# The Intensity of Organizational Transitions in Government: Comparing Patterns in Developed and Developing Countries

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#### Abstract

Organizational transitions in governments have long been discussed in the literature. While, more recently, organizational life cycle changes between birth and death have been the focus of research, a systematic comparison of organizational transitions across countries has barely been initiated. We aim to bridge this gap in the literature by providing comparative metrics for organizational transitions, which could be later enriched with structural data from researchers working in this domain. Termination literature mainly hails from the West, wherein this article brings in Pakistan's developing context—long considered a *terra incognita* in comparative research—and breaks new analytical ground by comparing the intensity of organizational transitions in Pakistan with those of developed countries. The lack of vivid variance in the intensity of transitions among developing and developed countries, raises interesting questions as to the relationship between the intensity of structural reform and administrative performance. The article thereby seeks to encourage future comparative research.

**Keywords**: termination, organizational change, comparative research, developing world, government organizations, Pakistan

#### Introduction

More than 40 years ago, Herbert Kaufman (1976) suggested that government organizations were almost immortal. However, numerous studies have demonstrated that theorizing about the "life and death" of government organizations oversimplifies a complex reality. We know now that government organizations more or less constantly undergo restructuring and are rarely terminated completely (Kuipers et al., 2018). In recent years, a growing body of literature has sought to conceptualize and map different types of structural changes in government organizations over extended periods (MacCarthaigh & Roness, 2012; MacCarthaigh et al., 2012; Carroll et al., 2020). Those changes are often linked to various types of administrative reforms (Pollitt & Bouckaert, 2009; Pollitt & Bouckaert, 2017) but can also happen independently of such reforms. Understanding changes in government structure and its implications is a core concern of public administration, since the structure of government both reflects government priorities and shapes executive decision making (Simon, 1953; Sarapuu, 2012; Mortensen & Green-Pedersen, 2015; Egeberg & Trondal, 2020).

While significant progress has been made towards understanding the causes of organizational termination (see Kuipers et al., 2018 for an overview), comparative knowledge on different types of structural changes in government organizations is still limited (Carroll et al., 2020). Although some scholars have recently made cross-national comparisons of structural changes inside government ministries (Carroll et al., 2020), the literature is still in its infancy when it comes to comparing how the pattern of transitions vary between countries. We suggest that such a focus is essential for a broader research agenda that can comparatively assess the consequences of structural changes for the performance of government. Finally, there is an obvious geographical bias in the empirical literature, which almost exclusively focuses on developed contexts, especially the United States and Europe. In contrast, empirical analyses of structural changes in developing contexts are virtually nonexistent.

This article seeks to close several research gaps in the termination literature by exploring the variety and intensity of organizational change in a developing country by comparing the observed patterns with those in developed countries, for which similar research is available. In empirical terms, this article provides a systematic account of dominant patterns of structural changes in central government organizations in Pakistan, a

developing country in the Asia-Pacific region. To our knowledge, this research is the first to study structural changes longitudinally across state organizations in a developing country. In conceptual terms, this article, using fine-grained categories of transitions, assesses whether analytical approaches from developed countries can be fruitfully applied in a developing context.

The present study adapts the coding schemes from the Norwegian State

Administration Database (NSAD) (Rolland & Roness, 2010) and the Irish State

Administration Database (ISAD) (Hardiman et al., 2014), for mapping structural changes in

Pakistan. This makes our empirical findings comparable to those of similar studies.

Moreover, moving beyond country-specific observations, the article seeks to advance the

research agenda on comparative analyses by comparing the scope and scale of structural

change events in Pakistan to selected developed countries. Finally, the article identifies

directions for further research, including the comparison of broader patterns of transitions

across developed and developing countries and how those patterns relate to broader questions

of administrative capacity and performance.

This article's next section reviews the literature on organizational termination and structural changes, highlighting the many definitions of organizational termination within a growing body of literature that takes a broader perspective on organizational transitions (Kuipers et al., 2018), rather than organizational termination and death. We then introduce the Pakistan State Administration Database (PSAD), which represents the mapping of organizational transitions in government in a developing context. Next, we provide a descriptive account of transitions in Pakistan's federal government over nearly two decades (2000–2018). We compare these findings to existing research on structural changes in developed countries, highlighting the difficulties involved in making such comparisons.

A key empirical finding of this article is that most change events in Pakistan are reorganizations, whereas organizational terminations are virtually non-existent. Moreover, contrary to our expectations, we find that the intensity of restructuring was higher in several developed countries compared to transition rates in Pakistan, a developing country. This raises interesting questions as to the relationship between the intensity of structural reform and administrative performance.

# Mapping Organizational Transitions: Towards a more Fine-grained Understanding of Organizational Termination

Public sector reform has been a major theme in public administration scholarship since the 1990s (Pollitt & Bouckaert, 2017). At the same time, although somewhat separate from the general literature on public sector reform, scholars have been increasingly researching the "demography" of government organizations. This research has led investigators around the world to study the transformation of government—and in particular, the restructuring and termination of government organizations. Around 40 years ago Kaufman (1976) only dealt with the life and death of government organizations in biological terms, arguing that organizations are almost immortal. However, later, several scholars argued that unlike business organizations, public organizations cannot be solely understood through the dichotomy of births and deaths. An organization cannot grow indefinitely and still maintain its original form (Hannan & Freeman, 1977). Thus, public organizations change, merge, and split, but they do not always terminate (Hajnal, 2012). They are continuously subject to structural changes that sometimes blur the distinction between termination and continuation (Kuipers et al., 2018).

