



New Public Management: Is that for better public services?

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ABSTRACT

The presence of a state is for the welfare of its citizens. All the basic needs of citizens can be fulfilled and the basic rights of the community can be maintained or even provided by a state. New Public Management (NPM) is a tool that helps a country reform its government institutions. This reform process is a step of change that will lead to the provision of better public services. The results of this study indicate that NPM is only a supporting tool that cannot be drawn a uniform line in its application because in the end the characteristics of a nation and cultural differences greatly affect how a country implements NPM in their institutions.

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INTRODUCTION

Globalization has brought changes in society's view of public services so that the principles developed by the traditional model are no longer conducive to forms of organization that provide public services. Reformation in Indonesia peaked in 1998, precisely in May, when the reform movement began. Twenty-four years of reform have been passed with various demands for change as the carriage behind the reform locomotive, and until now it cannot be denied that reform in this nation puts more emphasis on political reform than administrative and bureaucratic reform so that bureaucratic reform seems to be running in place. And to carry out bureaucratic reform towards governance, there should be a balanced interaction between the government, civil society and the private sector. To create better governance, the principles contained in the traditional model are necessary reformed.

The model that has been implemented by the governments of various countries (the traditional model) does not mean that it does not have positive results for the people. Scientifically, the traditional model for decades has succeeded in organizing good services to the community, including optimism about the government's ability to solve problems. But globalization has changed the growing view in society about public services. The concept of New Public Management or NPM is a new paradigm in public sector management. It is usually opposed to Old Public Management (OPM). The concept of NPM emerged in the 1980s and was used to describe public sector reform in the UK and New Zealand. NPM emphasizes control over government policy outputs, decentralization of management authority, introduction to markets and quasi-market mechanisms,

and customer-oriented services. The formation of good governance in government is always associated with efficiency and cost cutting which is trying to be suppressed further, to achieve this, the government must adjust its organization in line with the agenda of corporate globalization (Callinicos, 2003). The NPM approach to public management emerged as a critique of bureaucracy. So far, the bureaucracy is closely associated with the management of the public sector itself. Bureaucracy is considered to be closely related to the reluctance to advance, the complexity of the hierarchy of positions and tasks, as well as top-down decision-making mechanisms. Also, the bureaucracy is accused of having distanced itself from the public's expectations.

RESEARCH METHOD

The research method used is research with normative juridical research, namely a library approach that is guided by regulations, books or literature as well as materials that have related problems and discussions in writing this article. According to Abubakar (2021) states that one type of research according to explanation is a type of descriptive research. Descriptive research is research conducted on independent variables without making comparisons or connecting with other variables, so the variables studied are independent. The purpose of this type of research is to accurately describe the characteristics of an individual, condition, symptom or group to determine the frequency or spread of a symptom. So it can be concluded according to the type of data, this research is a qualitative research where the data is in the form of words, sentences, meaning that the data is not in the form of numbers. The materials used are secondary materials in the form of legal books, legal articles, theses, opinions of scholars and documents with related themes.

Material collection is carried out by conducting a literature study to get a general description related to the problem under study and to obtain other data relevant to the field of study. Fadli (2021) states that literature study is a method of collecting data by understanding and studying theories from various literature related to research. For further data obtained from library research then analyzed and described qualitatively. According to Bogdan and Taylor (1975) in Moleong (2018) explained that qualitative methods are research procedures that produce descriptive data in the form of written or spoken words from people, behaviors, or phenomena that can be observed. Meanwhile, according to Sugiyono (2011) states that qualitative research has the main uses, among others, to understand social interactions and understand the feelings of people who are difficult to understand. It can be taken from a common thread that qualitative research is intended to understand phenomena about what is experienced by research subjects such as behavior, perceptions, motivations, actions and others holistically by means of descriptions in the form of words and language in a special context that is natural and using natural methods. The collected material is then grouped and sorted to look for relevant and representative ones related to the subject matter. The material is then studied in depth, reviewed, and presented descriptively, then conclusions are made that are expected to answer the issues raised and discussed. From sources that have been processed then described in a qualitative descriptive form that explains the problems and solutions clearly

