

# **Epitomes of New Public Management: Insights from Illustrative Literature on Worldwide Public Sector Reform Agendas**

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## **Abstract**

Traditional public organisations were run by rational rules and procedures. The structured hierarchies, formal decision-making processes and advancement based on administrative expertise were found in the traditional public organizations. These public organisations were motivated by political considerations than by financial considerations. However, these situations have changed and new mechanisms and approaches have been developed in the public sector for the delivery of public goods and services. To improve efficiency in management in the public sector a renewed interest has developed to implement private sector management practices in the public sector. These improved management practices not only have assisted in locating the inefficiencies of the past and ensuring better performance is achieved in the future, but also to make the public sector management and employees accountable for their actions and decisions. These elements of reforms also created a new orthodoxy in the public sector, namely ‘New Public Management’ (NPM). The present study is an earnest quest to explore the trends of these new management approaches which were implemented worldwide in different countries.

*Key Words: new public management; public sector reforms*

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## **1. Introduction**

Researches on public sector organisations have revealed that traditional public organisations were run by rational rules and procedures. The structured hierarchies, formal decision-making processes and advancement based on administrative expertise were found in the traditional public organizations (Bozeman, 1979; Parker and Bradley, 2000; Brown et al., 2003; Webster and Hoque, 2005; Rondeaux, 2006; Carlin, 2006). Another characteristic of traditional

public organisations is that these public sector organisations are motivated by political considerations than by financial considerations (Perry and Rainy, 1988; Alam and Lawrence, 1994; Coventry and Nutley, 2001; Boyne, 2002; Hoque, 2005). Mascarenhas (1996) claimed that during the 1970s a variety of factors influenced public sector organisations to depart from the original developmental goals set for the public organisations have mostly been assigned specific financial objectives similar to those in the private sector. As a result, over the last two decades the world has witnessed a wide range of financial, organisational and managerial reforms in the public sector of many countries. More precisely this new approach is centred on New Public Management (NPM) ideals (Hood, 1991; Dunleavy and Hood, 1994; Hood 1995). It has been observed that New Public Management philosophies have played a major role in the reform drives of these countries.

The term 'New Public Management' is used to describe the changing style of governance and administration in the public sector. The most definitive characteristic of the NPM is the greater salience that is given to what has been referred to as the three 'Es' - economy, efficiency and effectiveness (Barrett, 2004). NPM is the commonly used label for the ambition of government organisations in many countries to run the public sector in a more businesslike manner (Jansen, 2004). During the 1980s and 1990s the term NPM was used to denote a number of reforms that were carried out by several countries in the world (Sahlin-Anderson, 2001). Maor (1999) also observed that NPM has shown a remarkable degree of consensus among the opinion makers of various countries about the desired nature of change.

Pollitt and Bouckaert (2004) mentioned that, this new management approach in the public sector creates the changes to the structures and processes of public sector organisations with the objective of getting them to run better. The introduction of this new management approach in the public sector is to promote a culture of performance (Baehler, 2003; Mir and Rahaman, 2006; Jansen, 2008) is to achieve cost-efficiency, budget accountability and to adopt a customer focus in service delivery (Hamburger, 1993; Tanzer, 1993; Kennedy, 1995; Dixon et al., 1996; Lane, 2000; Parker et al., 2000; Barzelay, 2001; Groot and Budding, 2008, Alam and Nandan, 2008). A large number of research studies concentrated on the implementation of this new ideal in different countries and levels of the public sector.

This study is an effort to focus on illustrative literature related with the changes in the public sector in different countries linked to NPM. Hence, the present study will contribute in the existing knowledge in readdressing the development issues by focusing on the NPM.

## **2. Rationale of the Study**

The primary objective of for-profit organisations is to maximise shareholders' wealth or the value of the firm. In for-profit organisations, result control mechanisms are used to measure organisational performance. However, in a not-for-profit organisation, specifically in public organisation, it is difficult to assess performance as there is no single quantitative bottom-line performance indicator. The provision of quality service to the citizens cannot usually be measured in concrete financial terms accurately. Taking this observation into account, the present study will

explore how public organisations measure their performance and express accountability indicators. Hence, the present study will contribute to the knowledge in the public sector management control area.

