Executive agencies, ministers and departments:

Can policy and management ever be separated?

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Abstract
The creation of executive agencies outside core departments has been a major element of administrative reforms throughout Europe during the past two decades, driven by a managerial logic, which also has been at the core of most academic works on “agencification”. In this article, we take a different perspective by focusing on executive agencies’ influence in the policy-process. We analyze the policy influence of a large executive agency with service delivery tasks in the context of a parliamentary system of government (Flanders, Belgium). A comparison of the agency’s influence in two major policy processes shows that a complex interplay of policy content, patterns of interaction and mutual trust with the political leadership and organizational characteristics help explaining the observed patterns of influence. The findings also raise normative concerns regarding potential problems of disconnecting operations from policy formulation via agencification.

Keywords: executive agencies, agencification, policy formulation, bureaucratic discretion, delegation, political control public transport
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In many countries throughout Europe, executive agencies have been created throughout the past 10-20 years by hiving off organizational units from ministerial departments, by separating horizontally integrated functions, or by setting up agencies for new tasks (Christensen & Lægreid, 2006; Kickert & Beck Jørgensen, 1995; OECD, 2002; Pollitt & Talbot, 2004; Pollitt, Talbot, Caulfield, & Smullen, 2004). In the European context, executive agencies are generally characterized by a public law legal status, functional separation from their parent ministries or departments, some decision-making competencies which are not enjoyed by the parent department itself (e.g. managerial decisions), but no statutory independence of the parent department, which may alter the organization’s budget or interfere in operational goals and decisions of the organization (Pollitt et al., 2004, p. 10). In parliamentary systems of government, executive agencies are primarily controlled by the parent department and its political leadership. Thus, there is much less direct parliamentary control of executive agencies like in the US where federal agencies are “caught in the middle” (Weingast, 2005) between the influence of the President and the two houses of Congress.

The main reform elements were hiving-off executive organizations from ministerial bureaucracies (headed by a politically accountable minister), granting extended levels of managerial freedom, and introducing some kind of performance management (Talbot, 2004a). In line with the managerial focus of agencification, there is a large body of literature on these reforms and their effects in terms of public sector performance.
In contrast, the implications of agencification reforms on the relationship between parent departments and executive agencies in the policy-making process got little attention. In this context, Pollitt et al. (2004) argue that splitting policy and operations is not a generic feature of agencification reforms and provide several examples of executive agencies with either explicit or implicit policy functions. However, assuming that policy design is an important function or activity of executive agencies, there is surprisingly little research on the empirical dimension of this issue, about the channels of influence and about possible explanations for observed (lack of) influence (e.g. Carpenter, 2001; Egeberg, 1995; Elder & Page, 1998; Gains, 2003; Jacobsson, 1984; Verschuere, 2009). If one of the objectives of agencification reforms has been to strengthen operational matters in policy formulation (Gains 2003; Kickert & Beck Jørgensen, 1995), the question whether executive agencies actually have some influence in policy decisions and how this influence looks like becomes highly relevant. For instance, according to an official report on the UK’s executive agencies (HM Treasury & The Prime Minister's Office of Public Services Reform, 2002), executive agencies have become disconnected from their parent departments and are “treated as a self-contained project from the business of policy-making” (p. 11).

In this article, we address the relationship and interactions between departments and their political leadership and executive agencies in the policy-making process in Flanders (the largest state of federal Belgium). In 2000, the Flemish government embarked on the so-called “Better Governmental Policy” reform which was put into practice in 2006.
The principles behind this reform were an increased managerial autonomy for executive agencies, combined with a decreased policy-making role. Under the so-called ‘primacy of politics’, policy-making is the prerogative of the government and its central administration, while executive agencies should stick to implementing these policies (Verschuere, 2009). The question is, however, to what extent this rather theoretical role division between policy-making (government and its administration) and policy implementation (executive agencies) is observed in reality. The research questions are the following: To what extent has the case organization, a large executive agency with service delivery tasks, been able to influence key policy decisions in its area of activity? How can differences in policy influence among different policies and decision-stages be explained? What lessons can be drawn about the policy influence of service delivery agencies in parliamentary systems more generally?

The article is divided into four parts. In the following section, we provide an overview of the literature on policy influence of bureaucratic actors and executive agencies. Then, we develop an analytical framework for the study of executive agencies’ policy influence. Next, we present the results of our case study. Finally we discuss our findings and propose some directions for further research.

**Policy Influence of Administrative Actors: Literature Review**

According to a common understanding of democratic governance, administrative actors should implement policies that were decided upon by democratically legitimised politicians (Peters, 1988; Svara, 2006a). The separation of policy and operations as a means for improving management or political control (or both at the same time) is also a
classical argument in public sector reform (Hood & Jackson, 1991). This argument is at the core of the creation of executive or arm’s length agencies in many countries. For example, in the recent Flemish Better Governmental Policy Reform, it is explicitly recognized that autonomous agencies implement the policies decided upon by politicians and prepared by central ministries (Verschuere, 2009).

