

Public Administration – Public Management interface: How Different is the ‘Management’ from the ‘Administration’?

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Abstract: The field of public administration has gone through some evolution and still going through such paradigmatic shifts. Going beyond the traditional public administration, which had been underpinned, by bureaucracy and the quest for democracy and rules, the field evolved to public management with its most popular variant new public management, which puts greater emphasizes on market orientation and adoption of private sector management principles into the public sector. However, to what extent is public management dissimilar with the traditional notion of public administration? Is public management significantly different from public administration? Is it a genuinely new area of academic enquiry or is it merely an old subject that is being dusted off and recycled? Does public management designate a coherent theoretical and methodological approach? Adopting content analysis of extant literature, these cross-cutting questions are adequately addressed in this paper with an emphasis on the nexus between public administration and public management. The paper concludes with the interconnection between the public administration, public management and the emerging approaches.

Keywords: public administration; new public service; public management; service delivery; market mechanisms

I. INTRODUCTION

The quest for universal administrative standards to promote the effective application of public laws and policies gave birth to the field of public administration. (Waldo, 1948; Wilson, 1887). Wilson argued for a distinction between politics and administration, arguing that the former was more concerned with democracy, justice, and equality, while the latter was more concerned with efficiency, as he postulated that "administration lies beyond the proper domain of politics; administrative questions are not political questions" (Wilson, 1887). According to Waldo (1948) "the means and measurements of efficiency, it was felt and strongly stated, were the same for all administrations: democracy, if it were to survive, could not afford to ignore the lessons of centralization, hierarchy and discipline. Bureaucracy as an organisational type has seen its heyday in the field of public administration, owing to Woodrow Wilson's Transfer of Administrative Principles. That notwithstanding, the field has gone through paradigmatic evolution over time by a quest for management paradigm derived from the discipline of business administration. The management approach is said to hold the

promise of future public sector reform, replacing the administrative approach traditionally provided by public administration. A new concept arises when the management perspective is combined with an emphasis on the public sector: public management. Courses and programmes, as well as whole academic institutions and colleges, are adapting by switching from the term "public administration" to "public management. Considering the growing demands for efficiency in the public sector, the transition from a public administration to a public management framework seems to be the right step (Hood, 1991).

The emergence of the management viewpoint illustrates the increasing importance of market values in the public sector. There are various indicators that public administration is about to be supplanted by public management as the basis for assessing the public sector, especially in relation to organisational and leadership issues. The shift away from the public administration framework and toward the public management approach is part of a broader phase of public sector restructuring aimed at increasing the quality with which state and local governments provide goods and services. The management approach, in its extreme form, advocates for the adoption of internal markets in the public services, eliminating bureaucracy and long agreements with bidding and short-term contracts. Internal markets, once universally adopted, would improve transaction prices, cancelling out the cost advantages from increased competition.

Furthermore, internal markets would be unable to achieve the non-monetary objectives associated with the public sector, including the heavy focus on compliance and its divergent principles. The public service is more than just effectiveness. How can procedural principles, let alone the freedom to speak up, seek redress, and exercise legal power, be considered in the management approach. The concept of justice is prominent in the public sector, but how does it work into internal markets? Is there a major gap between public management and public administration? Is it a truly new field of intellectual inquiry, or is it simply a revived and replicated old subject? Is there a coherent analytical and empirical approach to public management? This essay thoroughly addresses these border issues, with a focus on the relationship between public administration and public management.

Conventional public administration did necessitate the commitment of effort on “managing internal components” role of general management, but there were some substantial cases in which this was not entirely applied. Undoubtedly, public officials had to organise the organization, recruit employees, develop and encourage them, and oversee all other facets of the personnel structure, but performance management was still lax. Mostly, no one knew what was being made, how it was being produced, who was to take the credit or blame, and sometimes who was a high performer. Since it was assumed that performance correlations could not be made, unsuitable staff screening devices such as length of service were used, giving the illusion of justice when only rewarding time-servers and punishing the capable. Evaluation of projects or individuals was relatively rare and insufficient, with little sense of success toward goals, if any were set at all.