The research findings are expected to add knowledge to other public sector organisations who are interested in adopting private-sector style management control systems as their control devices. Now-a-days, these control devices are relevant to public sector organisations because these public organisations are facing a significant reduction in government funding, at the same time facing increased demand for quality services from the community. It has been observed that new public management has attempted to impose these private-sector types of control techniques in the public sector. The basic difficulty with adopting a private-sector approach in public sector is that the private sector has a different objective, i.e. profitability or bottom line. This objective is absent in most public sector organisations. In place of profitability, public sector organisations have a definite set of accountability mechanisms. This study will try to explore these issues. In this way, it is expected that this study could be useful to public policy makers who are engaged in formulating new public sector policies.

### **3. Insights from Literature**

It is important to mention that changes in the public sector constitute a vast area for research and substantial literature exists on the topic. However, this study will be confined to selective public management reforms agendas. The period selected for review is from early 1990s to the present. This time period was selected because although public sector reform in many countries occurred in late 1980s, the literature on reforms was made available later from early 1990s. The following section presents a brief review and implications of the selected literature that have emphasised the changes in the public sector from an international perspective.

Allen et al., (2020) reviewed the Public Financial Management (PFM) reform strategy for 16 Pacific Island Countries (PICs) during the period 2010-2020. They showed that the region shares the generally slow pace of PFM reform. It is also a feature of most developing countries. They also showed that Some PICs have improved their PFM performance significantly, while others have done less well. They pointed out that PFM reforms have suffered from the small size and low capacity of many PICs. They (2020) identified the reasons for failure also which are poorly designed PFM roadmaps, variable political support for reform, and vulnerability to natural disasters. On the other hand, Lapuente and Walle (2020) questioned about the improvement in the public sector using NPM. They argued that NPM reforms, in the public services towards the efficiency and efficacy of outputs, have been controversial. They have been accused of importing practices and norms from the private sector that could collide with core public values, such as impartiality or equity. They pointed out that success (or failure) depends on the administrative, political and policy context those reforms take place.

Malcolm et al., (2019)) stated that Qualitative Comparative Analysis identifies configurations of New Public Management (NPM) reforms (privatization, consumerism, performance management, and corporatization) associated with perceptions of improvements in healthcare efficiency, effectiveness and equity in 14 European countries. They (2019) argued that

although these outcomes are pursued concurrently, no combination of the considered reforms appears to support success or failure across the board and the inter-relations between reforms shape their effects. They (2019) also claimed that three NPM reform profiles are evident in Europe; (1) strong reformers, adopting a comprehensive package of reforms that are perceived to perform better than (2) partial reformers, with (3) limited reformers also doing better than partial reformers.

Špaček (2018) illustrated the developments and issues of Czech administrative reform, based on desk research, secondary literature on developments of administrative reform in the country and input obtained through mapping and analyzing ESF / ESIF support and interviews with employees of central bodies that are responsible for the coordination and evaluation of the use of ESF / ESIF support. The findings revealed that within the project European Public Administration Country Knowledge (EUPACK) that focused on researching dynamics of public administration in EU member states and the contribution of external support to improving public administration quality. The research indicates that partial results have been accomplished particularly in the following areas: openness and transparency, quality management implementation (by municipalities and regions) and e-government. Civil-service legislation has been consolidated rather recently, yet has changed various times, and this undermines every effort to evaluate its effects.

Hammerschmid et al. (2018) identified impact of New Public Management (NPM)-style reforms in European countries. The study was based on perceptions of top public sector officials. Their (2018) study explored the relationship between five key NPM reforms (downsizing, agencification, contracting out, customer orientation and flexible employment practices) and four dimensions of public sector performance: cost efficiency, service quality, policy coherence and coordination, and equal access to services. Structural equation modelling reveals that treating service users as customers and flexible employment are positively related to improvements on all four dimensions of performance. Contracting out and downsizing are both positively related to improved efficiency, but downsizing is also associated with worse service quality. The creation of autonomous agencies is unrelated to performance. They (2018) suggested that policy makers should prioritize managerial reforms within public organizations over structural transformations.

Chowdhury and Shil (2017) explored public sector reform agendas in the context of New Public Management initiatives in Australia. They argued that new public management ideals become embedded in the new financially and managerially oriented Australian public sector which has operated within the context of a range of reformed government policies, strategies and laws. The primary catalyst of reforms in Australia was generated by government regulatory policies. It is also evident that the Australian Public Sector had made changes in their structure and operation to achieve cost-efficiency, budget accountability and an improved customer focus in service delivery. The research also demonstrates that implementation of reforms initiatives are the functions of New Public Management in the key areas of financial management. These findings are consistent with the view that changes to the Australian public sector promoted managerial accountability and a culture of performance.