A large number of studies, however, show that this dichotomous distribution of roles of political and administrative actors does not adequately reflect empirical reality (Aberbach, Putnam, & Rockman, 1981; Aberbach & Rockman, 1988; Kingdon, 1984; Peters, 1988). Yet, these studies mostly focus on senior bureaucrats in ministerial bureaucracies (Aberbach et al., 1981; Derlien, 2003; Mayntz & Scharpf, 1975; Olsen, 1983; Vancoppenolle, 2006), as well as within local government administrations (Jacobsen, 2006; Svara, 2006b). Also, the discretion of administrative agencies and “street-level bureaucracy” (Lipsky, 1980) in the implementation of policies has been extensively studied (see deLeon & deLeon, 2002 for an overview of this research). These studies show that despite important differences across countries, policy fields, and over time regarding the functions performed by politicians and administrators and the discretion of public managers, it is virtually impossible to clearly distinguish between policy and administration in practice.

However, this has not kept administrative reformers from creating executive agencies, by which “executive work should be given more attention, more esteem, more influence” (Kickert & Beck Jørgensen, 1995, p. 581). Yet, these authors also warn that the result could not only be a stronger consideration of the feasibility of proposed policy measures, but a “dual policy system” (p. 582) in which agencies develop their own policy
proposals which may conflict with the intentions of the political leadership and the parent department.

Against this background, there is surprisingly little empirical research on the distribution of functions between ministries on the one hand and executive arm’s length agencies on the other hand, in particular with regard to policy design. A study by Egeberg (1995) on two planning processes in the transportation sector in Norway shows that a large degree of policy-making took place at the agency level, albeit with some differences across the two agencies involved which explain variations in policy influence. In the Swedish context, Jacobsson (1984) studied the relative influence of agencies and ministries with regard to major policy changes in six policy fields, also showing varied, but generally large input of agencies in policy decisions. However, Swedish agencies are an exceptional case because of their long agency tradition and a constitutionally guaranteed independence of agencies from ministerial oversight (Pierre, 2004). Elder and Page (1998) confirm a relatively strong policy influence of Swedish agencies in comparison with German agencies, but they also stress major differences and mixed levels of policy influence between agencies from the same country and across politico-administrative contexts. Also, they point the importance of the ministries’ willingness to let agencies have a say in policy decisions. Among others, the characteristic function of an agency seems to mediate its policy influence (Elder & Page, 1998). Here, it is important to note that the effect of task characteristics (e.g. political salience, technical complexity, and degree of commercial activities) on agency autonomy and management is repeatedly emphasized in the research literature (Pollitt, 2006; Yesilkagit, 2004; Beck Jørgensen, Hansen, Antonsen, & Melander, 1998). The effect of the ministry’s propensity
towards including agencies in policy decisions is also emphasized in a study of executive agencies in the UK and their relations with ministers and departments (Gains, 2003). This study shows that agencies increasingly could influence the development of their operational goals. Besides that, some agencies were found to develop distinct policy preferences and to translate these preferences into the policy agenda. Carpenter (2001), in a historical study of three US agencies shows that agencies may become really distinct political entities with a lot of capacity to forge their own preferred policy decision-making. The embeddedness of these agencies (and their leaders) in networks and the organizational capacities that were built-up over time, may give agencies a strong reputation and provide them with legitimacy. This reputation and legitimacy enables agencies to influence the policy agenda in their favour.

Besides research that is case study based, recently some efforts have been undertaken to measure the discretion of executive agencies via large-N survey research in several countries, among others Flanders (Verhoest, Peters, Bouckaert, & Verschuere, 2004), the Netherlands (Yesilkagit & van Thiel, 2008), Norway (Lægreid, Roness, & Rubecksen, 2006), Ireland (McGauran, Verhoest, & Humphreys, 2005) and Germany (Bach, 2010). In these surveys, the management of executive agencies was asked whether the agency is able to make choices about the target groups of the policy, or the policy-instruments to apply. For all countries that have been surveyed, it was found that the majority of the agencies report to have a large say in the choice of target groups and policy-instruments. However, these studies also report clear differences across agencies, as they may take these decisions totally autonomously, after having consulted the political oversight authorities, or within some conditions set by the parent ministry.
The conclusion of this overview of the literature is that most research, small-N or large-N, confirms that executive agencies may have significant policy influence in policy formulation (yet with clear variation among agencies and countries) and generally seem to have substantive discretion when implementing policies. However, the research is very diverse and heterogeneous as to methods and concepts used. Many different conceptualizations of policy influence are applied, often in a one-dimensional way. For instance, the large-N survey research looks at the actors taking policy-decisions about target groups and policy instruments, which is a very narrow concept of policy influence as the level of discretion agencies have in implementing policy (Ringeling, 1978). Huber and Shipan (2002) do this in a rather formalistic way by looking at the level of discretion that is left to the agency, after the principals have designed the legislation that should be implemented by the executive agency. This legislation may be detailed or not, resulting in a certain level of discretion for the agency while implementing policies.