RESULTS AND DISCUSSIONS

The managerial approach of the NPM model which was first developed by Hood (1991) or managerialism in terms of Pollitt (1990) or market-based public administration in terms of Lan and Rosenbloom (1992) or entrepreneurial government in terms of Osborne and Gaebler (1992), although they have different terms, basically they both seek to transform the old bureaucracy into a new bureaucracy by doing things that have the same goals, among others: first, paying more attention to the results of the goals and personal responsibilities of managers; second, prioritizing the formation of organizations, personnel, and workers and a more flexible atmosphere; third, make organizational and personnel goals clear and easy to measure by determining indicators; fourth, senior staff are

more politically committed to the government, are not partisan and not completely neutral; fifth, the government's function is more to the facilitator than the implementer; Lastly, the government's function is reduced by privatization.

Hood (1991) explains that there are 7 characteristics of New Public Management, namely:

- a. Hands-on professional management. The implementation of government management tasks is left to professional managers.
- b. Explicit standards and measures of performance. There are clear standards and performance measures.
- c. Greater emphasis on output controls. More emphasis on results/output control.
- d. A shift to desegregations of units in the public sector. Division of tasks into the following units.
- e. A shift to greater competition in the public sector. Growing competition in the public sector.
- f. A stress on private sector styles of management practice. More emphasis on applying private sector management style.
- g. A stress on greater discipline and parsimony in resource use. More emphasis on high discipline and not wasteful in using various sources. The public sector should work harder with limited resources (to do more with less).

The three goals of public sector reform in Lane (2012) are efficiency, equality/fairness and savings. All of them are strongly connected even though they are conceptually different from each other. Since that the first two objectives require an increase in public spending, the last objective mentioned emphasizes that public spending must decrease. Many cases under the label of public sector reform that must remain, first and foremost, institutional reform and not management abatement. This is more in the allocative branch of government rather than the redistributive branch, where austerity is now seen as paramount despite conflicts with equity/justice.

The focus of NPM as a movement is the adoption of superior private enterprise management techniques for implementation in the public sector and its administration. While the government is stereotyped as rigid, bureaucratic, expensive, and inefficient, the private sector is far more developed because it is accustomed to competing and finding new opportunities. For this reason, the private sector carries out many new innovations and management principles.

In NPM, governments are forced to adopt both business administration techniques as well as business values. This includes values such as competition, customer choice and respect for the entrepreneurial spirit. Since the 1990s, reforms in the public sector have required that the advantages of the private sector be adopted in the principles of public sector management. There are those who argue that NPM cannot be applied to developing countries, because it will experience difficulties, due to the bureaucratic tendency that is still difficult to eliminate. The effectiveness of the adoption of the NPM model by developing countries is not yet known, especially in Indonesia. Christensen and Laegreid (2001) state that NPM has different effects and implications in different countries. International pressure to adopt NPM can have a real impact, driven further by political-administrative leadership and compatibility with historical-cultural traditions. Atreya and Armstrong (2002) on their working papers stated that New Public Management (NPM) reforms are being implemented in developed and developing countries in response to economic pressures and the changing demands of society. Despite the many criticisms of the development of NPM, this study states that the practical experience of the NPM movement and the changes that are likely to appear in public service administration in both developed and developing countries suggest that NPM is likely to continue well into the future.

The application of New Public Management in Indonesia can be seen from the application of some of its characteristics in the practices being carried out by government agencies in Indonesia. NPM has also been tried to be applied to Regional Government, which is in line with the implementation of regional autonomy in Indonesia starting in 2004 and has produced "slight" positive contributions in only a few things, for example increasing efficiency and productivity of local government performance, which in turn is able to improve the quality of public services. does

not completely occur in the regions. This should be achieved through one of the characteristics of NPM according to Christopher Hood, namely creating competition in the public sector. Somewhat is said by the local government is trying to compete to provide quality services to the community, and in turn, it is the public who benefits from this effort. But the purpose of these characteristics cannot be said "successful".

Public sector reform towards NPM is always associated with positive things. All social conditions cannot be generalized, especially for the implementation of NPM itself. It could be that NPM will be very accepted and developed in a country, it may turn out that NPM cannot be adopted for a certain country with different criteria, especially from cultural and social aspects. Christensen and Laegreid (2001) state that there is little evidence that the actual application of NPM-based reform strategies leads to uniform and desirable outcomes.