In that case, a question or debate in the discipline of public administration is whether public administration and public management are completely different fields or paradigms or whether the latter is a synonym of the former. Some argue it is an old concept just recycled and placed in new wine bottles. Key questions that beg for systematic academic enquiry are: Is public management significantly different from public administration? Is it a genuinely new area of academic enquiry or is it merely an old subject that is being dusted off and recycled? Does public management designate a coherent theoretical and methodological approach? Adopting content analysis of extant literature, these cross-cutting questions are adequately addressed in this paper with an emphasis on the nexus between public administration and public management. The paper seeks to contribute to this debate by demonstrating the nexus between public management and public administration by highlighting the elements of public management and how they differ from the traditional public administration. The variations in terms of the underlying philosophy and theoretical underpinnings are addressed in this essay. The essay concludes the relationship between traditional public administration, new public management and emerging approaches in the field and practice of public administration.

Conceptualizing public management

In the late 1960s and early 1970s, there was a wave of interest in organisational theory, policy research, and management, with the goal of refocusing the study of public administration on topics such as strategic decision-making processes, policy execution, and policy alignment. Furthermore, the obsession with proactive financial management as illustrated in innovations such as forecasting program budgeting has an institutional orientation in its efforts to reorient and consolidate bureaucratic organisational systems. These concerns were manifested in the form of massively consolidated Whitehall offices, corporate review processes, city government reorganisation, social care agencies, and the reconstruction of the National Health Service during this time period.

Many of these reforms were undoubtedly motivated by a technocratic paradigm focused on rational decision-making and apparent inefficiencies in government institutions. Nonetheless, the position of the state was scarcely debated within the traditional study and practise of public administration, a minority activity performed mainly by those of more progressive (usually left wing) persuasions. (Ham & Hill, 1993).

However, in the late 1970s and early 1980s, these consensus methods were savagely criticised for their theoretical flaws and realistic shortcomings. They were replaced with a reliance on markets, agile and sensitive organisations, and decentralisation. The term ‘management’ started to displace ‘administration’ in the lexicon of public sector studies. Although public management theory is not limited to public choice or economic theory, it often relies on these disciplines for systemic analysis and recommendation.. This study defines state participation as promoting monopolies, undermining entrepreneurial activities, restricting choice, overproducing unwanted resources, and encouraging duplication and inefficiency. Markets, on the other hand, stimulate competitiveness, optimise preference and independence, improve productivity (in different forms), organise fragmented practises through the market mechanism, and facilitate entrepreneurial actions. Such remedies are not often treated as unproblematic, and the position of the state and administration is recognised, but only as a "coordinator" and a "minimalist regulator" of business processes.. As a result, mechanisms that promote the development of external and internal markets are seen as essential in the practise of public management. This entails looking at a variety of alternatives, such as privatisation and market research, as well as the purchaser–provider divide, the idea of the ‘supportive’ regulator, and the contracting state (Hardin, 1992; Stewart, 1993).

Elements of the (new) public management

Throughout the public management reform revolutions, managerial innovations such as customer care, performance-based procurement, competitiveness, market incentives, and deregulation can be found. These innovations complement each other as they are knitted together into a seamless whole. An emphasis on customer experience focuses management and agencies on what consumers of the services consider to be relevant (Barzelay & Kaboolian, 1990; Osborne & Gaebler, 1992). Well-designed success metrics for agencies and administrators include regular guidance and improve responsibility to political functionaries for performance (Eggers, 1997). Business arrangements such as competitiveness within government units and across government lines to the non-profit and for-profit sectors, efficiency incentives, and fines relax state entities and public servants' inefficient monopoly franchise. (Jensen, 1995; Donlevy, 1994). The New Public Management is being introduced at the same time as the position of managers in the private sector is evolving. Managers, it is argued, must be

freed from rituals and control by numerous regulatory processes, such as recruitment and staffing, in order to attain the success metrics for which they are responsible (Peters, 1987; Thompson, 1997). The following section explains core aspects of the new public management, as outlined in Table 1.0, which distinguishes public administration from public management in respect of overlaps and theoretical orientations.