Other research looks at policy influence as the extent to which agencies are able to set the policy agenda themselves, hence deciding on the policies and the very content of the policies. Carpenter (2001) applies an extended conceptualization of policy influence of public agencies by looking at the autonomy of the agency to take the decisive step towards new policy by establishing the policy agenda. Hammond and Knott (1999), in a theoretical exercise, take a similar stance, by looking at the influence public managers can have by making or proposing significant policy choices themselves in a political setting.

An Analytical Model for Assessing Executive Agencies’ Policy Influence
We bring together these various conceptualizations in a multi-dimensional concept of executive agencies’ policy influence. This allows us to take into account the different policy-programs in which agencies are involved, the different stages in the policy cycle, and the policy-related decisions taken. Also, this broad conceptualization enables us to assess the relative influence of executive agencies in decisions taken in different stages of different policy-programs, providing a more complete understanding of executive agencies’ policy influence, both in terms of policy-formulation, decision-making and bureaucratic discretion. We distinguish between four levels of analysis:

The first dimension of analysis is the policy program. Whereas existing studies either focus on policy influence in general (Elder & Page, 1998), or compare the influence of different agencies in the development of different policy programs (Egeberg, 1995; Jacobsson, 1984), we suggest studying the policy influence of the same agency across different policy programs. As we will show below, an agency’s influence on policy decisions may not be the same for all policies within its area of responsibility.

Second, we look at the agency’s policy influence from a dynamic perspective by referring to the ideal-type policy cycle (Jann & Wegrich, 2007). On the one hand, an agency may to a greater or lesser extent be involved in authoritative decisions about the content of policy programs (for example choosing desired goals and outputs to be delivered by the policy) (Carpenter, 2001; Egeberg, 1995; Hammond & Knott, 1999). On the other hand, an agency may also be able to make autonomous decisions while it is implementing policies (for example, deciding in individual cases, deciding on how to process the policy) (Ringeling, 1978; Huber & Shipan, 2002; Krause, 2003).
Third, an agency can have influence with regard to operational, tactical or strategic policy-decisions (Verhoest, 2002; Verhoest et al., 2004). Strategic policy decisions deal with the general principles, goals and desired societal effects to be achieved with the policy. Tactical policy decisions deal with the choice of the quantity and the quality of the outputs that should be delivered via the policy-program, the target group, and the policy instruments. Finally, operational policy decisions are about procedures and activities that have to be performed in order to deliver the intended outputs.

Fourth, policy influence is a relational concept, as policy-making is a process of interaction between various actors with different types of resources. In complex policy fields, political actors, administrative actors, and societal actors (e.g. advocacy groups) all together have a stake in the policies to be designed. Hence, the influence of these actors in shaping policy, will also depend on the level of influence other actors are able to exert. In other words, policies are the result of interaction between a variety of actors involved in a given policy subsystem (Beck Jørgensen et al., 1998; Gains, 2003; Kingdon, 1984).

In sum, the agency’s policy influence is the extent to which it influences the eventual content of the decisions that were made about the policy in different stages of the policy process (thus not only in the decision-making-phase, but also during the preparation, the implementation and the evaluation) of different policy programs.

The Case of the Flemish Public Transport Agency

Data and method.

In the empirical part of this article, we study the policy influence of an executive agency with extensive service delivery tasks in the context of a parliamentary system of
government (Flanders). The research design can be characterized as within-case analysis; we analyze two distinct policy programs in which the agency has been involved at various decision-stages, and which are implemented by the agency. The case study provides a thick description of the agency’s role in the selected decision-making processes. This allows us to draw inferences on the effect of policy program and actor constellations on the agency’s policy influence (strategic, tactical, operational) in the different stages of the decision-making processes. We discuss the relevance of our empirical findings and develop several theoretical propositions in the final chapter of this article.

The case organization is the Flemish Public Transport Agency (*Vlaamse Vervoermaatschappij De Lijn* - VVM), which is responsible for providing bus and tram services all over Flanders. VVM is a territorially decentralized organization which has one central headquarters and five regional offices. The day-to-day management of the agency is performed by a director-general, who also implements the decisions of the agency’s board. The board is headed by a president and consists of key stakeholder representatives such as the state government, local and provincial authorities, and the unions. The political oversight authority of VVM is the Minister of Mobility and his cabinet of politically appointed advisors, whereas the administrative oversight authority (composed of permanent civil servants) is the Department of Environment and Infrastructure.