This ambiguity of structural transitions is reflected in a wide variety of organizational termination definitions. As organizations undergo frequent restructuring, when to classify an organization as terminated is widely discussed in the literature, but with striking differences (Adam et al., 2007; Rolland & Roness, 2012; Kuipers et al., 2018; Askim et al., 2020). The problem is linked with the disagreement about the definition of organizational termination. Hajnal (2012) discusses these diverging definitions using the analogy of an autopsy, where different doctors arrive at different conclusions on the cause of death, some even claiming that patient has not died. Table 1 presents key contributions to the termination literature chronologically and elaborates on how researchers around the globe have defined organizational termination, alongside other change event categories they have used in their research.

Table 1. Conceptualization of agency termination in the literature

As Table 1 shows, some researchers only consider an organization as terminated when it has been completely abolished with no replacement organization. However, others consider mergers and splits as terminations, and in some cases a name change is also considered

termination. This means that studies with more generous definitions of termination are likely to report more termination events when compared to other, narrower operationalizations. For instance, Greasley & Hanretty (2016) include reorganizations and name changes in their definition of 'terminations'; 58% of organizations in their sample were terminated. Hajnal's (2012) study of the Hungarian government in the period between 2002 and 2009, does not identify any cases of organization termination; this can be attributed to his conceptualization of termination. He suggests that disregarding the more incremental changes in an organization's life cycle misguides the attempt to fully understand organizational change dynamics. More recently, Kuipers et al. (2018) argued that organizations are only terminated if they are disbanded or when they cease to exist in any form; all other events in the life of a public organization should be considered as structural adaptations. These variations in the conceptual boundaries of organization termination make for a high degree of variance in the results of termination research. Termination may be clear-cut, but changes are more of a continuum (Peters & Hogwood, 1991; Rolland & Roness, 2012; MacCarthaigh, 2012). Studying different types of transitions provides a clearer picture of what is actually happening, compared to looking only at termination, which is imprecise (Kuipers et al., 2018).

Generally, there has been limited progress in comparative research in this area, which requires comparable definitions of (1) the type of organizations and (2) the type of transitions studied. We align our research with those who investigate transitions over time (e.g., Kuipers et al., 2018; Boin et al., 2010; Lewis, 2002). Hence, we follow the assumption that public organizations undergo restructuring, and that they - more often than not - survive in some form instead of perishing completely. Focusing on transitions, this article seeks to advance comparative perspectives on developed and developing countries.

The improvement of government performance has been a key objective of public sector reforms around the world (Van Dooren et al., 2010). The expectation was that restructuring organizations would result in performance improvement. That said, the connection between reform and performance is complicated, resembling a "chicken-and-egg" situation. According to one dimension of the story, more structural changes, especially if they occur frequently, will result in performance problems rather than performance improvement. Pollitt (2007) argues that continuous restructuring efforts produce detrimental side-effects, which not only disrupt the internal work procedures and the ties between ministries and

subordinate organizations, but also are linked with risk aversive behavior among employees (Kleizen et al., 2018). Furthermore, different types of structural changes may have differential effects on performance. For instance, change events that keep the organization intact are less disruptive than splits and mergers, which are likely to elicit strategic action on part of the organizations (Dommett & Skelcher, 2014) and arguably have a stronger impact on the motivation and performance of workers.

Looking at it from the other side, poorly performing governments are under pressure to perform better, which may result in more frequent restructuring. The restructuring could be for symbolic reasons, for instance when politicians seek to demonstrate their ability to bring about change; could be the result of bargaining among political parties; or could reflect changes in the political agenda (Mortensen & Green-Pedersen, 2015). When facing pressure to increase performance from dissatisfied citizens or international donor agencies, governments may seek to restructure administrative apparatus in order to demonstrate relevant action. Although this article cannot solve the performance-restructuring puzzle, it seeks to contribute to a more systematic understanding of one aspect of this puzzle, namely the dynamics of structural changes in a developing country context. The next section presents the context and the methods.

#### Case, Data, and Methods

Pakistan is a constitutional parliamentary democratic republic that became independent in 1947. The prime minister leads the federal cabinet, which consists of the Prime Minister Secretariat, the Cabinet Division, and the Establishment Division. The federal cabinet and the organizations working under it report directly to the prime minister's office. All other organizations working under federal ministries report to their minister, who then reports to the prime minister. Until recently, the prime minister could unilaterally make changes involving the movement of organizations across hierarchies (movement from a ministry to Prime Minister Cabinet or vice versa, movement of organizations across the ministries). In 2018, the Supreme Court ruled against the individual authority of the prime minister to make such changes at the federal level. It ruled that all such changes ought to be discussed and agreed upon in the cabinet meeting, as the federal government is led by the cabinet and not by the prime minister alone. Hence, during the observation period prior to the Supreme Court's ruling, the above mentioned structural changes were relatively easy to make. Other types of changes, such as legal status, mergers, or creation of new entities

involve parliamentary discussion and agreement, often making them more time consuming and comparatively more rigorous.

