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CURRENT TRENDS IN THE DEVELOPMENT OF THE NEW PUBLIC MANAGEMENT

Abstract

As early as the last century, reforms in public administration were launched in developed countries, the main goal of which is defined as a continuous process of transformation of behavior and values. This idea resonates widely, as I have already noted, especially after D. Osborne and T. Goebler published "Rediscovering Governance," arguing that Western societies were moving toward a new, "entrepreneurial" paradigm of public governance that would change the already

outdated paradigm of the traditional administrative-bureaucratic style of government. From today's point of view, however, despite the enormous efforts and the many measures taken, the countries that have embarked on the path of the new public management have achieved different results. Even where the results are the best, there has been no radical change in the administration's activities.

Key words: administration, management, reform, trends.

Introduction

The new concept of public management is seen as a means of overcoming the problems of bureaucratic management in the context of American management. D. Osborne and T. Goebler call the proposed new model of governance in the United States "entrepreneurial governance," and define the approach itself as an "entrepreneurial spirit that transforms the public sector." On this basis, in the American version of the concept

of a new public management is derived a set of fundamental principles for the new form of government, to which the so-called. Public managers must adhere to. Although, as the authors themselves assume, these principles will not solve all the problems of public administration, the main shortcomings of bureaucratic management can be overcome if the experience of the organizations that have adopted them are used as a "road map" and public managers "act not only as

administrative managers, but also as entrepreneurs.

The Anglo-American idea of rediscovering government is based on the belief that the classical model of public administration and the associated traditional administrative-bureaucratic style of government is

Current trends

As is well known, the paradigm of the classical administrative system has existed and functioned for a long time and is generally defined as extremely successful. On this occasion, G. Peters writes in "The Future of Governing": "The traditional system of administration withstood several world wars, created and administered a massive expansion of social programs, introduced large-scale economic management of the public sector and was the basis of other remarkable achievements. But this system has already changed."⁴ Attempts to distance the administration from its roots begin when the poor functioning of the public sector and the growing fiscal deficit become apparent. Many politicians and analysts see an opportunity to get out of this situation in emphasizing market mechanisms as a way to control the deficit. At the same time, there is a growing dissatisfaction of citizens with regard to the quality of public services. All this coincides with the development and development of theories of the neo-institutional economy and public choice, which gradually led to the emergence of the doctrine of the new public management.

inadequate to modern realities. The reasons for this inadequacy are rooted in the changed conditions and the strong external challenges to the administrative systems, on the one hand, and on the other hand, the strong impact of the prolonged crisis of this management on the whole system.

A review of the scientific literature shows that in the last few decades the theory and practice of the new public management have been the basis of new programs for modernization of governance and reform of the administrative systems of most countries of the European Community. Moreover, in analyzing public administration reforms, the author of Governance: Key Concepts⁵ is of the opinion that in addition to Western Europe, the United States, Australia and New Zealand, the principles of the new public management have also been applied in many Third World countries. condition for obtaining loans from international financial institutions such as the World Bank and the International Monetary Fund.

One of the researchers on this topic, O. Hughes⁶, writes that initially this new model appeared under different names. There are many ideas for reforms in the specialized scientific literature, united under the title "new public management"⁷. An overview of these publications could lead to a generally accepted definition: "the new public management is a system of market-oriented approaches in the management of institutions and resources in the public sector".⁸

⁴ Peters, B. Guy, 2001 : 13-16.

⁵ Kjar, A., T. Governance, 2004: 24-49.

⁶ Hughes, 2003: 4.

⁷ Pollitt, Bouckaert, 2004.

⁸ Katsamunska, 2012, no. 5.

The new model of public administration outlines a real paradigm shift in the role of the state and the unloading of its functions, because the reforms launched aim to reduce the scope of the state, limit its role as a producer of goods and services and reformulate the role of government. To the need to increase efficiency in the public sector and cut costs is added a series of measures, which include privatization and deregulation, introduction of market-like mechanisms in the public sector, decentralization and debureaucracy. The main directions of this fundamental change are summarized by the OECD⁹ Committee on Public Management.