In Europe, several countries have applied NPM reforms according to their needs and ways. For example, Ritz and Sager (2010) observed that in Switzerland the NPM reform wave took off in the early 1990s. They pointed out that the major features of NPM in Switzerland are by way of performance contracts, decentralised budget, product group structure, and controlling resources.

They claimed that the Swiss version of NPM also has a very strong political aspect. It is not only the executive that is supposed to steer it but also includes the legislature, which is provided with the means to govern by outcome. Barzelay and Gallego (2010) published an article that presented a comparative historical analysis of public management policy cycles in France, Italy and Spain. They argued that reform processes and choices are seen to be influenced by combination of factors, including shifts in the direction of economic policy choices, political and policy inferences drawn from earlier reforms and public policy subsystems. They claimed that political will is seen as implicated in a more complex narrative of public management's policies and policymaking.

A major contribution of NPM in the public sector is implementation of accrual basis accounting. Ogden (1995) also investigated the ways in which accounting and accounting information have contributed to and shaped the process of organisational change in one area of the public sector, the ten Regional Water authorities of England and Wales. He outlined the ways in which accounting had been instrumental in the process of organisational change in the water industry. Christiaens (1999) investigated financial accounting reform in Flemish municipalities. It was the first time in Belgian governments that a cash-based accounting system became obligatory, supplemented by an accrual accounting system. The study was based on an empirical analysis of municipal accounting practices in Flanders. The findings of the study revealed that municipalities were faced with many problems in implementing business accounting. Anessi-Pessina and Stecolini (2007) examined the effects of budgetary and accruals accounting coexistence in Italian local governments. They pointed out that over the last decade many countries have introduced accrual accounting at the governmental levels as a component of wider public sector reforms. However, their study showed that it did not fit in the public sector. There has been research evidence that the introduction of accrual accounting does not improve public sector efficiency. For example, Elwood (2009) found that accrual accounting did not fit in the public sector. On the other hand, Christensen and Rommel (2008) showed that accrual accounting does have some efficiency benefits for government business activities. They pointed out that there has been a radical wave of organisational, managerial and accounting reforms in many countries. NPM has played a major role in these reforms. They observed that this new management approach forced the governments to abandon traditional cash accounting system and introduce accrual accounting system that was transferred from the profit sector. The authors argued that this move was expected to increase accountability and to improve management tools. Elwood (2009) reviewed accounting technologies used over recent decades in the National Health Service of the UK. The study argued that the overview of accounting technologies in context attempts to draw out some of the deficiencies or apparent mismatches in accounting technologies and public service reforms.

Groot and Budding (2008) reviewed current issues and future prospects of NPM. They asked a group of 105 practitioners actively involved in Dutch and Belgian government and non-profit organisations about the appreciations of NPM reforms and the future developments. They found that most of the respondents were actively involved in NPM reforms. They argued that a good number of NPM reforms were related to the improvement of planning and control of governmental and non-profit entities. They further argued that an important aspect of NPM is the idea to replace traditional cash accounting by accrual accounting principles for financial reporting purposes. They concluded that NPM reforms has been done in rearranging organisational relations and improving accountability and expected structural arrangements between public sector entities to become even more complex and multi-structured in the near future. Andersen (2008) reviewed

the impact of public management reforms on student performance in Danish schools. Anderson observed that greater focus on evaluation and performance is one of the most central aspects of these reforms during the last 20 years. The findings of this study revealed that very small effects on performance measured as average exam scores. However, the students with low socioeconomic status performed worse at reforming schools than at similar non-reforming schools. Rondeaux (2006) reviewed the reforms in the Belgian federal administration. He mentioned that it belonged to NPM or new managerialism. He claimed that this reform involved substantial changes in both organisational and human resource management and a new frame of values including respect, communication, integrity, efficiency and personal development

Worrall et al. (2000) measured the extent of organisational change affecting UK managers and also explored the scale and impact of organisational change on managers in the public sector, the (former public) utilities and the private sector. They found that the scale of change was highest in the utilities sector followed by the public sector and then the private sector. They further argued that organisational change in the public sector and the utilities was found to have been more driven by a cost reduction ethos, with redundancies, outsourcing, layering, using contract and temporary staff and site closure. They pointed out that the impact of organisational change in the public sector radically reduced managers' sense of loyalty, motivation, morale and job security. They (2000) suggested that there was a greater need to re-educate politicians and senior managers in the public sector to be able to understand the human implications of the management styles and their actions. They (2000) mentioned that public sector managers also needed to be better trained to implement change without destroying their colleagues' morale, motivation, loyalty or sense of job security.