Most research on administrative reforms in Pakistan is done on individual cases (organizations) or on certain policy areas. However, some authors take more comprehensive perspectives. For instance, Salman (2020) provides an overview of public sector reforms and reform challenges in Pakistan. Another strand of literature addresses federal government organizations more specifically, focusing on agencification (Jadoon et al., 2012) and organizational autonomy (Zahra & Jadoon, 2016). The present article seeks to contribute to broadening systematic empirical knowledge on the dynamics of administrative reforms in Pakistan. To our knowledge, this is the first article to provide a systematic, longitudinal mapping of organizational transitions among federal government organizations in Pakistan.

#### The Pakistan State Administration Database

In order to longitudinally analyze the processes of change in state organizations, the Pakistan State Administration Database (PSAD) was developed; it covers transitions from 1947 to 2018 whilst describing the events in the life cycle of state organizations. The database serves as a navigable family tree of Pakistani bureaucracy, similar to Irish and Norwegian databases (MacCarthaigh, 2012; Rolland & Roness, 2010). It covers 363 state units (federal organizations) out of a total population of 411 organizations<sup>3</sup>. Organizations belonging to all five legal categories on a continuum of formal-legal autonomy defined by Van Thiel (2012) are included in the database. Most of the studies in the termination and reorganization literature focus solely on executive bodies working under close political oversight (see Table 4). However, to give a broader view, we also include autonomous bodies, state companies. Using Van Thiel's (2012) categories as a basis, Pakistani state organizations were placed in one of four legal categories: attached departments, autonomous bodies and public sector companies—depending on their legal foundation (Zahra, 2020).

The data sources for documenting structural changes in PSAD include National Commission of Government Reforms (NCGR) reports of 2008 and 2016 (I & II), ministry yearbooks, websites, legal documents, and other information accessed by visiting or phoning the organizations. NCGR's 2008 report was the first formal document including information on ministries, divisions, and the organizations working under them, as well as their functional and legal categories. The Commission also published a similar updated report in 2016 and

another revised version that same year due to continuous reshuffling at the federal level. The Pakistani government keeps no specific record of these actions among federal organizations and their ministries. Most of the accessible ministry yearbooks are from 2010 onwards. However, we found four yearbooks, dated between 2006 and 2008, which belong to the Cabinet Division, Ministry of Energy, and Ministry of Finance.

Those organizations where no data sources were found were not included. The Defense and Interior Ministries, for example, are less likely to share their information in public documents. The changes have been recorded according to the year in which the event took place. The exact date of change was available from the abovementioned sources in most cases. When the exact date of change was not available, it was recorded as having taken place at the turn of the year, based on information from the yearbooks or that year's news sources. Phone calls to the relevant organizations were used to confirm the information in most of the missing data cases.

The database documents nearly all the identified changes in the organizational structures and procedures from 1947 onwards. The data for the earlier years lacked richness, based on the available data sources. Thus, we focused on later years, namely 2000 to 2018.

#### Operationalizing Organizational Transitions

There is no straightforward process for deciding which organizational life cycle events to record, as it involves defining parameters for the population and the change events to suit the particular national context (MacCarthaigh & Roness, 2012). For the categorization of organizational changes, we followed the system used by the Norwegian State Administration Database. However, certain new categories were added—for example, hierarchical movements across the cabinet and ministries, based on the relevance in the context under study. The changes and movement across ministries and towards the federal cabinet are also incorporated in PSAD, which were included in only a few of the earlier research articles. Table 2 presents all the change event categories that were part of PSAD, except founding events.

Table 2. Description of change events

#### Organizational Transitions in Pakistan from 2000 to 2018

This section first presents a longitudinal overview of structural change and developments in Pakistani state organizations while subsequently analyzing distinct types of organizational transitions. Figure 1 gives an aggregated view of the frequency of restructuring events from 2000 to 2018. The peak in 2004 was after Prime Minister Jamali resigned; within one year there were two different prime ministers. The remarkably high peak in 2010 to 2012 was largely due to the 18th Constitutional Amendment, when organizations belonging to major functional areas were devolved to the provincial level, along with much reshuffling in federal hierarchies and ministries. The peak in 2017, occurring a year before the general election, possibly indicates the inclination of the government to restructure before the next election in order to make their efforts palpable.

Figure 1. Frequencies of transitions among state organizations in Pakistan by year

The restructuring and decentralization waves raise questions regarding the change in actual number of state organizations. Figure 2 shows the shift in the total number of state organizations in Pakistan based on the annual dataset.

Figure 2. Number of state organizations in Pakistan by year

Interestingly, the number of federal organizations discernably increased during the Musharraf regime (1999–2008). During those years there was more unbundling at the state level and an increasing trend of introducing regulatory bodies. After 2010, with decentralization at the provincial level, the total number of organizations decreased at the federal level, though not sharply. After that, the slope remained mostly flat until 2018, when it dropped slightly.