- Focusing on results, in terms of efficiency, effectiveness and quality of services;
- Replacement of highly centralized, hierarchical, organizational structures with decentralized management, where decisions on distribution, resources and service delivery are close to the place of delivery and which provides feedback from customers and other stakeholders;
- Flexible to explore alternatives and direct public resources where better results can be obtained with fewer resources;
- Greater emphasis on services provided directly by the public sector and creating competition within and between public sector organizations;
- Strengthening the strategic potential of the center to guide the evolution of the state and allow a response to external changes and various interests - automatically, flexibly and at a lower cost.

⁹ Public administration reforms in OECD countries, 2000: 8.

In its modern reading, the paradigm of the new public management finds various forms of manifestation. Where reforms are a deliberately planned change in the spirit of the new public management, reformers rely primarily on management, privatization, agency, competition, decentralization, and expanding citizen participation in governance.¹⁰ In essence, management is the introduction of management tools from the business sector for their application in the public sector and is based on the principle of the three "E" - efficiency, effectiveness and economy (from English, effectiveness, efficiency and economy).

Management focuses on professional management, the exact standards and measures for implementation, the quality of staff, the results achieved and the value of money. Another principle of management emphasizes "pay according to merit" and not according to length of service. The provision of public services requires: to precisely define the goals and achievements of the administrative structures and their subordinate units for each employee individually; to emphasize the need to reduce the cost of money and materials; to achieve adequate results by mobilizing all professionals and experts, to regularly evaluate the work done and to take measures if necessary.

Privatization is another form of manifestation of modern public management and through this tool aims to increase productivity, reduce costs and prices for consumers. A characteristic feature of these programs is that privatization does not lead to increased efficiency everywhere, and one of the reasons for this is the high level of corruption, as politically loyal or influential people - most often from the business sector,

¹⁰ Kjar, 2004: 25-31.

can receive shares in privatized enterprises under favorable conditions. From the point of view of modern reforms, a common form of privatization is the so-called "Privatization of public services". In the public sphere, such activities as garbage collection and water supply can be mentioned, and in a more radical approach, activities such as prison management and security of public facilities, where the state acts as a buyer and the private sector as a supplier.

Agency is another modern manifestation of the new public management, which is most often realized by separating part of central or territorial administrative structures into autonomous or semi-autonomous agencies, in order to distance these units from the center and limit the possibility of political pressure on them. Thus, by isolating the agency, it can be managed "apolitically" and to ensure greater efficiency and effectiveness of activities, as well as to increase the responsibility of employees. At its core, agency is a principle derived from the idea of the traditional administrative model of separating policy from administration.

Competition is another major tool of modern public management, used as a means to increase the efficiency of public organizations. Opportunities for competition are found where privatization removes the state monopoly or where there are quasi-markets in the public sector (eg in the healthcare sector, where citizens as customers can choose freely between hospitals and doctors). A characteristic feature of competition is that it can be external when it occurs between public and private public service providers, but also internal to the administrative system. In this case, two forms of competition are distinguished: internal administrative (between divisions and separate units of a given administrative

structure) and inter-administrative (between different administrative units, service providers or separate administrative units applying for budget funds for specific projects).

Decentralization in the provision of public services also belongs to the modern forms of manifestation of the new public management. The implementation of decentralization is based on the belief that the problems, needs and preferences of citizens cannot be sufficiently taken into account when decisions on the type and scope of services are taken at the central level. Or decentralization is a process of transferring rights, responsibilities and resources for their exercise from higher to lower levels of public administration. The purpose of this process is to provide better and better services to citizens and businesses. Decentralization has 3 main forms: *administrative, political and financial*.

In **administrative decentralization**, the higher level of territorial government transfers two types of rights and responsibilities to the lower levels of government:

- o decision-making powers concerning the type, scope and quality of public services;

- o powers to manage the activities related to the provision of services - opening / closing of structural units, number and structure of staff, amount of payment, provision of services by external contractors, ownership and management control.

Administrative decentralization has three stages: full, delegation and deconcentration.

Only a relatively independent and self-governing public institution can receive full rights and responsibilities for the provision of a service and for its financing. In this case, one authority waives the right and responsibility to provide certain services, and

the other gets full rights to decide whether or not to provide services, what is their scope, quality, mode of provision, sources of funding and others.

The central government transfers the rights to the municipalities, to provide specific local services, the responsibility to determine their quantity and quality, as well as all other issues related to their management and financing. The municipality, in turn, can transfer the responsibility to the mayoralties and service establishments to solve all issues related to the provision of local services.