Doyle et al. (2000) conducted a survey to explore the experience and perception of organisational change. The respondents were 92 middle and senior managers, from 14 public-sector and 14 private-sector organisations in the Midlands of the UK. Their research showed that most managers think change responsibility affords valuable personal learning. They also pointed out that the change had been accompanied by stress, work intensification, command and control and management-employee distrust. They made a comparison between the change experience of the public and private sectors and observed that change in the public sector was more pressured than in the private sector. They recommended that establishing specific organisational learning mechanisms could contribute significantly to improvements in both the process and outcomes of the organisational change implementation process.

In contrast, White (2000) examined management of change in public sector organisations operating in a turbulent environment. He mentioned that in the UK it is now not a matter of reform to just contract out services to the voluntary and/or private sector, the public sector organisations were facing challenges and find themselves in a cyclone of change as they try to adopt to the turbulent environment. In order to bring about these changes, he suggested that public sector organisations needed to involve users or consumers, define what is an effective service, manage multiple perspectives, address conflicting values and ensure that there is an accountable governance structure in place. On the other hand, Hadi and McBride (2000) studied the commercialisation of public sector information within UK government departments. They mentioned that the public sector produced a vast amount of information in a variety of forms. These were legislative papers, maps, public advice documents, reports and statistical summaries.

They argued that public sector organisations could sell census data, business registration, vehicle registrations, and electoral data to the third parties. They claimed that these government information materials may be tradeable and its value was only established when it is actually traded at its market price. They observed that the UK governmental departments who were involved in information trading priced to cover the cost of publishing but did not consider the inherent market value of the information. They suggested changing the attitude from public service delivery to marketing as agents and the effective management of marketing agents should be based on incentives rather than direct control through reporting and monitoring. Broadbent and Laughlin (2005) examined the role of private finance initiatives in the UK government's modernisation agenda. They defined modernisation using an analysis of the UK government's legislation and pronouncements framed in the context of 'New Public Financial Management'. They used the example of health care to consider the changes in the procurement and accounting for infrastructure investment.

Salauroo and Burnes (1998) studied organisational change in the UK's National Health Service (NHS). They examined the pressures for change, resistance of change, management or leadership style adopted in managing change and finally they assessed the degree of success. They conducted four case studies and observed that the process of change varied widely between the four bodies. Two of the organisations were relatively successful in managing change but the other two were less so. They suggested that the researched organisations could choose to adopt a planned approach to change or an emergent one. On the leadership style, Salauroo and Burns suggested either transactional leadership or transformational leadership. Transactional managers confine themselves within existing policy, structures and practices and they concentrate on optimising the performance of the organisation through incremental changes. On the other hand, transformational leaders change their followers' behaviour and beliefs and unite them under a new vision of the organisation's future. They concluded that successful change is not dependent on any particular approach of change or style of management but on the recognition of the needs of the organisation, working proactively to achieve, compatibility between the environments, the state of organisation, the leadership style and the kind of approach to change adopted.

McHugh and Brennan (1994) conducted a study on managing the stress of change in the public sector in the UK. They mentioned that since the late 1970s, many changes had occurred in the UK civil service and these changes had transformed the functioning of public sector organisations which placed an increasing emphasis on efficiency and effectiveness. They argued that public sector employees were required to provide better quality of service, value for money and accountability and all of these created a new meaning and job stress to the public sector employees. An extensive study conducted by Laughlin et al. (1994) explored the administrative changes in general medical practice (GP) in the UK. They observed that accounting-led financial and administrative changes for GPs were part of and expressed the ethos of a much wider agenda for change in the public sector both in the UK as well as internationally. They added that in the UK, these changes were related to the Financial Management Initiative Program initiated by the government. They identified five major managerial changes that had been introduced on GPs and their practices, four of which were required changes and the fifth an optional, more voluntary change. The four areas were: medical audit, indicative drug amounts, the managerial shift in the workings of the family practitioner committees renamed further as family health service authorities, and the new GP contract. The voluntary change was referred to as 'fundholding'. They

observed that first-order change was occurring and argued that how long the changes could be handled was dependent on many factors.