It is also important to notice how many organizations undergo changes each year and how many do not change. Even if one organization faces several change events in a year, it is still counted as one change because this study focuses on the number of organizations facing changes compared to those that face no change. It is evident from Figure 3 that the number of organizations facing changes per year is quite low, indicating that not all organizations face restructuring. Future research should explore whether changes are more frequent among organizations in specific policy areas or with specific functions.

Figure 3. Number of state organizations in Pakistan with and without changes by year

We will now take a closer look at the types of transitions and their relative frequencies<sup>1</sup>.

Table 3. Frequencies of transitions (in descending order)

The most frequent changes are movements of organizations across ministries, meaning that they remain at the same hierarchical level but are placed under the responsibility of a different ministry. This takes us back to the fact that, until recently, the prime minister could unilaterally decide upon those changes. The frequent number of changes could be for symbolic reasons, for example, to show that government is sorting out problems. The second most prevalent category was the change in legal status, which typically involves lengthy procedures, making this finding counterintuitive. Although, the relatively large number of observations for this type of transition were due to the adoption of the Companies Act in 2017, resulting in a change in legal status of all enterprises established under the previous legislation.

Change events related to the movement of organizations across the hierarchies significantly increased after 2008. One reason for this is that most data sources dated from 2008 onwards. Another reason was the 18th Constitutional Amendment (devolution of major functional areas to the provinces), which led to an increase in these movements until the organizations were considered optimally placed. Pure termination cases are few in number, with only six cases between 2000 and 2018. This indicates that governments primarily pursue changes that are relatively easy to implement (as the boundaries of the involved organizations remain intact), compared to events like mergers, splits, and complete termination, which affect the organizations' outer boundaries. We assume that reorganizations are more challenging to implement compared with hierarchical changes, especially if the reorganizations involve several organizations. This is partly because finding agreement among decision makers who restructure organizations is more complex than moving an organization to a different place on the government chart. Moreover, we expect that

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<sup>&</sup>lt;sup>1</sup> See the table in the appendix for the number of change events each year.

government administrations will be more likely to contest reorganizations that are more disruptive than hierarchical changes.

#### Comparing the Frequency of Fransitions across other Countries

We have seen a growing number of single-country analyses of structural transitions, but, with the exception of Carroll et al. (2020) who compare intra-organizational changes in four developed countries. However, comparative analyses are largely absent, against this background, we seek to discover whether there is a greater or a lesser number of changes in Pakistani state organizations (a developing country) compared to the other developed countries that have followed similar mapping exercises. This may sound like a fairly straightforward exercise, but researchers engaging in the cross-national comparison of structural changes meet several obstacles along the way.

The first challenge is related to the different organizational populations under scrutiny in the countries studied. For example, some researchers take a broad approach, including ministries and other types of state organizations, such as arm's-length agencies (Rolland and Roness, 2012), whereas others include arm's-length agencies but not ministries (Maccarthaigh, 2014), or focus on a distinct type of agency (James et al., 2016). As patterns of structural change and their underlying causes may be different for different types of organizations, there is a risk of comparing apples and oranges. Second, existing analyses cover different periods—which is unproblematic only under the assumption that contextual conditions for structural changes such as the fiscal situation, dominant political ideologies, or reform trends only marginally affect a country's typical pattern of structural change. Third, as demonstrated in our review of the termination literature, researchers use different operationalizations of change events, which pose challenges for direct comparisons. Finally, published research often lacks the kind of descriptive data that would be necessary to enable cross-national comparisons by calculating comparative metrics (more on this below). Bearing in mind these challenges, we seek to take a first step toward a comparative analysis of structural changes between developed and developing countries.

Table 4 gives an overview of the studies included in our comparative analysis, providing comparable data on the frequency of change events, period of analysis, and the type of organization.<sup>4</sup> We selected the studies that followed similar mapping techniques and

coding categories. Table 4 includes the whole range of change events from births until death and other restructuring events through the life of organizations, with some variation as to the inclusion of different types of transition in the studies included. We rely on the data that is reported in the cited articles; we keep Pakistan on the top to look at the hazard ratios relative to Pakistan. The data from the other countries are sorted in descending order according to transition rates. Where transition rates could not be calculated, are organized in descending order considering their total number of change events.

Table 4. Overview of intensity of organizational transitions in selected studies

When looking closely at the intensity of transitions along with the period under study, some interesting findings surface. The higher frequency of change events is often attributable to the operationalization of terminations—ranging from complete termination to survival and even founding events. The articles that looked at longer periods (more than three decades) with higher frequencies of transition events were Norway (1947–2011), with 171 changes; the United States (1946–1997), with 251 terminations; and China (1949–2016), with 972 organizational changes. There is a parallel set of researchers who surveyed shorter periods, though with a similar focus. The countries with comparatively higher frequencies of change events were Hungary (1990–2010), with 112 events; the United Kingdom (1988–2012), with 109 events; and Pakistan (2000–2018), with an estimated 367 change events. If we add in the founding events. Importantly, our own analysis and Hajnal's (2012) analysis of Hungary included horizontal movements/horizontal shifts across ministries where Pakistan has quite a higher number. Those types of transitions are not included in any of the other studies in Table 4.