The Flemish Public Transport Agency is one of the largest so-called externally autonomous agencies in Flanders; it has over 7000 employees of which 80% are blue collar workers such as technicians and bus drivers. The case organization thus represents
a class of agencies which typically have extensive service delivery tasks (Verschuere, 2007). In addition, VMM is a highly politically salient agency: it has a relatively large budget, it has more staff than most other public organizations in Flanders, and it obviously has a lot of contact with the public (Gains, 2003; Pollitt, 2006). Also, public transport traditionally has a high importance as a means of transport in the relatively small and densely populated state of Flanders and the neighbouring Brussels region.

The policy programs were selected after consulting several people closely related to the agency. Both programs are relatively recent which makes them easily accessible for data collection. Also, both programs affect a high number of citizens and thus are highly visible. The “basic mobility” program is a major reform of the supply of public transport in the whole Flemish region and every single local authority, which defines public transport as social right to everybody. To this aim, public transport services are to be provided following a set of minimal criteria (e.g. frequency of service, walking distances). The policy line of basic mobility was put on the political agenda in 1995 for the first time, it was formalized in a parliamentary decree in 2001, and the implementation of the policy was nearly finished in 2006. The second policy-program “Pegasus” mainly affects the region of the Flemish Diamond and the people who live and work there. The Flemish Diamond is the metropolitan area between the cities of Antwerp, Ghent, Brussels and Leuven, and it is the economic centre of Flanders in which 57% of the Flemish population lives and 60% of the total Flemish workforce is employed. The key objective of Pegasus is to increase the region’s accessibility by strengthening public transport. The so-called “Minder Hinder” measures in Antwerp are a major implementation project of Pegasus. “Minder Hinder” is the total of measures taken to
decrease the negative effects of the renovation of the ring road around Antwerp, one of the busiest highways in Europe. This renovation decreased the ringroad’s capacity by 15%, hence large traffic problems were expected. The problem of the future accessibility of Flanders’ large cities was perceived as a serious issue in 1999 for the first time, the implementation of Minder Hinder started in 2004, and this paper investigates this process until 2005 when a decision to continue the project was taken. In terms of their relative budgetary weight, both programs are largely similar: basic mobility and the Minder Hinder measures stand for respectively 12% and 10% of VVM’s annual budget of 700 million Euros in 2004.

The crucial difference between these policies is their level of detail, as basic mobility is much more formalized and detailed than Pegasus. The bottom line is that basic mobility is based on a decree that was voted in Parliament, which was followed by several executive decisions. These regulations arrange the way basic mobility is to be implemented in the field with a high level of detail. Next to that, a parliamentary decree implies a binding commitment which has direct political and budgetary consequences. Basic mobility is defined as a citizen’s right and has to be implemented within a given time limit and budget. In contrast, the policy of Pegasus is only formalized to a small extent. Its formal status is a policy plan that has been taken up in the governmental agreement implying a commitment by the government to take initiatives towards implementing this policy. Such a commitment has less direct consequences than a decree as it does not imply any legal obligations. Next to that, the implementation of the projects under the Pegasus-umbrella is specified in a much less detailed way compared to basic mobility. The only piece of formal regulation is the governmental decision on “net-
management” that accompanies the decree on basic mobility. This policy defines procedures and quality criteria upon which the public transport network needs to be organized. Thus, all public transport implementation projects need to follow this methodology, including Minder Hinder.

The research process was guided by the following questions: (1) What are the key policy-decisions (and what is the content of these decisions) taken in the different phases of the policy process? (2) To what extent did the agency have a decisive influence upon the content of these decisions? And, what other actors were involved in the policy-decision making process?

In terms of data collection, the case study relies on an extensive document analysis, including parliamentary notes (parliamentary questions and transcripts of parliamentary discussions), internal notes of meetings (e.g. the board of VVM), internal notes of the monthly meetings between ministerial cabinet (political advisors), oversight administration and VVM, legislation (decrees, ministerial and governmental decisions), scientific studies, and anonymous documents (of which the author could be identified by asking the involved actors). Also, semi-structured expert interviews (N=32) were used to validate the findings. The respondents were selected for their expertise in the policy programs under scrutiny, and the sample included people from VVM (management, board, provincial entities), the ministerial cabinets of mobility, members of parliament, people from the parent department, independent experts and stakeholders. The following section summarizes the empirical findings.

**Empirical results.**
In the preparation-phase of both policy programs, the key-decisions were mainly strategic (identifying problems, formulating objectives, and defining desirable policy effects). In the case of basic mobility the major objective is giving equal access to mobility to everyone. Next to that, an intention to hardwire the policy of basic mobility in a parliamentary decree was agreed upon. In this stage of the policy-process, the decisive actor was the Minister of Mobility, and the influence of the agency (VVM) in these preparatory decisions was rather low.

