic goal of the new Programme is to ensure the development of public policy that meets the needs of the public and its effective implementation, and its first priority – increasing the openness of public administration processes and encouraging society to actively participate in them (Lietuvos Respublikos Vyriausybė 2012) – corresponds to the field of Transparency and Accountability.

While pursuing some system-wide reforms in the context of budgetary constraints, the 2016–2020 Lithuanian government undertook a few important reform initiatives, which included so-called “change baskets” (earmarking additional financial resources for new government commitments), a National Service Centre (a shared centre for support services), or project management at the central level of government. Also, this government developed an action plan for improving the efficiency of the country's public sector. This fact points to the return of cost-savings and efficiency measures to the governmental agenda of administrative reforms after the 2012–2016 government finished its term, despite the absence of efficiency-related objectives in the Public Governance Improvement Programme 2012–2020. It should be admitted that this government also resumed some reform projects that were launched by the Kubilius government, but their execution stalled when the Butkevičius government was in office (including the reform of state-owned enterprises or civil service reform).

## **5. Coupling logic and entrepreneurship in the agenda-setting process**

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The previous section of the article described the main initiatives of public administration reforms and explored their economic and political context that affected the emergence of some reform projects through issue prioritisation and selection for policy action. This approach to assessing agenda setting cannot, however, ex-

plain the behaviour of policy actors while developing reform measures. In this section of the article, we analyse the coupling logic and entrepreneurial behaviour that contributes to opening up policy windows for reforms within the existing institutional context.

The results of our analysis for each of the top 20 reform initiatives (see Table 2 below) show that a policy-centred logic of coupling together with bureaucratic entrepreneurship prevailed during the 2004–2006 and 2006–2008 governments. The immediate post-accession period was characterised by relatively strong pressures of EU requirements, such as the effective application of EU *acquis* provisions and the efficient absorption of EU structural funds. All of the important reform initiatives that were pursued by these social-democratic governments emerged at the administrative level. For instance, managers from the Ministry of Finance designed the reform of accrual accounting, while professionals of the Ministry of the Interior introduced the one-stop-shop principle and quality management standards. The policy solutions proposed in the main reform measures matched well EU requirements and recommendations (e.g. in the case of training of civil servants or e-governance), as well as drawing on the public administration practices applied in some European or non-European public administrations (e.g. in the case of public sector accounting or quality management methods). Social-democratic politicians were receptive to the reform ideas advocated by supranational or national “change agents” in order to achieve greater compliance with the provisions of EU law or to modernise the country’s public administration based on European good practices.

The ruling of the Lithuanian Social Democratic Party during the period 2012–2016 was also similar to those of the 2004–2006 and 2006–2008 governments in terms of the dominant coupling logic and type of entrepreneurship. As opposed to the EU requirements that prevailed in the country during the first few years of EU membership, it was Lithuania’s accession to the OECD that opened the window for some administrative reforms in the country for several years during the 2010s. For instance, the review by the OECD (2015) emphasised a fostering of open and inclusive policy making that led to the development of public consultation with stakeholders by government advisors from the Government Office. The country’s authorities also approved new anti-corruption measures (including the anti-corruption assessment of draft legal acts) contributing to advancing its OECD membership’s application. “Change agents” from the administrative level advocated the adoption of some reform initiatives during the period 2012–2016. For instance, the optimisation of the state information infrastructure was initiated by senior civil servants working in the Ministry of Transport and Communications and the Government Office, whereas statutory servants from the Special Investigation Service further developed the mechanisms of corruption proofing in the country. These examples indicate that the flow of the reform process was dominated by the policy stream, offering appropriate policy packages to receptive decision-makers.

**Table 2**  
The coupling logic and entrepreneurship during reform policy making  
in Lithuania

Reform initiative	Elements of the logic of agenda setting			Dominant logic	Entrepreneurship (bureaucratic or political)
	Problem logic	Political logic	Policy logic		
<i>The 2004–2006 and 2006–2008 governments</i>					
<b>Public sector accounting reform</b>	Inconsistencies in the system of public sector accounting and financial accountability	Modernisation of financial management in the public sector according to internationally recognised standards	Introduction of accrual accounting based on the practices of foreign governments and businesses	Policy-centred logic	Bureaucratic
<b>Training of civil servants</b>	Insufficient capacities of civil servants to manage EU affairs	Meeting EU requirements and recommendations	Increasing professionalism and administrative capacities in the civil service	Policy-centred logic	Bureaucratic
<b>Introduction of the one-stop-shop principle and quality management standards</b>	Insufficient quality of public services	Meeting EU recommendations and cooperation in the framework of the EU Public Administration Network	Introduction of quality management methods in European public administrations	Policy-centred logic	Bureaucratic
<b>Increasing the availability of online public services</b>	Insufficient application of information technologies in the public sector	Implementing EU political initiatives concerning e-government	Increasing the scope of online public services and their interactivity	Policy-centred logic	Bureaucratic
<i>The 2008–2012 government</i>					