The Market Drive

Since the early 1980s, market values have risen in terms of appeal and significance. They also supported calls for restructuring in all large areas of the public sector. This extends to the OECD countries as a whole, with the potential exception of Japan, where it is recognised that the extreme ageing crisis would necessitate increased rather than decreased public spending.. Capitalist principles, on the other hand, guide public service reforms in the Westminster state, the Napoleonic state, and the Nordic and German social welfare programs. One aspect of the market drive is the rise of the management perspective. It is oriented toward the production or distribution of goods and services in the public sector, necessitating a new organisational and leadership style focused on domestic markets..

Genuinely new area of academic enquiry or old subject merely dusted and recycled?

According to the table below, public management tends to be an old theme, but it has come with a clear paradigm, analytical outlook, and several implications that make it quite a modern field of intellectual albeit, it cannot completely dissociate itself from the wider discipline of public administration. In the table below, I try to differentiate public administration from management by using at least seven (7) key elements to indicate that it is more than just an old topic dusted and recycled, but with strong analytical and conceptual assumptions.

Table 1.0: Elements of Public Administration and Management.

Element	Public Administration	Public Management
Material and ideological conditions	Industrialization, urbanization, rise of modern corporation, specialization, faith in science, belief in progress, concern over major market failures, experience with the Great Depression and World War II, high trust in government	Concern with government failures, distrust of big government, belief in the efficacy and efficiency of markets rationality, and devolution
Primary theoretical and epistemological foundation	Political theory, scientific management, naive social science, pragmatism	Economic theory, sophisticated positivist social science
Prevailing view of rationality and model of human behaviour	Synoptic rationality, "administrative man"	Technical and economic rationality, "economic man," self-interested decision makers
Definition of the common good, public	Determined by elected officials or technical experts	Determined by elected officials or by aggregating individual

value, the public interest		preferences supported by evidence of consumer choice
Role of politics	Elect governors, who determine policy objectives	Elect governors, who determine policy objectives; empowered managers; administrative politics around the use of specific tools
Role of citizenship	Voter, client, constituent	Customer
Role of government agencies	Rowing, seen as designing and implementing policies and programs in response to politically defined objectives	Steering, seen as determining objectives and catalysing service delivery through tool choice and reliance if possible on markets, businesses, and non-profit organizations
Key objectives	Politically provided goals; implementation managed by public servants; monitoring done through bureaucratic and elected officials' oversight	Politically provided goals; managers manage inputs and outputs in a way that ensures economy and responsiveness to consumers
Mechanisms for achieving policy objectives	Administer programs through centralized, hierarchically organized public agencies or self-regulating professions	Create mechanisms and incentive structures to achieve policy objectives especially through use of markets
Role of public manager	Ensures that rules and appropriate procedures are followed; responsive to elected officials, constituents, and clients; limited discretion allowed to administrative officials	Helps define and meet agreed upon performance objectives; responsive to elected officials and customers; wide discretion allowed
Approach to accountability	Hierarchical, in which administrators are accountable to democratically elected officials	Market driven, in which aggregated self-interests result in outcomes desired by broad groups of citizens seen as customers
Contribution to the democratic process	Delivers politically determined objectives and accountability; competition between elected leaders provides overarching accountability; public sector has a monopoly on public service ethos	Delivers politically determined objectives; managers determine the means; scepticism regarding public service ethos; favors customer service