The biggest challenge we faced was to create a comparable metric for assessing the intensity of structural changes in different countries. The overall number of transitions tends to provide a skewed picture of the intensity of structural changes, as observation periods and total numbers of organizations per country vary. We therefore propose a metric for comparisons. We consider the transition rate as an appropriate metric, which can be calculated based on aggregate descriptive information. We calculated a time-averaged *transition rate* with the following formula:

(transition rate) h

- = number of occurences of a transition per time period
- ÷ number of exposures to the risk of a transition occurring per time period (agency years)

The transition rate h is a measure of the intensity of a transition per unit of time. Most studies rely on annual data in analyses of structural transitions. We assume that an organization is exposed to the risk of experiencing a structural transition each year of its existence. In order to calculate the transition rate, we therefore need to know how many organizations existed each year of the observation period. Therefore, we could only calculate transition rates if researchers reported the number of organizations that existed each year or throughout the entire observation period. The transition rate (h) represents the average number of transitions in a given context relative to the number of organizations – the sum of agency years – that existed in this period. The transition rate is time-averaged, which means that it does not account for fluctuations of external termination risks within time intervals for example, due to political changes (James et al., 2016), nor does it account for individual characteristics such as organizational age (which increases during the observation period) or formal-legal type, which has been demonstrated to affect survival (Lewis, 2002). Hence, while the transition rate should be treated with care, it provides a comparable measure of the intensity of transitions within a given organizational population. The hazard ratio is the relationship between two transition rates, and it is calculated relative to the transition rate for Pakistan:  $h_{\text{country}} \div h_{\text{Pakistan}}$ . A hazard ratio above 1 means that organizations experience a higher risk of transition relative to Pakistan, whereas a hazard ratio below 1 indicates a lower relative risk of transition. The hazard ratio allows us to compare the intensity of structural changes across countries.

Based on the availability of data, we could calculate the transition rate and hazard ratio for five studies—Lewis, 2002; Boin et al., 2010; Park, 2013, James et al. 2015, and Christensen and Ma 2018—as displayed in Table 4. Two of the cases belonged to U.S., although with variations in the time period, while the other three belonged to South Korea, the UK, and China, respectively. Out of these five cases, only the organizations in UK and China have a higher risk of transition relative to Pakistan. Here, it is worth pointing out that the transition rate in China is substantially larger than in Pakistan, even if we operate with a conservative estimate of transition rates in China (due to lack of complete data). If we had data from other countries, the comparison could be further developed.

In retrospect, the hazard ratio and frequency of transition events point out that number of changes in a developing country like Pakistan is not dramatically high or low compared to the cases from the developed world. Although developing countries face overwhelming pressure to increase administrative performance, this does not necessarily lead directly to higher risk of transitions when developed countries exhibit similar trends.

#### Discussion

The analysis of Pakistani state organizations confirmed that there have been more survival events (partial terminations) than complete terminations (death) in the life spans of the organizations. In only six cases were organizations entirely terminated and declared dead. The results were dependent on the operationalization of terminations; we only declared an organization terminated when entirely closed (Peters & Hogwood, 1988; Kuipers et al., 2018). In Pakistan, it is clear that organizations generally do not dissolve entirely but rather are restructured. Samaratunge et al. (2017) point out that policymakers prefer making gradual changes to existing organizations rather than radically overhauling them, and this has been the case in almost all of the studies reviewed in this article that use fine-grained classifications of terminations. Besides, the analysis shows that, in the period under study, the general trend was not toward de-agencification (i.e., reduction in the overall number of existing organizations). The analysis also examined the organizations that were devolved to the provincial level or entirely privatized. There was a slight decline after 2010 due to the 18th Constitutional Amendment (devolution of major functional areas to the provincial government), but the slope was not very steep and it was not prolonged. This indicates a trend towards more restructuring and less downsizing.

The data from Pakistan show that there has been continuous restructuring of the state organizations over the years rather than complete terminations. There have been many reorganizations involving movements of organizations across hierarchical levels and to different ministries which left the organizations intact. Other transitions involve changes in organizations' legal status, which affects the autonomy and control of government at the state level. The rising trend toward hierarchical changes illustrates the inclination of governments to prefer unchallenging adjustments, which are certainly easier for executives in parliamentary democracies like Pakistan.

Furthermore, the findings of Boin et al. (2010) are affirmed that the direction and frequency of government reorganizations vary between countries. Even among countries with similar levels of socioeconomic development, there are significant variations in the intensity of government reorganizations. With additional challenges such as high levels of corruption and low rates of governmental follow-through, the public administrations of aid-recipient countries are increasingly strained (Kemp et al., 2005). This supposedly leads to comparatively higher frequencies of changes in developing countries. The findings of this article, however, do not provide a clear answer regarding whether developing countries really do tend to restructure under performance pressure more than the developed world. The UK and China, being developed countries, have a hazard rate higher than Pakistan. Some other developed and developing countries have lower hazard rates including US and Korea, which means that their organizations are at a lower risk of experiencing transitions compared to Pakistan.