In the case of the Pegasus-plan, the decision revolved around guaranteeing the accessibility of the economic heart of Flanders, by means of increasing public transport supply. The role of public transport in solving mobility problems was explicitly recognized, and plans were drafted to increase the capacity of public transport in this area. VVM was a strong advocate for the development of comprehensive public transport planning in the metropolitan areas, and was very active with regard to contracting research studies that would underpin these plans. Thus, together with the ministerial cabinet as the main actor and the administrative oversight authority, VVM had a large influence in the strategic vision-building of mobility in the Flemish Diamond.

In the decision-making phase of both basic mobility and Pegasus, the key decisions are about the quantity and quality of public transport service delivery, which are mostly tactical policy-decisions. The parliamentary decree of basic mobility defines general principles for service delivery, which are operationalized via governmental decisions on norms for basic mobility (e.g. frequency of services, distance between bus stops) and quality criteria for developing the public transport network (the so-called net-management decision). During this phase, the Minister of Mobility and his advisors made
the most important decisions, whereas the influence of the agency in these decisions varied. During the first period of the decision-making stage, in which the decree and governmental decision on basic mobility were decided upon, the influence of VVM was rather small, it had mainly an advisory role (e.g. commenting on draft versions of the decree), and its suggestions were not always followed. Later on however, during the decision-process on net-management, the input of the agency was much larger. In particular, VVM coordinated the drafting process of the corresponding governmental decision in which also the cabinet and permanent ministry staff was involved.

The picture is rather different for the decision-making on Pegasus, in which VVM had a major influence (the plan was essentially prepared by VVM’s provincial entities). This plan defines the future ideal public transport service delivery in the Flemish Diamond by making choices about the outputs (level and type of future public service delivery) that will be necessary to reach the goal of accessibility of the region. Also, together with the Minster of Mobility and his cabinet, and by obtaining the support of parliament and local governments, VVM successfully managed to have the plan included in the policy program of a newly elected government.

During the implementation of basic mobility, two different kinds of operational decisions were made. The first types of decisions pertain to the implementation-trajectory. As the policy of basic mobility needed to be implemented in every local community of Flanders, decisions had to be made about the sequence of implementation, as budgetary constraints made the simultaneous implementation of the policy in all local communities impossible. During the first phase of the programming, the minister was the key actor to decide (i.e. making priority-lists), and the input of VVM was rather low. This
changed in later phases of the programming, when VVM was able to exert real influence in the setting of priority-lists for implementation, whereas the influence of the minister and the cabinet decreased substantially. The second kind of decisions in the implementation phase is about how to put into practice the decree in the individual local communities, which includes defining bus-trajectories, choosing types of public transport vehicles etc. In these kinds of operational decisions, VVM has been dominant from day one, because of its operational knowledge.

In contrast to the policy of basic mobility, no immediate commitment was made for implementing Pegasus. One window of opportunity was opened in the early 2000’s with the infrastructure-works of the Antwerp ring road. During these works, traffic capacity decreased considerably, and as a solution the public transport capacity was to be increased (the “Minder Hinder”-plan). As the plans for increasing public transport capacity in this area were already there (as part of the larger Pegasus-plan), these measures could immediately be implemented. VVM’s policy proposal was entirely accepted by the government.

During the evaluation of basic mobility, choices were made about the continuation of the policy, without questioning or altering the output norms, nor the goals of the policy. The government decided to continue basic mobility, but also to be more realistic and pragmatic in applying the strict norms of the decree (e.g. about bus frequencies and vehicles). This evaluation took place in 2005 after increasing parliamentary critique because of the large budgetary impact of the policy. The decision to continue with the implementation on a more pragmatic basis (i.e. taking into consideration budgetary
constraints) was jointly made by the agency and the minister and his cabinet, based on an in-house evaluation report by VVM.

In the evaluation-phase of Minder Hinder (Pegasus), the focus predominantly was on tactical policy-choices, i.e. whether the policy output (public transport services) had reached the defined goals. Also, decisions were taken about the future level of public transport service delivery. The implementation of Minder Hinder turned out to be a big success, as the number of public transport users had increased considerably, and the expected traffic problems during the works on the ring road were not as severe as expected. Following this positive evaluation, VVM could manage to have the decision forged that these – initially temporarily – measures became permanent at a somewhat lower level.

**Comparing agency influence in two policy programs: key findings.**

Without doubt, we observe a lot of variation regarding the Flemish Public Transport Agency’s influence in the decision processes under scrutiny. Three findings deserve particular attention: First, in the preparation and decision-making phases, the influence of VVM on the policy of Pegasus was generally higher compared to basic mobility. VVM had a large influence on the decisions concerning the vision and principles of maintaining the accessibility of the Flemish Diamond and the role of the public transport therein. The policy-vision which was mainly prepared by VVM was eventually included in a politically approved plan.