Source: Bryson et al, 2014

Relationship between public administration and public management

Orthodox public administration emerged in the United States in the late 1900s and evolved by the mid-twentieth century as a reaction to a complex collection of circumstances (Stoker 2006; Waldo, 1948). The complexities of industrialization, urbanisation, the growth of the modern enterprise, confidence in science, faith in advancement, and anxiety about significant market failures were among them. The largely constructive reactions of the government to World War I, the Great Depression, and World War II tended to consolidate

enthusiasm for conventional public administration and to instill deep confidence in government as an instrument for the welfare of everyone. Politics and administration is kept apart in its idealised version. (Wilson, 1887). Goals were set in the first place by elected officials and were only secondarily modified by skilled professionals in reaction to political guidance. In the way they planned and executed politically defined priorities, government departments became the principal providers of public value (Salamon 2002). The most critical attribute of government activities was efficiency. Citizens were generally regarded as voters, clients, or constituents. Of course, in practise, traditional public administration was always more deeply entwined with politics than its idealised form would suggest (Denhardt & Denhardt 2011, Waldo, 1948), and government departments themselves were likely to fail.

After a long gestation period, the New Public Management (Hood, 1991) became the dominant approach to public administration in the 1980s and 1990s. In the United States, Osborne and Gaebler's best-selling book *Reinventing Government* (1992) and the Bill Clinton administration's National Performance Review (Gore, 1993) marked the change. New Public Management arose out of a concern with government failures, a belief in the efficacy and efficiency of markets, a belief in economic rationality, and a push away from large, centralized government agencies toward devolution and privatization. Public administrators are advised to "steer, not row" in New Public Administration. They steer by deciding goals, or what should be achieved, and catalysing operational efficiency, or how it should be done (rowing), by their selection of a certain "tool" or mixture of tools (e.g., markets, legislation, taxation, subsidies, insurance) for accomplishing the goals (Salamon, 2002). Markets and competitive advantage by players from various sectors—are the chosen means of providing public policies in the most reliable and profitable manner to recipients perceived as "customers," rather than citizens. Public managers should be motivated and released from restrictions to be "enterprising" and "manage for outcomes. Of course, administrators always face the worst-case scenario in which they are held responsible for performance but are not permitted to plan for results. (Moynihan, 2006). While the issues that dominated conventional public administration and New Public Management remain, new material conditions and challenges have arisen.

As a result, the new public management philosophies tend to be united in their opposition to the conventional hierarchical paradigm of administrative organisation and their advocacy of quality and responsiveness by some kind of decentralisation. In theory, those theories frequently prescribe greater 'independence' for bureaucratic institutions and their members. They criticise the restricting existence of central controls and rule-bound schemes, which they believe limit prized virtues such as creativity, employee empowerment, and customer sensitivity.. However, as Hambleton (1992) points out, although various analysts may converge on this

assessment and recommend decentralisation as a solution to certain situations, the type and essence of the 'decentralisation' advocated may differ..

Whereas the New Public Management urges policy makers to be ambitious as well as using incentives to guide and develop the efficiency of staff and processes, public managers have been removed from the political realm (Peters, 1996). In the presumption that priorities are set and better articulated by market processes, public administrators are given more freedom in determining "how" public bodies can meet their performance targets rather than specifying "what" the public prefers.

The public administration paradigm is focused on the premise that public administration can and should exist as a true phenomenon. The public administration approach notes what maxims are characteristic about the public organisation of society and which imperatives can control any attempt at restructuring, drawing on many models, including classical organisation theory, Weberian bureaucracy theory, public law ideas, and public policy models. Therefore, what are the principles of public administration, and how do they apply to the management framework's fundamental ideas?

Laws and regulations, executive functions and administration, and judicial procedures are all regulated by agencies. The public administration system emphasises certainty in the operation of the administrative machinery. Administrative law's elements - delegated laws, decision-making procedures, solutions, procedural controls, and ombudsmen - are also in order to increase predictability or citizens' ability to shape stable perceptions of how their affairs would be treated. Predictability is an important component of expectation and accountability, all of which are prioritised in the public administration framework in response to citizen needs. Every matter of public administration is approach as an ostensible scenario, involving a rigid set of guidelines for how a matter is to be dealt with in a consistent and predictable manner. The case is the information-gathering facility, where the handling of the relevant information, which is processed in a predetermined manner, is meticulously documented. Without such a registry of cases, public sector officials and practitioners cannot be kept accountable, and citizens cannot predict how they will be handled by public authorities.