The termination literature is, historically, mainly descriptive, although there have recently been attempts to use explanatory approaches when explaining different types of transitions (Yesilkagit, 2020). No matter the reason behind reorganizations—whether political or functionalist—the impact of these changes is significant not only for the organization, but also for the associated departments, ministries, and the government. Political explanations tend to link the structural changes with government turnover (Boin et al., 2010; Park, 2013; James et al., 2016; Sandnes, 2017; Wynen et al., 2020; Kleizen et al., 2018). For example, reorganizations may be accompanied with politically motivated replacement of bureaucrats. This kind of turnover among administrative staff due to political appointments affects the implementation of government projects (Cornell, 2014).

Functionalist explanations, meanwhile, usually emphasize maximizing administrative efficiency and effectiveness through internal, structural, or external organizational changes, such as mergers or divisions (Pollitt, 2007). However, Adam et al., (2007) argue that more frequent structural changes could lead to other problems and detrimental side effects. These side effects not only disrupt the internal work procedures and ties between ministries and organizations but also are linked with risk-averse behavior in the management of state organizations (Kleizen et al., 2018). This kind of behavior ultimately affects the performance capacity of affected bureaucrats. Furthermore, with continuous restructuring in state organizations, affected bureaucrats will be more likely to experience job losses or shifts. The

high rates of turnover among bureaucrats affects the implementation of government programs and policies.

Likewise, the change in parent ministry and ministerial staff affects the capacity of an administration to perform. Continuous change in parent ministry affects the assigned tasks and also the pattern of supervision from the ministry. This will most likely have implications for the performance of organizations and the capacity of bureaucrats to perform. We tentatively propose that a higher frequency of reorganization in state units affects bureaucratic capacity. Much of the literature suggests that the public sector in developing countries is under increased pressure to perform, which should lead to a higher frequency of reorganizations and also could affect the capacity of bureaucrats to perform. However, when looking at transitions through a comparative lens, it was observed that the frequency of change events is not consistently different in a developing context compared to developed countries.

The comparative analysis in this article was a first step toward establishing a systematic comparative analysis of structural changes, which in turn is an important step toward putting context-specific findings into perspective. We suggest that empirical analyses should report descriptive data to allow for comparative perspectives about relative frequencies of structural changes. Descriptive statistics could play a vital role in future comparative studies that investigate the effects of organizational restructuring, ultimately providing explanations for the convergence or divergence in transition trends across states.

We cannot deny that there are many dynamics to structural changes in governments. Disentangling these changes is not an easy task, and singling out the "pure" effects of any change is not always straightforward. Furthermore, there are always local forces at work that are context-specific. Future research should study the effects of restructuring intensity on bureaucratic capacity and long-term performance.

#### **Conclusion**

Since the discussion on the mortality of state organizations began, public administration researchers have been advancing this area of study with findings from many countries. Researchers often argue that state organizations do not always terminate or die but rather continue to face restructuring throughout their life spans. However, the overall knowledge on organizational restructuring and termination is still limited in both theory and

practice, with wide variations in the operationalization of the term 'terminations'. The way in which organizational change is defined and operationalized has important consequences for empirical and theoretical findings. In general, the boundary between termination and restructuring remains blurred in the literature; most researchers consider different types of restructuring as termination, as illustrated in this article.

This research builds on a growing body of international literature on organization termination and life cycle changes by presenting a longitudinal study of a developing country, Pakistan, over a period of nearly two decades. Moreover, this article aims to develop the profile of a country that has been absent from the termination and restructuring literature. It applies a comparative perspective by comparing the findings from Pakistan to those from the developed—and mostly western—world. Future research could also compare the impact of different types of change events on bureaucratic and organizational performance.

Prior research had implied that state organizations are almost immortal, with marginal chances of dying out. This is hardly surprising, since complete termination cases are rare. Public sector organizations in a developing country continuously undergo restructuring similar to the developed world. The intensity of change events, however, is usually context-specific and depends on the politics and government of a particular state. Moreover, we did not see tremendous variation between the developed and the developing world using comparative metrics, as we had expected to see, based on the literature. This calls for systematic analysis of the relation between restructuring frequency and performance. Our evidence is inconclusive regarding this relationship, as we find no evidence of more frequent organizational transitions in developing countries, which are known for relatively low administrative performance.

#### **Endnotes**

- (1) The Norwegian State Administration Database (NSAD) provides a detailed overview of the Norwegian state administration with information about state administration and data on civil service employees (https://www.nsd.no/polsys/en/civilservice/)
- (2) The Irish State Administration Database is very similar to NSAD with some variations in the event categories and includes data from 1922 to present; other details could be seen at <a href="http://www.isad.ie/">http://www.isad.ie/</a>

- (3) The total population includes all individual organizations that could be identified in the documents serving as information source for the PSAD. The PSAD only includes organization for which a minimum amount of information on structural change, legal foundation etc. was available.
- (4) We did not include Kaufman's (1976) study since it has been critized for using a snapshot of two years and does not account for "births" and "deaths" in those years.

