

## Difference between Public and Private Administration

According to Sir Josiah Stamp, there are four specific aspects on which the distinction

between public administration and private administration can be based:

1. The Principle of Uniformity: Public administration often controls general and uniform

laws and regulations, while private administration formulates laws and regulations

according to specific circumstances.

2. The Principle of External Financial Control: Public administration controls government

revenues and expenditures through legislatures and representatives of the people, while

private administration has internal control. 3. The Principle of Ministerial

Responsibility: In public administration, responsibility is on

the elected representatives of the people, whereas in private administration, responsibility

is on the board of directors. 4. The Principle of Marginal Return: The primary objective of private organizations is to

maximize profits, regardless of the amount. In contrast, most objectives of public

administration cannot be measured in terms of money, and their assessment cannot be

done through accounting methods. Many government policies are implemented without

any direct benefits to particular segments of society. Herbert Simon sees three dimensions in the difference between public and private administration:

1. Public administration often has a bureaucratic element, while private administration

operates like a business. 2. The role of public administration is political, while private administration is non-political. 3. Public administration is often

associated with red-tape, whereas private administration is free from it. According to Felix A. Nigro, the difference between public

administration and private

administration is also due to their organizational size. Private organizations cannot compete with

the vast size of government organizations. 2.4 Similarities between Public and Private Administration

The similarities between public administration and private administration are as follows:

- Both public and private administration rely on common skills, techniques, and methodologies.
- In modern times, the goal of profit is not limited only to private administration; it has also been recognized as a legitimate objective for government-owned business entities. For example, the Parliament of India oversees various government-owned companies whose aim is to generate profits.
- Private companies now operate in a manner similar to public administration in terms of regulation and control over the activities of their employees.
- In contemporary times, regulatory control is not confined to public administration alone, but extends to private firms through various regulatory laws.
- Both systems have similar hierarchies and organizational relationships among employees.
- In both systems, services are centered around the public. The success of government administration depends on the satisfaction of citizens, whereas in private administration, clients are accepted. This encapsulates the key similarities between public administration and private administration.