In contrast, VVM hardly had any influence on the vision-building about the role of the public transport in the policy of basic mobility. Furthermore, VVM had no say in the
decisions on specific norms for service delivery in the decree and the governmental decision on basic mobility. The only exception to this picture is the governmental decision on net-management which was written by VVM, defining the quality of the public transport network in Flanders. In the case of Pegasus, the executive agency managed to have its own policy-vision politically approved and formalized. In the case of basic mobility, the agency merely had an advisory role in the decision-making process, in which it would comment on draft policy documents and suggest changes to some details. Thus, also taking into consideration the different time periods in which the policy lines under scrutiny were prepared and formulated, we find that the policy influence of VVM regarding policy preparation and determination clearly increased during the period of analysis.

Second, the influence of VVM in the implementation- and evaluation-phases of both policy programs is rather high. This finding is in line with the rhetoric of agencification reforms, according to which executive agencies should have substantial operational discretion in order to provide their services in an efficient and effective manner (Pollitt et al., 2004). In the case of basic mobility, VVM designed the implementation projects and carried them out the field. This often happened in a pragmatic way, not rigidly adhering to the norms for service delivery that have been formalized in the decree. However, the minister and his cabinet controlled this process in its early stages when potentially conflict-ridden decisions on the sequence of implementation had to be taken. Similarly, in the case of Minder Hinder (Pegasus), the agency had considerable degrees of freedom in the design and implementation of specific public transport measures in the field, which arguably were even higher compared to basic mobility: the agency could decide, within
the budgets accorded, by what kind of service delivery a defined policy-goal could be reached (and how the services needed to be delivered).

A third general observation is that in most policy phases studied, the cabinet of the Minister of Mobility (i.e. the political oversight authority) was the most influential actor, whereas the influence of the oversight ministry in the policy-decisions was generally low. This observation reflects characteristic features of the policy-making process in Flanders, which is dominated by large ministerial cabinets of advisers (personal political secretariats of the minister). Thus, the agency’s policy influence in the formulation and decision stages primarily depends on the ministerial cabinet’s willingness to include the agency in the decision-process and to accepting the agency’s suggestions. The basic mobility policy was rather controversial among the coalition parties, and the minister had a strong interest in developing this policy together with his cabinet, hence excluding other actors that may potentially dilute the initial policy objectives.

**Theoretical Discussion**

The empirical analysis shows that agency influence in policy decisions varies between policy lines, phases in the policy process, and the actor constellations at a given point of time. For instance, VVM was very much involved in developing the broad policy objectives of Pegasus, but was virtually absent in setting the strategic lines of the policy of basic mobility. In addition, we find that the agency’s policy influence in the preparation and decision phases increased over time. Hence, in analytical terms, executive agencies’ policy influence may be explained by the interplay of policy
characteristics and features of the actors involved (here: executive agency and the minister and his cabinet of advisors).

The observation that agency autonomy may vary across policy issues, and that explanations for levels of policy autonomy should be considerate of this, has also been shown by Hammond (2003) who found that the “preference-variable” (the extent to which actors in the decision making process prefer a certain policy or not) may vary per issue-area (or per policy program) and that as a result the bureaucratic autonomy of the agency may be expected to vary as well. Thus, the preference distribution of the actors involved will help explaining levels of policy influence. In a similar vein, Peters (2001, p. 222) argues that “bureaucratic organizations frequently have their own well-developed ideas about what government should do” which he terms “agency ideology”. This ideology may come in a “soft version” which emphasizes continuity and the way things are currently done in the organization, but it also may take the form of a ”hard version” which essentially consists of a setting new policy priorities based on the bureaucracy’s long-standing expertise in the field. The case study provides evidence of both types of bureaucratic policy preferences. In the following, we discuss three policy-related explanations for the level of agency influence in a certain program or in a certain policy-phase (Verschuere, 2006).

First, the attitude of the agency towards the policy or the ”fit” of the agency ideology and the proposed policy is a factor that seems highly program-related. We may assume that one and the same agency may have a positive attitude towards one policy-program in which it is engaged, while it may have negative attitudes towards other policy programs. The factor ‘attitude’ can thus help to explain why the VVM exerted more influence in the
policy of Pegasus, compared to the policy of basic mobility. VVM was rather sceptical towards the policy of basic mobility, because its ideas of the (social) role of public transport and about how public transport should be delivered and organized, conflicted with the basic tenets of basic mobility. To the contrary, the strong influence of VVM in the policy of Pegasus can be explained, at least partly, by the enthousiastic attitude of VVM towards Pegasus, because extended public transport in densely populated areas has always been a priority for VVM. Moreover, we find that the agency ideology is most important in the preparatory stage of the policy. This can perhaps be explained by the fact that attitudes of the agency towards the policy program will mainly be formed during the early preparation-phases of the policy, when the policy is designed.