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### **Tables**

Table 1. Conceptualization of agency termination in the literature

Study	Definition of Agency Termination and Scope of Empirical Analysis
Kaufman (1976)	"As long as a boundary around a group of people included in the study was uninterruptedly maintained, I treated them as an ongoing organization even if the composition, activities, outputs, and inputs of the group did not remain constant." (p. 28).
Lewis (2002)	"I consider an agency terminated if it has been eliminated whole with all of its functions or if it has had a name change, location change, and change of function." (p. 92).
Boin et al. (2010)	"A merger of organizations or a split into two or more organizations counts as a termination. When organizations are only changed in name and some of their functions, they are not considered to be abolished." (pp. 390–391).
Rolland and Roness (2012)	"Pure terminations are changes where no parts of the unit are continued in other units, whereas termination into existing units denotes changes where all or some parts of an organization continue in one or more units. This may take the form of a merger of two or more existing organizations or the absorption of an organization into another existing organization." (p. 784). This study included birth and survival events.
Sarapuu (2012)	"Ending: abolishment of an agency without new government agency being born." (p. 814). This study included merger, change of affiliation, change of the parent ministry, and change of name.
Nakrošis and Budraitis (2012)	"When a unit is disbanded, no replacement organization is created, and its functions are not transferred to another organization." (p. 823). This study included splitting, merger, death, absorption, and replacement.
Hajnal (2012)	"Concept of change/termination does not include minor, nominal changes such as a small change in the organization's name." (p.835). This study included both terminal and non-terminal changes under termination.
Park (2013)	"[O]rganizational termination involves reorganization including merging, splitting, and shifting to the private sector; i.e., privatizing However, change of name is not included in the category of organizational termination." (p. 417). "In order to minimize the scope of judgment, organizational termination has been coded as 1 when a quango was terminated or reorganized, i.e., privatized, merged, or split." (p. 424).
MacCarthaigh (2014)	"[Agency terminations are] deaths, mergers, absorptions, and replacements." (p. 1028) This study included partial and full termination.
James et al. (2015)	"We define the termination of a government agency as occurring when its governance structure has been ended." (p. 770). Ending of a framework document marks the end of an agency. This study included creations, on-going, and terminations
Ma & Christensen, (2018)	These authors followed NSAD, similar to Rolland and Roness (2012). This study included birth, survival, and death.

Source: own compilation

Table 2. Description of change events

Event	Description
Survival by merger (200)	The unit is merged with another unit or units. Most often, the combining units lose their initial form but are not necessarily terminated. In most cases, the merged units are later returned to their original form.
Survival by absorption (202)	The unit absorbs some already functioning units. The absorbing unit maintains while the absorbed units lose their initial form.
Survival by secession of tasks (203)	Some functions performed by a unit are transferred to another. Since the main unit continues to exist in its initial form, the event cannot be considered as splitting. The entity under study loses some of its functions.
Survival by absorption of tasks (205)	Some functions of a unit are taken over by another unit working at the same or different level in the government hierarchy. The entity under study takes over the functions.
Survival by change of name (207)	Only the unit name changes, and everything else remains unchanged.
Survival by splitting (208)	A unit splits into two parts while a major part of it survives in one of the parts.
Survival by transfer to provincial level (209)	A unit functioning at the federal level is transferred to the provincial government.
Survival by transfer to private sector (210)	A unit functioning at the federal level is privatized (denationalization).
Survival by reorganization (211)	When the transition involves reconstitution and complex changes that do not belong to other categories, it is assigned this code. Sometimes when a unit is winded up or recreated in some form, it is also assigned this code.
New superior organization at the same level (horizontal movement) (221)	A change in parent ministry or division is treated under this event.
New form of affiliation / legal form / legal instrument (222)	A unit is assigned a new legal statue or instrument that in most cases changes its autonomy and control.
New superior organization and level (223)	A unit undergoes two changes that result in a change in legal status and a change in parent ministry.
Survival by adoption of new tasks (224)	An existing unit is assigned new functions that did not previously exist in any other public sector organization.
New superior organization at different level (vertical upward movement) (225)	The movement of a unit from a ministry to the Federal Cabinet is treated as vertical upward movement. In Pakistan, every prime minister has certain portfolios and organizations report directly to his or her cabinet. Those organizations do not have a parent ministry above them and report directly to the prime minister.
New superior organization at different level (vertical downward movement) (226)	The movement of a unit from the prime minister cabinet to a ministry is treated as vertical downward movement.

When an entity is completely abolished or terminated along with all its relevant functions, then this code is assigned.

Source: Pakistan State Administration Database (PSAD)

Table 3. Frequencies of transitions (in descending order)

Event Code	Change Event	Frequency
221	New superior organization at the same level (horizontal movement)	132
222	New form of affiliation / legal form / legal instrument	118
225	New superior organization at different level (vertical upward movement)	34
226	New superior organization at different level (vertical downward movement)	28
209	Survival by transfer to provincial level	15
207	Survival by change of name	13