Lapsley and Pettigrew (1994) explored the issue of change – intra and extra-organisational change -its impact upon management, accounting for management and the environment within which organisations operate. Their main focus was on the public sector but they also examined the influence of private sector. They found that within the public sector there were pressures from policymakers which induced *short termism*. They mentioned that the pressure of annual budgeting and of meeting short-run financial performance measures can dominate in these types of organisations. They further argued that these management accounting techniques are the functions of environment; therefore, such *short termism* is inevitable. They showed that there had been instances of innovation in management accounting practices with in the public sector. They pointed out a need to have a closer understanding of processes of service delivery and of change. They detected ideas and practices which were transferable between private and public sectors. They concluded that strategic management accounting was one innovation which had been developed in response to the pressure for change in management accounting practices in the private sector. They suggested that strategic management accounting could also be beneficial in the public sector too.

Thomson (1992) studied radical change in public sector management in the UK from 1979 to 1992 and pointed out that public sector managers are needed a greater attention for externally imposed changes and he suggested several steps in this regard: a more consciously managerial approach; adjustment to new systems and processes; new relationships; new frameworks of remuneration; contraction of workforces (downsizing); and consequent organisational restructuring; emphasis on quality of service provision; an increasing customer focus; explicit management of change; and organisational culture shift.

Venieris and Cohen (2004) studied accounting reform in Greek universities. They argued that reforms in the public sector had traditionally been faced by resistance and problems. They examined the context within which the reforms took place and the phases it went through. They claimed that the reforms had not seriously progressed even though it was started in 1996.

It has been well observed that the Australian Public Sector has operated within the context of a range of reformed government policies, strategies and laws. The primary catalyst of reforms in Australia was generated by government regulatory policies. It was evident that the Australian Public Sector had made changes in their structure and operation to achieve cost-efficiency, budget accountability and an improved customer focus in service delivery. It was also evident that that implementation of reforms initiatives in Australia were the functions of New Public Management in the key areas of financial management. These findings are consistent with the view that changes to the Australian public sector promoted managerial accountability and a culture of performance (Chowdhury and shil 2017).

Alam and Lawrence (1994) explored the developments in the New Zealand health sector. They examined the move towards a commercialised economically driven health sector in New Zealand and showed how accounting technologies and practices are an integral part of this change. They mentioned health services in New Zealand which were traditionally provided in accordance with need. However, during 1970s the gradual worsening economic situation in the health system



forced some changes to the institutional framework, and the direction of change shifted to economic market mechanisms. They mentioned that the earlier system was inefficient and it could not establish proper accountability system. They pointed out that the changes in the health sector can have enormous implications for the budgetary processes. They further pointed out that under the old regime, accounting was a neglected area in the hospital administration. Health professionals always would prefer to hire one extra nurse or clinician rather than an accountant. With the health reforms, accounting came to be seen as a neutral technique to pursue economic efficiency in the calculations of the cost of service. They observed that not all clinicians were ready to accept the commercialisation path but the believers of reforms pushed towards a more business-oriented approach. These changes brought a new form of behaviour which addressed the commercial realities of health sector reform. Lawrence et al. (1994) also examined the financial management reform in the New Zealand health sector and they observed that these reforms had changed the culture in health care provision by increasingly infusing management with the conceptual language of business, economics and of accounting rather than with medical service. Their study revealed that accounting technologies and practices were integral to broader social and institutional changes.

Moynihan (2006) evaluated the reform programs of state governments in the United States. The study argued that state governments had enthusiastically embraced the idea of managing for results. Moynihan claimed that it represented a victory of NPM policy ideas transported from New Zealand, The United Kingdom and Australia. The findings of the study revealed that state government had adopted strategic planning and performance measurement but were less successful in implementing reforms that would enhance managerial authority. Kellough and Nigro (2005) studied the transformation of civil service system in the state of Georgia, USA. They found that a new performance management and pay-for-performance plan was introduced and authority for personnel was significantly decentralised. They explored the impact of public service reform on the attitudes of employees. They observed generally negative views toward the array of changes in the state's personnel policies.

Common (1998) studied the globalisation of NPM. He summarized that there was a global revolution in public management and observed that governments everywhere were being reinvented. He mentioned that change appeared gradual rather than radical and that the public sector could borrow private sector management tools in an ad hoc or piece-meal fashion. Similar way Brown et al. (2003) studied change management practices in the public sector and pointed out that during the last two decades, the public sector has come under increasing pressure to improve performance and demonstrate greater transparency and accountability. They pointed out that these pressures forced the public sector organisations to adopt corporate change strategies and many of these practices were borrowed from private sector. They further argued that to meet the challenges of the global economy and the increasing public demand, public sector organisations have been required to transform. Haque (2007), revisiting NPM in his study, argued that NPM had become one of the most widely discussed models of public sector reform. He observed that the significant features of this model are organisational restructuring which primarily involved downsizing the public sector, introduction of market-type mechanisms including privatisation, contracting out and introduction of user charges, a greater emphasis on performance measurement and indicators, and importing commercial values from the profit sector. He also described the consequences of this model and identified that many public sector outputs and outcomes were not suitable for precise

and accurate measurement and outcomes can be affected by certain unaccounted external factors and some basic principles of service delivery.

