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CONTEMPORARY CONCEPTS OF PUBLIC MANAGEMENT. FROM TRADITIONAL MODEL TO PUBLIC GOVERNANCE

WSPÓŁCZESNE KONCEPCJE ZARZĄDZANIA PUBLICZNEGO.
OD MODELU TRADYCYJNEGO DO WSPÓŁZARZĄDZANIA PUBLICZNEGO

Summary

The article describes theoretical approach for concepts of public management and public administration. It presents the concepts of public management and public administration on the basis of both Polish and foreign literature. The purpose of this paper is to approach the models of public administration and public management, compare them and find the direction of development in that matter. The article describes and compares the theory of organization and management from the traditional, old model (which has been working for decades) to new models which are still not being used in practice by some countries.

Keywords

New Public Management, Public Governance, New Public Services, public management

Streszczenie

W artykule przedstawiono teoretyczne podejście do koncepcji zarządzania publicznego i administracji publicznej w oparciu o literaturę polską i zagraniczną. Celem artykułu jest przedstawienie modeli administracji publicznej i zarządzania publicznego, porównanie ich ze sobą, a następnie znalezienie dalszego kierunku ich rozwoju. Artykuł opisuje i porównuje tradycyjny model teorii organizacji i zarządzania (który działał przez dziesięciolecia) z nowymi modelami, które w wielu państwach wciąż nie są stosowane w praktyce.

Słowa kluczowe

nowe zarządzanie publiczne, współzarządzanie publiczne, nowe usługi publiczne, zarządzanie publiczne

INTRODUCTION

It has been 100 years now, since the great influencers of Public Management came out with their ideas of developing the notion of management in organizations. The “great

fathers” of organization and management studies: Max Weber, Henri Fayol, Frederick Winslow Taylor, Karol Adamiecki, Elton Mayo, Luther Gulick became an inspiration for other theoreticians and supported the development of theory of organization and management. When we speak about Public Management we have to remember that it is inseparable from the public administration. H. Izdebski and M. Kulesza are defining public administration as “collective activities, actions and organizing and executive projects, provided for implementation of public interests through different subjects, organs and institutions based on the statute and in forms defined by law” [Izdebski, Kulesza, 2004, p. 93]. It means that the scopes of both Public Management and Public Administration are interdependent.

The main raised issue of this paper is the overall outline of changes and the new directions of the approach of Public Administration and Public Management since the eighties/nineties of XX century until now.

In late 1980’s and early 1990’s there was a big transformation in a public sector, especially the growth of spendings for public sector (1960’s–1980’s) which means that the theory and practice of public management had a need for growth of public sector and development of public administration. Because of that, all public sectors became under the challenge nowadays, as it comes to development, scope and the methods of government [Zawicki, 2011]. We can also see some changes caused by the globalization. Changes in public sector are the products of rapid change in the private sector (the management and efficiency of the public sector affect the private one). The other visible features of globalisation are changes in economy and national competitiveness. There appeared a need for improving public which was necessary for better economic performance as public and private sectors are interdependent. Moreover, as it was already mentioned, the private sector depends on the efficient operations of the public sector so administrative requirements are necessary for the functioning of a modern economy with minimum of costs and delays.

1. Models of Public Management

We can see (especially in Poland) some stages of evolution in public sector [Izdebski, 2007, p. 16]. First of them started at the end of XVIII and it is so called, stage of “rule of law”. At that time, administrative law was an important (if not significant) tool, which means that public institutions (and public administration *sensu stricto*) were treated as a tool for controlling and exercising the law. That situation has changed a little bit in the middle of XIX century. At that time administration was no longer a tool for practice of law. When we look at the history at that time (for example in Poland) there was an ex-