Table 4. Overview of intensity of organizational transitions in selected studies

Study	Type of agency under study	Summary of available descriptive information	Period	Transition rate (hazard ratio relative to Pakistan in brackets)				
Zahra and Bach (this article)	Pakistan: Central government units, autonomous units, companies, and foundations.	363 units under study with 367 events 70 founding events, making 437 transitions in total 6368 agency-years	2000–2018	0.058 (1.00)				
Ma & Christensen, (2018)	China: central organizational units at the ministry, vice-ministry, and bureau level directly subordinate to the SC, excluding subunits within the entities excluding SOE's.	Total units fluctuated from 100 to 80 during the period under study (68 years). We use this as a basis to calculate agency-years assuming constant annual numbers: 5440 agency-years for 80 units per year and 6800 agency-years for 100 units per years  -972 organizational changes  -310 deaths, and 266 survivals	1949–2016	80 units: 0.175 (3.02) 100 units: 0.143 (2.47)				
James et al. (2015)	UK: Executive ("Next Steps") agencies, including service producing, regulatory and research agencies.	109/153 agencies terminated, 1,291 agency-years	1988–2012	0.084 (1.45)				
Park (2013)	Korea: Public enterprises and quasi-public organizations	39 change events with 1156 observations (agency-years)	1993–2010	0.038 (0.65)				
Lewis (2002)	US: federal agencies: All administrative agencies, excluding advisory commissions, multilateral agencies, and educational and research institutions.	426 organizations in total; 251 terminations; 6,650 observations (agency-years)	1946–1997	0.037 (0.64)				
Boin et al. (2010)	US: special population: The New Deal organizations, which came about during President Franklin Roosevelt's first term.	63 organizations in total; 47 terminations; 1854 observations (agency-years)	1933–2007	0.025 (0.43)				
Rolland and Roness (2011)	Norway: All non-temporary state organizations with full-time employees.	171/224	1947–2010	-				

Nakrošis and Budraitis (2012)	Lithuania: Organizations that fall under agency definition and public sector organizations (public nonprofit institutions, foundations, and state-owned companies), which do not meet the common agency definition.	65 terminations out of 139 agencies in total.	1990–2010	-
Hajnal (2012)	Hungary: Executive-branch public administration organizations that operate within the realm of civil service law.	152 organizational threads. 56 change events.	1990–2010 Change events studied from 2002 to 2009	-
Sarapuu (2012)	Estonia: ministries and subordinate government agencies.	40 total change events including foundings. Number of units varied from 11-40	1990–2010	-
MacCarthaigh (2014)	Ireland: All organizations that existed since state's creation, excluding ministerial departments.	Total organizations varied from 88-285 in the period under study.  36 change events	1922–2010	-

Notes: transition rates and hazard ration based on own calculations

#### **Figures:**

Figure 1. Frequencies of transitions among state organizations in Pakistan by year

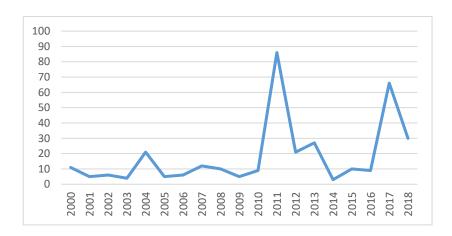


Figure 2. Number of state organizations in Pakistan by year

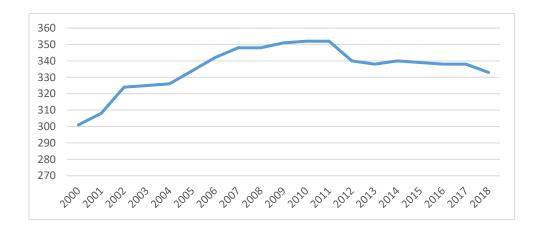
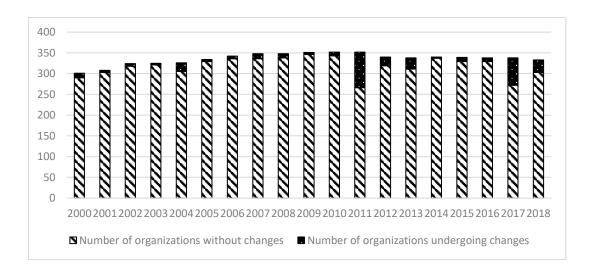


Figure 3. Number of state organizations in Pakistan with and without changes by year



## **Frequency of Change Events**

	Fred	quenc	y Tab	le for	the C	hang	e Eve	nts (2	000-2	2008)										
Event codes	20 00	20 01	20 02	20 03	20 04	20 05	20 06	20 07	20 08	20 09	20 10	20 11	20 12	20 13	20 14	20 15	20 16	20 17	20 18	Grand Total
200	1						1					1	1							4
201				1							1									2
202	1		1			2	1													5
203					1															1
204																1				1
207	3				1			2	1	1		1	1	1	1				1	13
208								1		1										2
209									1		1	12	1							15
210				1		1										1		1		4
211	1															1				2
221	1	1		2	16			1	2			40		20		1		48		132
222	6	2	7		2	2	2	5	3	1	4	3	4	6	1	2	2	37	29	118
223				1					1		1	1		1				1		6
224		1		1			1	2			1									6
225									1	1	2	20		9		1				34
226								1	1		1	7	1	5		1	7	3	1	28
227																1				1
306												2			2	1				5
312		1										2	2					1		6
Grand Total	13	5	8	6	20	5	5	12	10	4	11	89	10	42	4	10	9	91	31	367