Table 2 – continuation

Elements of the logic of agenda setting						Entrepreneurship (bureaucratic or political)
Reform initiative	Problem logic	Political logic	Policy logic	Dominant logic		
<b>Reform of the governance of state-owned enterprises</b>	Politicisation of the governance of state-owned enterprises; limited dividends of these enterprises to the state budget	Greater transparency and efficiency in the performance of state-owned enterprises	Applying the OECD principles of corporate governance in state-owned companies	Political logic	Political	Political
<b>Staff reductions and cuts to civil service salaries</b>	Decreasing revenues of the state budget; inefficient performance of the civil service	Fiscal consolidation and a more efficient civil service	Cuts across the board and differentiated cuts among state institutions and types of servants	Problem-centred logic	Political	Political
<b>Introduction of the competency model in the Lithuanian civil service</b>	A complex and inefficient system of job descriptions in the civil service	Modernisation of a personnel management function in civil service authorities	Introducing a competency-based framework in the civil service	Policy-centred logic	Bureaucratic	Bureaucratic
<b>Development of the interoperability of state information systems</b>	Fragmented development of state information systems	Promoting the provision of complex public services online	Development of a platform to exchange data between public administration institutions	Policy-centred logic	Bureaucratic	Bureaucratic
<b>Improvement of results-based management</b>	Weak performance monitoring and evaluation in the performance management system	Promotion of results-based management in government institutions	Development of performance monitoring and evaluation tools and IT solutions	Policy-centred logic	Bureaucratic	Bureaucratic



Table 2 – continuation

Elements of the logic of agenda setting					Dominant logic	Entrepreneurship (bureaucratic or political)
Reform initiative	Problem logic	Political logic	Policy logic			
<b>Re-establishment of the "Sunset" Commission and optimisation of the institutional set-up</b>	Decreasing revenues of the state budget; fragmented structure of the executive system	Fight against bureaucracy in public administration	Review of state institutions and their functions; abolishment and mergers of government agencies		Political logic	Political
<b>Reform of the regulatory institutions</b>	Insufficiently friendly business environment, excessive administrative burden	Moving from the culture of bureaucratic control and punishment to business advice and assistance	Application of common instruments in regulatory agencies, agency mergers		Political logic	Political
<b>Abolishment of the county administrations</b>	Decreasing revenues of the state budget; limited competencies of local authorities	Resource savings, empowerment of local authorities	Transfer of functions to the local level		Political logic	Political
<b>Civil service reform</b>	Politicised management of the civil service; inefficient performance of the civil service	De-sovietisation of the civil service and making it more business-like	Introduction of a position-based model in the civil service; reform of the remuneration system		Political logic	Political
<i>The 2012–2016 government</i>						
<b>Anti-corruption assessment of draft legal acts</b>	Insufficient containment of corruption in Lithuania	Improvement of an anti-corruption and control system	Introduction of corruption proofing		Policy-centred logic	Bureaucratic
<b>Optimisation of the state information infrastructure</b>	Fragmented system of data centres	Optimisation of the state information infrastructure	Consolidation of data centres and use of cloud computing		Policy-centred logic	Bureaucratic

Table 2 – continuation

Reform initiative	Elements of the logic of agenda setting			Dominant logic	Entrepreneurship (bureaucratic or political)
	Problem logic	Political logic	Policy logic		
<b>Public consultation with stakeholders</b>	The problem of limited stakeholder engagement in policy making	The political priority of accession to the OECD and the need to comply with external guidelines	The solution of stakeholder consultations promoted by the OECD and the European Commission	Policy-centred logic	Bureaucratic
<b>Reduction of administrative burden to businesses and citizens</b>	Excessive administrative burden for businesses and citizens	Meeting the needs of businesses and citizens in the provision of public and administrative services	Implementation of better regulation principles and measures	Policy-centred logic	Bureaucratic
<i>The 2016–2020 government</i>					
<b>“Change baskets”</b>	Persisting problems of poverty and income inequality; the challenge of external security	Prioritisation of government expenditure in the context of budgetary constraints	Introduction of “change baskets” that allow to set aside savings and some revenues for new priorities	Policy-centred logic	Political
<b>National service centre</b>	Inefficient exercise of the staff functions in the Lithuanian ministries and agencies	Political support for savings and efficiency gains in public administration	Establishment of a shared service centre for optimising staff functions	Political	Political
<b>Introduction of project management principles</b>	Incomplete implementation of reforms, project execution over budget and time	Application of business practices while implementing new reform commitments	Introduction of a project portfolio and project management to the execution of government priorities	Policy-centred logic	Political