The realization of a country's efficiency through the adoption of NPM is always sounded. The big question is, does a country prioritize efficiency or effectiveness in running its government? Or have to achieve both? The author argues, a country must be run in accordance with the goals of the country. One of the goals of the Unitary State of the Republic of Indonesia is to promote general welfare and educate the nation's life. Thus, the government should prioritize effectiveness in every program of its activities. Even the condition of a budget "deficit" is a must that must be accepted by the government for the realization of a prosperous and educated society. This is actually very much in line with the decentralization program that has been rolled out. Regional autonomy causes a country to have to spend much larger funds just to reach the community more closely, but this will streamline the decision-making process by eliminating lengthy bureaucracy and bringing decision makers closer to the parties they serve (the community).

All that the author has described above are ideal conditions that should be achieved by implementing NPM, decentralization in the form of regional autonomy. The real conditions that the author observes occur in the opposite condition. Although it can't be said that all of them have failed, the huge dependence of the regions on the central government is still a big question for all of us. Where is the goal of decentralization that has been proclaimed to create regional prosperity and independence? With the hope of creating intelligent and prosperous citizens. So many corruption-related crimes involving local government officials again raises the next question why NPM failed to stem the corruption that occurred.

Gurgur and Shah (2005) stated that opportunities for corruption have increased due to greater influence of local interest groups, greater authority on local interest groups more facilitates the tendency to develop unethical relationships. The application of NPM will not necessarily change a government for the better. Research by Marobela (2008) concludes that one of the pillars of neoliberalism is the concept which states that the state should not take part or be directly involved in economic activity. With this ideology will create a condition where the state becomes an important mechanism that influences the transformation not for the benefit of the poor but to serve the interests of capital. The ideology of NPM looks good from a private sector perspective, but in the public sector this is problematic and has far-reaching consequences.

The next question that we must answer is whether the implementation of NPM will make public sector management better? Proponents of this ideology argue that public services are increasingly underpinned by bureaucratic structures and these have become too large to manage, thus making them unsustainable in terms of the new economic realities driven by global competition. In the past, there were large and developed countries characterized by large governments, which were not always organized by large bureaus Pollitt (2000). Supporters of NPM also state that for public services to be able to provide services efficiently and effectively, services must adapt to the private sector, one of the ways taken is by cutting jobs to reduce spending. This statement is in line with what is directed by the World Bank, namely that there will be many jobs created if the government provides a number of activities to the private sector. The critical study that the author sees is how can almost all government activities which are essential in nature be handed over to the

private sector only because of the direction of certain parties without looking deeper into the country where this is applied. One of the most common ways used by the private sector for the efficiency and effectiveness of their activities is to cut jobs to reduce spending on programs that are considered unprofitable, it will indeed have a considerable impact if in this case the government's poverty alleviation program will be eliminated on the grounds of austerity and creating a new program which in theory is said to improve the country's economy but in reality, it will benefit only certain groups such as capital owners.

The author is reminded of a statement from a lecturer at an Indonesian campus which stated that "Indonesia has so far imported many things including accounting, but not its culture", what is meant by culture is a culture of honesty in accounting practices, especially public sector accounting. That is, the application of the same accounting in a country with a good level of ethical behavior both individually and collectively with a country with unequal ethical conditions will produce very different effects. Likewise with the application of NPM. Caron and Giaque (2006) in their article "Civil servant identity at the crossroads" study the effect of a new managerial logic, which explains the shift from traditional public administration to NPM, on the ethical behavior of public servants in two different political systems, namely in Canada and Switzerland. After the introduction of the principles and tools of NPM, it is further explained that the values of productivity, efficiency, risk taking, independence and accountability in these two countries often conflict with classical public administration values such as procedural accuracy, fairness of treatment, risk aversion and compliance with rules. An ethical dilemma is created from the professional identity of a public servant when the results-oriented ethics of NPM can lead to public servants making their own decisions. The same thing can also be seen from the results of research by Mauro et al. (2021) who looks at the object of research at the central level of government in Italy. The research states that the dichotomy of reality and illusion at the centre of pragmatic constructivism sheds light on the limitations and shortcomings that characterize the implementation of a business-like practice introduced as a component of the reform movement known as New Public Management (NPM). It was further stated that the existence of NPM was only to show the appearance of a compliant organization, fail to produce the desired changes.