Also the “functionality for the agency” or the expected gains or losses to be involved in the decision making process may be an important factor for determining agency’s level of influence. What functionality means will be determined by specific features of the policy-program at stake. In the case of Pegasus, the early policy plans seemed to offer a window of opportunity for VVM to realize what they desired for a long time: extended public transport in the metropolitan areas. In contrast, VVM to a certain extent feared the basic mobility policy, because it proposed nothing less than a revolution in the organization of public transport, as it would have shifted from a demand-based to a supply-based provision of public transport services. Further, in the case the policy is prepared by the agency (thus reflecting the policy-preferences of the agency), it can be advantageous for the agency to be strongly involved in the determination-process of the policy, to guard that the initial policy proposals are also politically approved accordingly (e.g. Pegasus). In the case the policy has been prepared mainly by the oversight
authorities, it may be functional for the agency to try to “adapt” initial policy proposals made by others to their own preferences (e.g. basic mobility).

Perhaps not surprisingly, the mechanism of “functionality” was found to play a large role in those policy-phases when binding decisions were made, such as the determination-phase and the evaluation-phase of the policy. Here, the specific task of the executive agency seems to play an important role. The empirical findings suggest that executive agencies with extensive service delivery functions have a high stake in keeping their policy environment in a way that enables them to perform their tasks as smooth as possible. In other words, in order to produce their services effectively (i.e. in line with the “agency ideology”), this type of agency has a high interest in influencing key policy decisions in its favour. Yesilkagit (2004) emphasizes that service-delivery agencies with a large number of middle rank staff are especially keen on working conditions with little red tape and being detached from the ministerial department where their work has a relatively low esteem. Thus, we draw the conclusion that service delivery agencies are more inclined towards influencing policy decisions than agencies with other core tasks (e.g. agencies providing office-based public services).

Third, it may be “functional for the oversight authorities” to have the agency involved in the decision making process or to exclude it from those decisions. Again, we assume that features of the policy-program are highly important whether agency-involvement in the decision making process will be considered as being functional by the oversight authorities or not. In policy-programs that are high priority for the oversight authorities and that are contested in the (political) environment, involvement of other actors (such as the agency) in the decision making process may be considered
“dysfunctional” for the oversight authorities (because they want to be sure that their preferred policy is not be blurred too much by other actors during the decision making process). This is also one of the reasons why VVM was not very much involved in the early stages of basic mobility: the minister wanted to take advantage of the momentum, to forge a highly politically salient policy. Besides that, knowing that VVM initially was sceptical towards the policy, the minister had no interest in having the agency involved in designing the policy. In low priority, low political salience programs, the incentive of the oversight authorities to steer the agency may be much lower, potentially resulting in large levels of autonomy for the agency (Gains, 2003; Pollitt et al., 2004). Also, it may be functional for the minister to rely on the expertise of the agency to develop policies. This was the case with Pegasus, when the minister was dependent on the knowledge of the VVM, as expert in public transport delivery, to draft the plans for extending public transport.

Yet, whether an executive agency is able to deliver policy work also depends on the organization’s structural capacity. In basic terms, structural capacity refers to the available resources – more precisely, the number of qualified staff – for a given activity in an organization (Egeberg, 1999). A higher capacity to perform policy work may enable an executive agency to have policy proposals ready when a window of opportunity opens (ibid.), and this is exactly what happened in the case of the measures to maintain the accessibility of metropolitan areas in our case study. During the period of analysis, the agency’s capacity related to policy activities clearly increased. When the policy of basic mobility was formulated (around 2000), the capacities of the agency to perform policy work were only weakly developed. Following the advice of an independent audit report,
an internal policy cell was created in 1998, which later was incorporated as research division into the main organizational structure of the (central) agency. Closely related, at the time when basic mobility was formulated, the agency saw its operation mission primarily as operating trams and buses, rather than doing policy work. Also, as a result of a major restructuring at the beginning of the 1990s, the agency was focusing much more on internal organizational issues than policy design. Another aspect is the increase of highly skilled staff between 1999 and 2004 (relative to the number of blue collar workers). Here, following a change of the political leadership in the ministry, the ministerial cabinet of advisors was replaced, and several of the highly skilled advisors that have been dealing with basic mobility (among other policies) started working for the agency. Thus, when the Pegasus policy was put into place (around 2002), the agency had the necessary structural capacity to deliver policy work.

Also, the agency increasingly perceived itself as a policy unit in the field of public transport, thus moving beyond its initial role as bus and tram operator (Verschuere, 2006). In other words, doing policy work had become appropriate behaviour (March & Olsen, 2006) for the agency over time. The degree of appropriateness of doing policy work seems to vary across executive agencies and countries (Elder & Page, 1998; Gains, 2003), and the way in which such norms of appropriateness develop and change merits further empirical enquiries (see Carpenter, 2001 for such an analysis in the US context).