The public interest is a part of the public administration framework. It is concerned with bringing incentive to bear on results, or with ensuring that job ambitions result in successful output, i.e. the output of goods and services to satisfy both citizen needs and legal requirements. What motivates bureaucrats, physicians, and teachers to give their all in the public sector is the belief that working in public services is a career choice. The primary purpose of public-sector agencies is to represent the public interest, to offer a selfless service to the society. The management method can be interpreted as a mirror image of the public administration framework, consisting of numerous operational concepts established within the philosophy of the company. The *raison d'être* of

private companies is their accomplishment of goals, which can be tracked using a number of performance indexes. A company in the private sector is a man-made construct intended to accomplish particular targets for as long as the stakeholders are willing to support it. Managers are a subset of personnel of corporations that are in charge of important decision-making roles. Their success is evaluated in relation to the achievement of their organisations' goals. When it comes to constructing the managerial functions, the main philosophy is managerial discretion, which includes versatility, adaptation, and providing guidance.. Management is not concerned about following the guidelines. Flexibility and adaptation, on the other hand, necessitate unorthodox decision-making, surprise, and discretion in order to boost creativity.

The organization's owners want managers to be successful, but they must formulate a contract that responds to managers' self-interests. The engagement between owners and managers occurs within the context of a principal-agent arrangement in which there is a benefit from activities that is to be split in some way between the owners and the workers, all of whom are functioning in their own self-interest. When it comes to modelling public sector restructuring in emerging economies, the management strategy has phased out the public administration framework. The modern term "public management" refers to the introduction of the management paradigm into the public sector. Efficiency is regarded as more important than law adherence, effectiveness is regarded as more important than legality, and flexibility and responsiveness are regarded as more important than predictability and responsibility. If public activities will generate a benefit, therefore profit is a strongly important goal in addition to the public interests represented. The managerial movement has invaded the public sector, widening managers' responsibilities on the one side and reorienting governance toward management philosophy on the other. The management revolution includes both bureaucrats and public corporations that oversee the provision of goods and services in the public sector. It means that public organisations such as hospitals, schools, and infrastructure agencies should be run as enterprises, and that state corporations should be reconstructed as businesses and regulated as private enterprises.

Table 2.0: Comparing Public Administration and management Approaches.

Public administration approach	Public management approach
Rules	Objectives
Due process	Efficiency
Anticipation	Adaptation
Responsibility	Direction
Legality	Effectiveness
Vocation	Self-interests
Public interest	Profits

Lane, 2015

Is it a synonym or particular kind of specialization within public administration?

It is notable for its explicit focus on philosophies of government and governance, as well as its subtle emphasis on the principles that guide both the study and practise of public administration and public management. As a result, it is important to acknowledge that neither the study nor the practise of public policy or public management can be segregated from politics. According to Caiden (1994), all public administration is democratic; it is a tool of politics, and political ideals predominate. Such an argument further emphasises the issue of principles and the importance of defining them in any study of what 'public management' or 'traditional public administration' is or could be. While the emphasis of this paper is on trends in the United Kingdom, it would be wrong to ignore the global discourse on public management philosophy and practise in ways that include at least Australia, Canada, New Zealand, and the United States. Traditional public management ideas and traditions are under pressure in many of these countries by reform agendas that tend to be motivated by what appear to be mainstream philosophies and tactics. Furthermore, there has been much debate about administrative revolutions and paradigm shifts in each. The concept of a framework is, of course, derived from the work of Thomas Kuhn, a philosopher of science (1970). It is concerned with the emergence of scientific disciplines, especially when the currently held value consensus collapses and is replaced by a new and usually externally developed set of values and assumptions. As a result of the revolution, new principles, agendas, and sometimes new personnel are introduced, reinterpreting the area that is driven by the new paradigm. Another concern is how far this approach can be extended to the study and practise of public administration.