planation for that change. Public administration was still a large part of activity of the state and had a big impact on its activity. Notwithstanding, a purpose of that influence was different – thenceforth, public administration became an independent mechanism. It was no longer an instrument only created to exercise the law but mainly to exercise political decisions which had an influence behind law settlements and were specifying the rules of implementing the rules law. This is due to the time in which it started. That stage called by the literature the Public Administration stage was placed at the rough time for all the countries, especially in Poland. Partitions, fighting for independence, unstable governments, beginning of the World War I – it all led almost all the activities of the state to be political and wielded by rulers and government (only at the time when there were any). Basing on the literature, we might call this period a stage of Public Administration which was a traditional model of Public Administration [Izdebski, 2007, p. 17]. In Western European countries we can distinguish subsequent stage at the beginning of 1980's, which is called the New Public Management. It clearly replaced the traditional, centralized, hierarchical, bureaucratic model of management. New Public Management. It turned out that it is unavailing and unable to accomplish the targets to meet the requirements of “modern” society trying to steady and to get rid of after-effects of World War II. As the countries and their governments became more customer-oriented and started the modernization of public sector. It was followed by the model of Public Governance in late 1990's which was “treating public sector and especially public administration as an important element of civil social network (*sensu largo*), remaining with members (individuals, groups) of civil society (*sensu stricto*) through the appropriate participatory procedures and consultations with stakeholders” [Izdebski, 2007, p. 17] and New Public Services as a critique of an alternative to New Public Management. As we can see, all those model came from needs of society that result from its development and changes in regimes, governments, politics etc. in certain countries. However, most of the modern models are focused on similar targets: effectivity of organizing activity in public sectors, organizing activity in public administration, reliance between effectivity of the organization and a state of interpersonal relations, values and atmosphere in a workplace, level of the participation of actions, decision-making processes [Ferens, 1999].

2. New Public Management

Changes that occurred in XX century led to the development of new model of public management. Need for new structures of public administration development of public sectors and local governments, decentralisation of the states led to the creation of new model of public management. This concept was implemented in 1980's and 1990's be-

cause of dissatisfaction of officials and public authorities because of the old, bureaucratic, Weberian model of management which was no longer sufficient for the needs of growing society. Its hierarchical, centralized structure of public administration stopped being adequate enough to the development of public sector within the states. The model of New Public Management was mentioned in the literature in 1991 by Christopher Hood [Kieżun, 2013]. There are different names for this occurrence in different countries as there is no universal term existing in every country-in Baltic states it is called public management but in U.S. there exists a term “reinventing government”, “next steps initiative” in U.K., “free commune experiments” in Scandinavia [Schedler, Proeller, 2000, p.11]. The essence of the New Public Management is that in exercising of public administration the scope of management is more important than the scope of administration which improves the quality customer-oriented public services. In general, the concept of New Public Management is based on the notion of rules which are targeted on better effectivity and rationality in acting of subjects and public services and cuts in the use of resources. The aim of NPM is based on implementation of instruments of management which are being used in private sector to public sector. The main features NPM are:

- first of all: decentralization of organizational structures consisting of division between organizational units-divergence from Weberian hierarchical model (promotion of cooperation and participation in all the activities instead of hierarchy),
- customer-oriented activities (by allowing them a participation),
- outcome/results-oriented activities,
- activities of government focused on mission instead of rules (reduction of the amount of regulations in public sector),
- separation of politics and the state,
- privatization of the services (provided by private sector or NGO’s) and division between public sector (decision-making) and private one,
- changes in organizational culture and organizational structures,
- competitive delivery of services,
- flexible personnel management,
- development of business/market mechanisms,
- “earning” rather than “spending” (focusing on incomes rather than outcomes)
- preventing the problems instead of solving them.

We can also see other factors in scientific literature where only some of them are similar, however it shows the targets set for New Public Management. There might be also: limitation of the governmental tasks only to the most important, development of data processing, management processes defined as the value of production-each step adds a new value to the previous [Kieżun, 2013]. Theoreticians underline the meaning of grow-

ing customers' needs that were a factor for changes in approach to the public management and public administration. The other significant matter is the change in organization on the inside like structure, promotion of ethics, personnel management etc. New Public Management was created to improve management and organization by meeting the expectations of society. In the beginning this new model got a positive opinion but later on as a result of reforms of market and public sector, there was a discussion about the adequacy of NPM that led to creation of new concepts like Public Governance.

3. Public Governance

The concept of Public Governance aroused in early 90s of XX century. Public Governance for the first time was introduced by the World Bank in its documents and assistance programs [Owsiak, 2016]. It is clearly seen in OECD countries (when it comes to analysis). New Public Management did not fully work as it was expected to. Reforms of market and public sector, and attempts for achieving that "effectivity" led to creation of new concept. To some extent, Public Governance was supposed to be a "better version", development of Public Management. Then some questions arised: what are the measures of effectivity? How to adopt NPM's features to the contemporary situation? Criticism of the New Public Management due to the reforms of public sector led to creation of a different model of management-public governance which is based on the division of powers between public sector, private sector and non-profit organizations.