Another highly relevant factor for interactions between oversight authorities and executive agencies is the degree of mutual trust. In the Flemish context, the mutual trust between executive agencies and ministerial cabinets is fairly high, as opposed to a low-trust relationship between executive agencies and the oversight administration (Rommel
& Christiaens, 2009). A high frequency of personal interactions (often including the minister), former cabinet staff working in the agencies and party political congruence between cabinets and agency staff have been identified as key explanatory factors (ibid.). With regard to our case study, we may conclude that the agency’s reputation as a trustworthy agent for policy implementation increased over time and eased its high level of influence on the Minder Hinder policy. On the one hand, the agency successfully implemented the basic mobility policy which is in conflict with its prevailing agency ideology of demand-based service delivery. Hence, the agency signalled trustworthyness to the political oversight authority as a fairly neutral implementing agent. On the other hand, the agency displayed a rather low level of trust towards the minister when the basic mobility policy was formulated. The agency had suffered from financial cutbacks in the years before, and hence was rather sceptical whether the political leadership would stick to its promises regarding the financing of the basic mobility policy (which it did).

Finally, the research also sheds light on the perennial question of delegation and political control of the executive which has been widely debated, especially in the US context (Weingast, 2005; Yesilkagit & van Thiel, 2008). The case study shows that the ministry’s political leadership (which is typical for Flanders) and the ministerial bureaucracy are the key principals of the executive agency (which is quite similar to other European countries; Döhler, 2005; Pollitt et al., 2004; Yesilkagit & van Thiel, 2008). In the context of parliamentary government, the involvement of executive agencies in policy decisions by the oversight authorities may be considered as a mechanism of political control (Döhler, 2005). The inclusion of executive agencies and their policy preferences in policy decisions thus reduces the potential for bureaucratic drift in the implementation
process (ibid.). Also, the observed patterns of interaction are a mechanism by which the minister’s policy preferences are transferred to the executive agency, which in the daily business pay significantly less attention to signals from the political leadership compared to ministerial bureaucracies (Egeberg & Trondal, 2009). This suggests that including executive agencies in policy decisions increases political control of the bureaucracy, rather than the other way round.

**Conclusion**

This article wants to make a case for bringing politics into the study of executive agencies and delegated government. With the rise of delegated government in many Western countries, and the subsequent academic interest in this phenomenon, public agencies have been studied mostly from a managerial angle, whereas the impact of those changes on the relationship between policy and management has not been a major research topic. This might be surprising, given the important position of many executive agencies in the public domain, and the fact that they are democratically accountable via elected politicians. The sparse literature and our case study show that executive agencies may play a considerable policy-role in parliamentary systems of government, in interaction with elected officials and their support staff. The extent to which an executive agency is involved in policy-making depends on several factors, like the specific content of the policy-program, the phase of the policy-making process, the agency’s main task, and the interests of both political actors and executive agencies, and the perceived threats and opportunities in order to further those interests.
However, there is a need to further explore the context in which executive agencies perform policy functions. In the theoretical discussion we propose some factors that emerged from the case, and that may be helpful for explaining why agencies are involved in the policy-making process, taking into consideration that agencies are confronted with various policy programs at the same time, and that policy influence may occur in the various stages of the policy cycle.

From a normative point of view, the research shows that the functional separation between policy-making and implementation, often advocated by reformers, is not always empirically valid, and perhaps also not so desirable. Closer cooperation between government and implementing agencies in policy-making may be advantageous for several reasons. First, involving policy-implementers in the policy design can improve the quality of the policy, because implementing actors, from their experience in the field, can provide policy decision-makers with reality checks. Executive agencies possess substantive professional and experiential expertise which is not readily available in the ministerial bureaucracy (Beck Jørgensen et al., 1998; Elder & Page, 1998). In some cases, government may be highly dependent on the agencies’ expertise to develop realistic and effective policies, as the case study shows. In this context, further research should investigate the effect of task characteristics on executive agencies’ policy influence, which is a question beyond the scope of this article. Second, engaging policy implementers in the policy may prevent potential adverse behaviour of administrative actors in the implementation-phase (Döhler, 2005). Thus, in situations when the ministerial bureaucracy tends to keep policy development at distance from executive agencies, problems of disconnection and between both levels are likely to occur (HM
Treasury & The Prime Minister’s Office of Public Services Reform, 2002). Third, cooperation in all stages of the policy cycle can increase trust levels between principals (government) and agents (implementing agencies), and the executive agencies may also use trust-building strategies towards their principals (Rommel & Christiaens, 2009). This implies that the relationship between principal and agent not necessarily has to be regarded in a negative sense (e.g. control for adverse behaviour), but that principals and agents can build strong trust relationships through cooperation and communication.
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Endnotes

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1 In other parliamentary systems without ministerial cabinets like Germany, this type of interaction takes place directly between the ministerial bureaucracy and the agency (Döhler, 2005; Elder & Page, 1998).