Nonetheless, various reports of a new paradigm have been made, such as the shift to a 'post-bureaucratic paradigm' (Aucoin, 1990; Kernaghan, 1993) or from bureaucratic to innovative government (Aucoin, 1990; Kernaghan, 1993). (Osborne & Gaebler, 1993). There has also been much debate about the evolving collection of principles that underpins the transition from conventional or 'progressive' public administration to modern public management (Hood, 1991; Dunleavy & Hood, 1994). It is against this backdrop that this article intends to investigate the evolution of public management and public administration in the UK in terms of both theory and application. Such scope of coverage cannot be exhaustive but is essential because it is the relationship (and often separation) between ideas and practise that is important. Establishing whether a revolution in the Kuhm sense has occurred may not be fruitful, but it may aid in determining what value shifts have occurred and their implications.

Connected to this theoretical study is a conceptual attack on traditional public administration, led mostly by economists and management scientists, and abetted by professionals of personnel management (now referred to as human resource

management) and others who argue more broadly that the arts of private sector management should be transferred to the public sector in the name of efficiency. If none of this is recent (Rhodes, 1996), it is now a comprehensive and persistent assault on what is viewed as conventional governance and public administration's "failure. Furthermore, many government officials have used this academic baggage (or chosen elements of it) to spread and shape their ideological view of the state (Pollitt, 1990). Because of this, new public management is often used to reshape governance rather than merely enhancing state management within existing structures. The work of think tanks such as the Institute of Economic Affairs (IEA) and the Adam Smith Institute exemplifies this approach.

In comparison, economic assessment that has concentrated on the existence of the state as a vehicle for service provision and distribution which aim to enhance the relative efficiency of its operations in a more conservative manner. As a consequence, as various writers have pointed out (Gooby & Lawson, 1993, Le Grand, 1990, Levacic, 1993), questions about failings resulting from the monopolistic existence of state provision and operation coordination can be posed. Solutions to such issues include the creation of competition, the payment of premiums for services, the liberalisation of regulatory structures, and even the privatisation of public assets. (Heald, 1983; Vickers & Yarrow, 1988) Management accountants have described conventional systems as losing transparency for resource utilisation and leading to inefficiency in distinct but connected criticisms. To counter this, they have suggested delegated financial management and reorganising institutional budgeting (Hopwood & Tompkins, 1984).

Meanwhile, conventional public-sector reward and compensation schemes. (Incremental wage rates, career systems, and work security) have also been criticised, and reforms focusing on performance-based compensation systems and compliance against goals have been proposed. (Even in the British Higher Civil Service). As a result, for its supporters, public management is less of an extension to the existing practise of public administration in the UK and more of an analytical and functional method of achieving real "cultural reform" by which the old internal order is washed away (Dunsire, 1995). This fusion of political philosophy, economic theory, and insights from private sector management has been the driving force behind the last decade of transformation in the UK public sector, particularly the effort to reduce waste (Metcalf & Richards, 1990), build output appraisal (Carter, 1991), and create executive departments (Davies & Willman, 1991), citizens' charters, and market testing regimes (Connolly et al, 1994; Doern, 1993). Thus, the former Civil Service Minister (Waldegrave, 1993) and the Head of the UK Civil Service, Sir Robin Butler (1993), can speak of an institutional revolution requiring the regional autonomy of central government administrative systems. Is the advent of public administration, therefore, the emergence of a new model in either theory or practise?

From this vantage point, public administration is presented as a neutral or transferable technology that can be used to develop the public sector without violating conventional principles. As a result, it represents a return to the classical conception of public administration, in which governmental institutions are merely 'providers' of services and operations decided in the political arena. The new public management has brought with it a new epistemology, a redefining of transparency, and a new wave of seers. It is important to note, however, that an emphasis on cost, price, industry, consumer, and related terminology is more than just a renaming; it is the incorporation of distinct (and sometimes dominant) principles into the public administration discourse (Dunsire, 1995). This is often at the detriment of specialist classes who previously dominated specific areas of administrative life (for example, education, health, and housing) (Richards, 1992).