Horton (2006) states that if the servant is seen as "the transfer agents for the public interest" then there must be a clearer form of ethical framework. The current condition implies that there are very few regulations regarding the behavior of public services. In an organization, it will be formed from various sub-cultures in an overall organizational culture. How have different groups in public organizations reacted to public management reforms? Of course, this question will answer what the author has said above, that the consequences of implementing NPM will produce different products and will also appear in changes in public services by state officials. Horton's research further supports the assumption that not only individuals, but also groups will react to change in different ways. The results of Pollitt (2000) research is quite interesting with a conclusion that invites further thought to all of us that what has been seen so far is only the clothes, not reflecting the actual situation that occurred. In his article, Pollitt suggests figuratively that the good coat of many colors dreamed up by many reformers – sleek, fast, effective, decentralized, open, trusted government – is still in the realm of hope and imagination rather than in reality shown. Research conducted by Matei and Antonie (2014) concluded that new public management is a doctrine that will improve the complex adaptive system, the public administration, but also the whole ecosystem represented by all systems involved in the public service delivery process. Moreover Bezes et al. (2012) stated in his research that the proliferation of reforms in public administration based on the principles and instruments of the "New Public Management" (NPM) have triggered protest from and collective action by many professional groups in various sectors and raised questions about the future of professionals working in the public service, particularly as concerns their autonomy. Research Mathiasen (1999) provides a sharp critique. He stated that there were substantial differences in the political and cultural traditions of OECD countries. And diversity within the OECD goes beyond to include

Mexico, Japan and Korea but also the former communist countries. Mathiasen further stated that NPM is nothing more than public management which is equivalent to a cake recipe, a set of practices that can be easily transferred from one culture and one political system to a different culture and politics. For OECD countries, such a possibility is implausible. The author pays further attention to the meaning of NPM that is less precise. The principle of government governance that adopts the governance of private parties has resulted in many parties and "unfortunately" the government itself forgets that the main goal of management in the public sector is the realization of a public-oriented government. As a result, the excessive conditions of commercialization and privatization have become separate things in uncovering public sector management that has a private flavor. Marobela (2008) yields a "possible" conclusion regarding what the authors convey above, Marobela concludes that the public sector should provide essential services, which the poor in developing countries depend on the availability of these services. As a result, the privatization of public services as a result of the implementation of NPM will tend to exacerbate poverty and intensify inequality because the private sector is a sector that only focuses on profit.

CONCLUSION

Bureaucratic reform in the public sector in a country should be reviewed more deeply. There is a lot of literature which states that not all countries produce uniform consequences for the implementation of reforms, especially in the application of NPM principles and tools. NPM is strongly influenced by the culture of a country. Bureaucratic reform must be adapted to the characteristics and conformity of the system and ideology of the country concerned. Seeing Indonesia as a country that is still categorized as developing requires a form of government that actually works to serve its people rather than just the NPM "uniform" demanded by globalization and the international community.

The problem of corruption when associated with and decentralization and NPM, the author believes that there will always be "links" or relationships between all these variables, and that is not only in Indonesia, but also throughout the world. So the author also strongly believes that NPM is not a form of absolute reform that is needed in Indonesia. The existing decentralization needs to be reorganized clearly in the realm of the highest state regulations. NPM is not a fixed price that must be used and adopted for Indonesian governance. Even if we look at the centralized system during the New Order era, it resulted in more tangible developments, especially for education and infrastructure such as transportation, clean water, electricity, which were clearly needed by citizens. Is Indonesia currently not developing? No, it is not, but what the author emphasizes that the NPM concept is not the only door to the development and growth of a country.

The author tries to conclude by asking why the international community, especially "western countries" so emphasize the application of what they think is good for them will also have a good impact on all countries. Like accounting and NPM, this can be a separate tool for the interests of certain groups/countries to restrain and bind other countries so that the level of dependence of other countries is getting stronger. Public-oriented government is a government that is able to provide good services to the needs of its people. Therefore, the demand to be a good government, especially in Indonesia, must look at the cultural and social side of Indonesian society. In essence, when the state is able to meet all the basic needs of its people and prosper its citizens, then that is the main goal of the state.

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