Term governance is an old term used previously in the middle ages. It comes from the latin word "gubernantia". One of the definitions of governance is a „management of the complex communities" [Izdebski, 2007, p. 15]. Likewise to New Public Management, there's no explicit name for Public Governance in every country. For example, in Poland good governance is described as a "zarządzanie publiczne", "współzarządzanie" however there's no officially established name for that model of public management [Owsiak, 2016]. It has its reference point in civic society. As it was said, to some extent it expands the New Public Management model. However, Public Management is strongly based on the contracts where Public Governance is rather based on horizontal relationships (especially when it comes to notions strictly connected to Public Governance e.g. network management, network society). In Poland, Public Governance is mostly based on instruments such as: assessment of the effects of regulations, public-private partnership, participatory budget and public consultations (as it was mentioned that it is focused on a civic society). It is claimed "that the role of good public authority is network management creating conditions and facilitating interactive processes in networks in a way that enables solving problems of insufficient representation or lack of representation and

articulation of interests and consideration of them in an open, transparent and balanced manner” [Izdebski, 2007, p. 16]. The term “public” is used more often as an obvious public good governance becomes not only a model or theoretical structure but an absolutely natural postulate. The new term becomes so attractive for contemporary literature that it often displaces previous terms for example in the OECD structure dealing with public administration now is used the term of Public Governance instead of Public Management [Izdebski, 2007]. So as we can observe, Public Governance slowly replaced NPM. As it is strongly focused on democracy of the citizens and participation, it is emphasized that thinking in those terms of governance instead of NPM or old models, creates a new framework for its (democracy) development. The wonderful foundation (and foundation in theory only, as we can never know how everything look like in practice) is leaving from treating citizens by government as just customers (like in NPM), voters, and letting them solve affecting them situations and problems, what makes them co-decision makers and co-creators of the common good. It should work without the interest of public leaders: professionals in the field of public affairs or politics or public service providers to become interested in partners, teachers and organizers of civic activities, without an electoral democracy and the transition to democratic society – with deepening the civic, horizontal, pluralistic and productive policy dimension [Izdebski, 2007]. As far as the reference point of public management are citizens not only the customers, in the framework of public governance they are being treated as a stakeholders (people who are directly influenced by the activities of government). There is an inseparable term of good governance. Ideas of good governance are related to two basic features of the presence. First of all, they consistently express the liberal principles of the democracy—a society in which different individuals and group interests are represented, should be the source of all political power [Izdebski, 2007, p. 16].

4. New Public Services

The model of New Public Services next to the Public Governance was created to serve as a critique of, and alternative to, New Public Management at the time of rapid change of contemporary society. Public servants must draw their inspiration from theories of democratic governance rather than private sector management theory or traditional political theory [Denhardt and Denhardt, 2003]. New Public Service focuses on some issues which were not fulfilled by the concept of New Public Management. In the scope of public administration, some really important features were to meet the expectations of nowadays administration. Similarly to the Public Governance it is focused on serving citizens, not customers, voters or consumers. It is based on active, involved citizenship. The main target

of New Public Services is to seek the public interest which is different to what it used to be when we consider a traditional model of public administration and public management. That public interest, according to NPS, should rather value citizens and public service than revenues and financial part of governmental activity. The other thing differentiating New Public Services from New Public Management is that there should be no longer an individual interest of the entity, but it should be considered as a wider public interest, shared with other citizens. Public administration should allow them to participate in decision-making processes (as the base of NPS is a democracy) and if any issues arise – to let them solve them or at least participate in reform. That engagement is the most significant part of this theory as democracy is a more less participatory system. Another thing managers should focus on is to “Serve, rather than steer” [Denhardt, Denhardt, 2011] which means that instead of just steering citizens or even more, a society, they should focus on partnership with them, on that mentioned allowance of participation, to work with citizens and make them be a co-decision makers. The government ought to be opened, accessible to make it easier to happen. Management should think strategically and what is really important, value people, not just the results of their work. As it comes to accountability, the forms of it “need to extend beyond the formal accountability of public servants to elected officials in the management and delivery of budgets and programmes to accommodate a wider set of accountability relationships with citizens and communities” [Robinson, 2015, p. 10]. This model is potentially the most attractive one for the citizens, as it meets their expectations as it comes to the participation.

CONCLUSION

As nowadays society is growing and developing, there appears a need for constant changes in a matter of public administration or management that influences entities everyday existence. It is well known that none of the models presented in this paper is the perfect one as in practice there cannot exist utopian vision of government. Times are changing so do the system and the models of it. There is an obvious, massive change throughout the years. One can ask a question: where is it all going to? We can see that all the concepts are heading the way of meeting citizens needs and trying to let them participate in the democratic states which are now finally focusing on the democracy within them. Scientific literature is full of different approaches to new concepts of public administration and public management, which can be studied, but the conclusion will always be the same: government nowadays are living old bureaucratic model created by Max Weber and heading (at least in theory) more horizontal, collaborative, flexible, collaborating administration, opened for the citizens.

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