Admittedly, the reform agenda's thrust is almost unapologetically aggressive to the ideals of conventional public sector practitioners. However, the result of such reforms has often been the superimposition of a new 'management' cadre on existing technical groups, thus trying to redefine the internal and external politics of administrative organisations, rather than the de-professionalization of administrative life. This epistemology, as well as the dictates of what has been called "new managerialism," has been used to rethink transparency (Pollitt, 1990). Thus, in a decentralised, target-oriented environment of public management, accountability and performance are often re-defined in individualistic ways driven by specific interpretations of concepts such as productivity, efficacy, and efficiency that embody the new faith's beliefs and values. (Jackson, 1993; Likierman, 1993).

Perhaps the title of David Rosenbloom's 1993 *Public Administration Review* paper, "Have an Administrative Rx? Don't forget About the Politics!" said it all. As he points out, the innovation of administrative prescriptions has historically been successful (Lan & Rosenbloom, 1992). Reforms that aim to rethink governance by relying on outcomes and consumer loyalty rather than institutional and political procedures, on the other hand, refuse to account for legislative self-interest (Rosenbloom 2000). According to Rosenbloom, "[e]ven federal administration is reinvented" Congress may manage to re-invent its leverage over the agencies." Finally, he cites "an ancient lesson: If we want better leadership, we need to speak politics" (1993). Furthermore, one of the nation's leading private-sector management gurus, Peter Drucker, shared a somewhat caustic, almost contemptuous opinion of the NPR. In a February 1995 Atlantic Monthly article titled "Really Reinventing Government," Drucker, evidently not coming from a conventional bureaucratic viewpoint, reported the following regarding the NPR. Other than the federal government, the reforms being heralded as reinvention will not even be revealed, except maybe on the bulletin board in the corridor. They are the sorts of things that a hospital

requires floor nurses to do it on their own; a bank expects department heads to do on their own; and even a badly managed manufacturer expects bosses to do on their own—without much recognition, let alone any additional compensation"

Coherent theoretical and methodological approach?

Gulick and Urwick (1937) and others called for it, however public administration can and should be researched objectively using systematic social science approaches. Many public administration theorists soon compared Simon's fact-value dichotomy to the politics-administration dichotomy, and it became a metaphor for the conflict between two approaches to understanding public administration. One, promoted first by neo-classicist's and later by old public management styles, is logical positivism, which is seen as the valid or "one best way" to perform study in public policy or public management. The other way, or the wrong way, according to this group of old public management, is a descriptive, universal, and often analytical methodology that has traditionally dominated public administrative research. It is mostly qualitative, and it is criticised for missing analytic objectivity and failing to produce a clear scientific foundation (Thompson, 1993). Empiricism vs prescription is the resulting dichotomy (or, alternatively, positivism versus metaphysics, science versus art or something to this effect). There is no space for philosophical speculation, reason, or innate concepts, as the rationalists advocated. Inductive analysis, on the other hand, must be based on value-free, logically based, testable theories. Quantitative analysis based on empirical evidence is the best way to seek and discover facts and reality.

Positivists argue that logical and mathematical statements are self-contradictory, whereas moral and value assertions are simply emotional. They insist that the object of knowledge is merely to explain the phenomenon observed. Its underpinning presumption of scientific certainty lends it an air of seduction. Nonetheless, the old public management doctrine is a continuity and perpetuation of the behavioural revolution in political science and public administration, which opposes the existing paradigm - and now the Current Public Management - since it is not rooted in empiricism.