Source: the author of the article based on desk research.

In contrast, a political logic of coupling together with political entrepreneurship prevailed during the 2008–2012 government. The main initiatives of change – reforming the governance of state-owned enterprises, the re-establishment of the “Sunset” Commission and the optimisation of the institutional set-up, the abolishment of the county administrations, reforming regulatory institutions, or civil service reform – were motivated by the NPM doctrine and steered by top political leaders (Prime Minister A. Kubilius and several cabinet ministers) from the government centre. A major change of government (replacing the social-democrats with the conservatives in office) and the financial crisis called for urgent political actions and produced major shifts in reform directions. For instance, the politicians and senior executives of the Kubilius government believed that the civil service needed to be de-sovietised, deprived of its special status and based on the principles of private sector management, following the NPM doctrine. These policy beliefs can be contrasted with the hierarchical concept of civil service and the preservation of the career-based model backed by social-democratic politicians (Nakrošis et al. 2018). Also, the fiscal consolidation programme required Lithuanian authorities to implement some of these reform projects, in particular staff reductions and cuts to civil service salaries aimed at reducing government expenditure during the financial crisis (Nakrošis et al. 2015).

The agenda-setting process during the first year of the 2016–2020 term has been characterised by a more mixed logic of coupling, but the exercise of entrepreneurship was primarily political. For instance, the Skvernelis government has strengthened the political focus of the budget by introducing the so-called “change baskets”, which earmarked additional financial resources for the implementation of government priorities and other legislative commitments. It has also advanced the implementation of its priority actions by developing a new mechanism of project portfolio management to coordinate 41 IT, infrastructure and change projects in the government centre. Furthermore, it intends to set up a National Service Centre by consolidating some staff (human resource management and bookkeeping) functions in a new organisational entity whose services would be shared by government ministries and agencies. These initiatives were launched by a new political leadership of the Government Office (a new Chancellor of the Government and political advisers to Prime Minister S. Skvernelis), who took advantage of their appointments to promote the systemic policy change announced in the government programme of the ruling coalition. However, a recent replacement of the Government Chancellor (a former corporate executive) with a more bureaucratic figure (a former police chief and a top senior servant in the Ministry of the Interior) can produce a shift in the style of reform leadership inside the government centre, making it less business-like and again more bureaucracy-like.

## 6. Conclusions and discussion

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Budgetary constraints and the reform policy priorities of the Lithuanian government explain the ambitious agendas of administrative reforms during the 2008–2012 government and, to a lesser extent, the 2016–2020 government. The global financial crisis and a change of government at the end of 2008 opened up a wide window for policy change, prioritising fast and ambitious action. In addition to implementing the large fiscal consolidation programme, the Kubilius government introduced several NPM reforms in the country's public administration. The more recent Skvernelis government also announced efficiency enhancements in the public sector and followed a managerial approach to reforms from the end of 2016 to the end of 2017. In contrast, in the favourable reform context characterised by rapid economic growth, the 2004–2006, 2006–2008 and 2012–2016 governments led by the Lithuanian Social Democratic Party pursued more incremental policies of public administration improvement. During these periods, the main initiatives of administrative reforms were promoted by international organisations, Lithuanian top public managers and other civil servants, and they were debated mostly in administrative venues.

The results of our research also revealed some similarities and differences in the agenda-setting process of administrative reforms in Lithuania. For instance, the 2004–2006, 2006–2008 and 2012–2016 governments relied strongly on a policy-centred logic of coupling with bureaucratic entrepreneurship, while being politically receptive to the external pressures arising from the country's membership in the EU and its plans for accession to the OECD. The central locus of external requirements in the transmission belt of policy decisions enhanced the credibility of the reform agendas during these government terms. The political logic of coupling and political entrepreneurship prevailed during the 2008–2012 government, with top politicians prioritising political venues and frames during policy making. Therefore, the political stream often set the flow of the reform process and nested the streams of problems and policy solutions within it during this period. The political elements of agenda setting also gained importance after the appointment of the 2016–2020 government, but important changes to the composition of the ruling coalition and the political leadership that occurred during its first year in office can alter the future logic of reform agenda setting.