Delegation is a low degree of administrative decentralization, in which a higher level of territorial governance provides the lower level with some of the necessary powers to provide certain services.

Delegated powers are usually in the area of organization and funding. The authority delegating certain rights does not transfer responsibility for the provision of the relevant services.

An example of such a relationship between central and local government is delegated services. The state delegates to the municipalities their management and financing, but not the responsibility for determining the types of services, their quality characteristics, access to them, etc. Delegated budgets in the field of the education system are a typical example of such relations between the respective municipality and the service institution.

Deconcentration is the transfer of powers and resources for their exercise from a central executive body to territorial administrative units under its authority. The territorial units of the central executive power are hierarchically subordinated, have no financial independence and their heads are appointed

by the central institution. They fulfill goals on her behalf and at her expense.

Deconcentrated territorial units are the regional inspectorates and services of the ministries and agencies. Within the municipality, the relations between the municipal administration, the mayoralties and the service establishments are deconcentrated.

The process of delocalization is also an element of **deconcentration**. This is a process in which an institution moves from one place to another from the national territory, without any changes in the decision-making process and in the management of the budget of that institution. For example: when an institution dealing with maritime transport is physically relocated from the country's capital to a coastal city in the country, together with its head, staff, budget, etc.

Political decentralization is the granting of decision-making powers and control over their implementation to a wider range of interested institutions or those that are closer to citizens and service users. The larger the circle of people who make decisions and control their implementation, and the closer they are to the local community, the higher the degree of political decentralization. Examples of political decentralization are the real opportunity for local authorities to participate in the development of the legal framework of local self-government, of mayoralties and directors of municipal units - in the local regulations governing their activities; of the population and local civic structures - in the development and control of local policy in terms of types of services, quality, access, management and financing.

Financial decentralization is the provision of resources, the transfer of sources of resources, the rights to determine their size,

the way they are used and the responsibilities for financing public services.

In deconcentration, power remains at the central level and only the implementation of decisions is decentralized, in delegation - all power is decentralized, and local government works on the principles of self-government and is accountable to its population through local elections.¹¹ Moreover, the modern versions of the concept of a new public management, according to P. Pavlov, are oriented towards the more radical form of decentralization, to the delegation.¹²

Citizen participation in governance is the sixth basic instrument that has been needed since the 1990s and continues to be widely supported today. The approach relying on the so-called "Direct" civic participation is essential for good governance, especially given the fact that in a globalizing environment, in a deficit of financial resources, public administration would find it difficult to legitimize its actions without the active help of society. One of the main ideas for expanding citizen participation in governance is to limit and avoid the negative features of the traditional management hierarchy, especially in terms of increasing the opportunities for citizens to control the quality of administrative services and the services provided. public services. It is considered that the quality of services would be improved and the responsibility of employees would be increased if they were reported regularly to both the authorities and the citizens.

Conclusion

"Management and governance tools have become something of a 'cult burden' for

reformers,"¹³ because the dominant idea is that copying and adapting techniques used in the private sector will almost certainly make the public sector and public administration more efficient and effective. more efficient. At the same time, however, the imposition of the new administrative-management paradigm at the end of the twentieth century became an occasion for debates in management and changes in the public sector, for the desired and undesirable consequences of the new public management. In the 21st century, effective governance of organizations is a key economic priority, an important part of implementing reforms and ensuring sustainable development. Management must be based on the understanding that people are a key factor in the organization.¹⁴

The new public management has some merit for rediscovering and transforming governance, although in the last decade of the twentieth century these countries experienced an erosion of trust in government to a greater or lesser extent, which subsequently led researchers to turn their attention to demand. of alternative management models in the future.

In the 90s Kr. Hood¹⁵ explores and analyzes in depth the model of entrepreneurial management and offers a more impartial perspective for its development. Based on a study of variations in public management reform, the author finds that Anglo-Saxon democracies have made the most progress in implementing this concept.

A number of studies indicate that as the paradigm of the new public management is further developed and refined, it continues to have a dominant impact on efforts to

¹¹ Turner, Hulme, 1997.

¹² Pavlov, 2007: 90.

¹³ Peters, 2001:109.

¹⁴ Boykov, Goceva, 2020: 219.

¹⁵ Hood, 1996.

institutionalize public administration and administration. Proof of this is the strong

support for the new public management, expressed in various global forums.

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