The management approach involves a variety of templates for the operation of organisations. The most extreme is the internal market approach, which is gaining popularity in public-sector reform. It abandons the Weberian bureaucracy model in favour of cooperation between two boards, one for transactions (demand) and the other for output. Public agencies are turned into manufacturing units that would bid for contracts on equal terms with other manufacturers (that is competition with regard to quantities and prices). The transformation of public enterprises into corporations operated by state or municipal governments entails the same shift from long-term contracting to short-term contracting, as well as a lack of transparency in operations and a focus on revenue rather than public interest. The restructuring of public-sector

management brings benefits but also costs. Establishing internal markets within the public sector expands managers' capacity to guide the provision of goods and services in compliance with specific objectives that can be tracked by monitoring outputs and results. Managers can improve performance, profitability, and competitiveness by exercising their discretion, which allows them to implement cost-cutting measures.

Internal market creation within the public sector is a criticism by the regulatory state. Proper processes are less important than quality of outputs and results, and conceptual principles associated with the public sector would be given less consideration. The principles underlying the means used in the public sector are less common because they cannot be quantified or calculated in terms of value: equal treatment, transparency of processes, legality, and predictability. Internal markets are focused on short-term contracts or large-scale procurement and tendering. Job protection cannot be maintained under such a management structure.

Internal markets increase managers' discretion while delivering goods and services. They will not be bound by previous obligations and will be free to enter into negotiations with the lowest bidder. However, the internal marketing strategy would not address fundamental demand issues. Since the internal market model does not make any substantial use of user-charges as a demand revelation tool, consumer demand will continue to be channelled into government elections. The current management framework's heavy focus on bidding through short-term contracts raises the problem of transaction costs. Conventional budgeting in an incremental model reduced transaction costs with the use of so-called standardized operating procedures. Internal economies must increase trade rates and there will be no long-term contracts or set transfer of duties to bureaucrats. Internal market rivalry will span the entire budget, and there will be no covered basis from year to year. A spike in transaction costs increases the probability of opportunistic behaviour during the bidding process that occurs in short-term contracting Individuals or organisations with transaction-specific investments can participate in strategic orientation in order to increase the price of their goods - the small numbers dilemma. The management strategy guarantees improved productivity in the public sector, but can it automatically accomplish optimum resource deployment conditions?

II. CONCLUSION

Challenges of NPM and the emerging approaches

Regardless of how effective this strategy tends to be, Terry suggests in this symposium that the model of the market-oriented public manager is troublesome for democratic government since it suggests that public managers are driven by self-interest and behave dishonestly, which is in marked contradiction to the ideal of "responsible agents who conduct the public's business with the greater good in mind." The picture of the entrepreneurial public manager would have an

effect on managers' reputation, which, according to Terry, is dependent on the public's belief that they will be obedient to the public interest and will be kept responsible for their actions. More specifically, this image can further erode public confidence, which is already at an all-time low in the United States (Nye et al, 1997). Terry opposes the New Public Management paradigm of public administrators until we learn more about how to achieve transparency.

The responses to these new problems do not yet form a cohesive whole, but the outlines of a new approach can be seen in Denhardt and Denhardt's (2011) widely quoted framework called the New Public Service, as well as Stoker's (2006) public value management, Bozeman's (2007) managing publicness, Osborne (2010) new public governance and politics. Traditional public administration and New Public Management have different theoretical and epistemological roots than these authors drawn. Citizens, citizenship, and democracy are fundamental to the novel approach, which harkens back to Waldo's (1948) long-standing interest in democratic administration theory. Beyond the formal rationalities of Simon's (1997) "administrative man" and the "economic man" of microeconomics, the approach supports more contingent, realistic kinds of rationality. Citizens should be seen as capable of deliberative problem solving, allowing them to cultivate a sense of public spiritedness similar to that which Tocqueville observed in the American republic of the 1830s when he spoke of the proliferation of "self-interest properly recognised" (Tocqueville 1840, Mansbridge 1990). Scholars who support the new approach believe that public value emerges from broad-based discourse and deliberation since "public principles and public value are not the sole province of government, nor is government the only collection of entities with public value obligations," as Jorgensen and Bozeman point out, "government has a special position as guarantor of public values" (2007).

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