Overall, our comparative analysis across the five Lithuanian governments of different political ideologies allowed us to identify common patterns of reform agenda setting in Lithuania. Whereas Lithuanian governments led by the social-democrat leaders tended to embrace international policy solutions (good practices or recommendations from abroad) promoted by representatives of international organisations or (top) civil servants, conservative politicians prioritised reforms based on their ideological positions and existing economic circumstances. The 2016–2020 government led by the Lithuanian Farmers and Greens Union has some

similarities to the conservative government in terms of political entrepreneurship, but its heuristics resembled the policy-centred logic of agenda setting that was followed by the previous social-democratic governments. All in all, the Lithuanian party blocs centred around conservatives and social-democrats indeed differentiate their reform agendas not only based on their ideological positions but also according to the logic of coupling the streams of problems, policies and politics.

As a result, the top-down approach to reform policy making prevailed during the 2008–2012 government and, to a lesser extent, the 2016–2020 government. Both of these governments pursued major structural reforms or system-wide changes in public administration. In contrast, in the absence of ambitious political agendas a more bottom-up approach to administrative reforms was followed by the Lithuanian cabinets during 2004–2008 and 2012–2016. This demonstrates how the political climate shapes the agenda-setting process and affects the actions of policy actors engaged in the development of different reform initiatives. Since our research was limited to the agenda-setting stage of the policy process, it was not possible to assess which approach has allowed achieving more progress during the formulation or implementation of reform measures in the country.

This article contributed to the application of agenda-setting theories outside of the United States and Europe (Jones et al. 2016). By analysing the institutional context, the three types of coupling logic and the two types of policy entrepreneurship, our research not only addressed the interplay between the contextual variables and the behaviour of policy actors during the reform process, but also revealed some patterns of agenda setting in the Lithuanian political system. We also made an important shift from the analysis of formal government strategies to that of key reform initiatives in the study of administrative reforms in the CEE region. Our research strategy allowed us to generate additional insights on the broader context of administrative reforms and the behaviour of political and administrative actors that need to be understood by politicians and practitioners while designing NPM reforms (Dan and Pollitt 2014).

Our research points to a few specific directions for future research. The analysis of reform initiatives could be extended to the stage of policy implementation and its outcomes, which would allow one to investigate if policy entrepreneurship was successful and what happens “on the ground” when reform decisions are adopted. We do not expect, however, to find a straightforward relation between the number of reform initiatives and their ambition on the one hand and implementation results on the other. This is because political commitments often face substantial difficulties during reform adoption and execution. Also, the policy making and implementation of main reform initiatives could be analysed from a comparative perspective in a few selected countries in CEE. This research would enable determining cross-country similarities and differences in the institutional context, content and process of public administration reforms. Furthermore, future analysis of agenda setting

should better differentiate between a series of policy windows that open up at international, EU and domestic levels at different points of time. This would better explain the progressive influence of international organisations, more specifically the European Commission, on the dynamics of agenda setting, thus helping to resolve the puzzles of multi-level policy-making processes in the EU (Ackrill et al. 2013).

The results of this article also allow us to make a few suggestions for CEE decision-makers and practitioners engaged in the development of important reform initiatives. First, top public managers are well placed to act as policy entrepreneurs during the process of administrative reforms. By collaborating with immediate decision-makers and other stakeholders, they can create windows of opportunity through an effective linking of problems, policy solutions and politics according to different types of coupling logics. Being positioned at the intersection of various levels, these managers can act as a bridge between political leaders (who often promote politically motivated ideas) and civil servants (who frequently advocate policy solutions that could solve specific policy problems). Second, a stronger link should be established between the European semester documents, the reform agendas of governments in CEE and EU funding for administrative capacity building. This would ensure a stronger contribution of EU policy and financial assistance to the design and execution of administrative and other reforms (Nakrošis 2017), thus improving the effectiveness of EU instruments at the domestic level. The Structural Reform Support Service, which is a new reform service operating in the Secretariat-General of the European Commission, has started supporting EU member states in the design and execution of structural reforms by providing direct financial and technical assistance, but the impact of these reform projects remains to be seen.

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