Maor (1999) conducted a comparative analysis of changes in senior officials' tenure security and protection from external competition in Australia, New Zealand, Canada, the United Kingdom, Austria and Malta between 1980 and 1996. He mentioned that NPM had shown a remarkable degree of consensus among the political leadership and opinion makers of various countries about the desired nature of change. He added that change was primarily organisational and its goal was to strengthen management capacity in government operations. He observed that the political leadership that came into office in the mid-1980s and 1990s in many Western democracies were engaged in these change process. He summarised these changes as: first, a change from hierarchical to economically based structures; second from regulative to economically based processes; and third, from legally based to economically based values. Maor (1999) mentioned that at the same time the Western democracies were moving towards managerial principles.

Siddiquee (2010) wrote a paper dedicated to understanding the public management reforms in Malaysia. He analysed Malaysia's shift towards result-based management and pointed to two areas of public sector budgeting and human resource management. The findings of the study showed that although Malaysia has introduced result-based public management, the implementation of this new approach is far from satisfaction.

#### **4. Analysis, Summary and Conclusion**

It has been observed that from time to time, public organisations organised and reorganized their structure and was involved in changing its behaviour as well. To attain the economic rationality implicit in NPM, public organisations outlined their values and culture which guided them to strive for the highest possible standards in their work. In light of these reform strategies, the organisations developed different strategic plans to manage the changes effectively.

It is evident that the public organisations of different countries adopted various management control tools borrowed from the private sector. Some of the tools came directly from private sector. Some of these tools were modified, and some were innovations that are unique to the public sector. Evidence of the literature suggests that public sector has adopted these private sector tools but were not using them in the same manner as the private sector. The reasons behind this is that public sector organisations are different from those in the private sector on particular of dimensions such as diversity in goals and objectives, access to resources, nature of the organisation and the accountability system.

The literature demonstrated that the public organisations developed organisational structures, strategic plan, new accounting systems, internal audit and compliance review functions, business plan, fraud and corruption control plan, service delivery platform, performance measurement systems, stakeholders' control and evaluation systems and human resource management plan. In the new changing environment, these managerial principles adopted in the public sector are grouped under the rubric of 'new public management' (Hood, 1995).

The present research demonstrates that implementation of management control systems in the public organisations in various countries are the functions of new public management initiatives in the key areas of financial management like budgeting, accounting and auditing. Many countries have adopted program management and budgeting, corporate planning, performance evaluation, audit and review. These findings are consistent with the view that changes to the public sector promoted managerial accountability and a culture of performance (Hoque, 2005).

The findings also suggest that public organisations promoted entrepreneurial management practices through partnership with the community and the private sector. It is fundamentally an important component of public sector delivery and policy development strategies which was developed in light of the NPM initiatives. The literature also shows that public organisations improved their systems of accountability and introduced professional management or private sector models of management style in its organisation. These ideals are also described as 'new managerialism' or 'new public management'.

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## Appendix

**Table 1: Summary of study findings of changes in the public sector – an international perspective.**

<b>Authors (Date)</b>	<b>Research Topic</b>	<b>Findings</b>	<b>Country</b>
Allen et al., (2020)	Public Financial Management Reform	They (2020) reviewed Public Financial Management (PFM) reform strategy for 16 Pacific Island Countries (PICs) during the period 2010-2020. They showed that the region shares the generally slow pace of	16 Pacific Island Countries

		PFM reform. It is also a feature of most developing countries. They also showed that Some PICs have improved their PFM performance significantly, while others have done less well. They pointed out that PFM reforms have suffered from the small size and low capacity of many PICs.	
Lapunte and Walle (2020)	Improvement in the public sector using NPM	They (2020) argued about the improvement in the public sector using NPM. They claimed that NPM reforms, in the public services towards the efficiency and efficacy of outputs, have been controversial. They have been accused of importing practices and norms from the private sector that could collide with core public values, such as impartiality or equity. They pointed out that success (or failure) depends on the administrative, political and policy context those reforms take place.	International-Worldwide
Rhys, A., Beynon, M. J. and McDermott, A (2019)	Configurations of New Public Management reforms and the efficiency, effectiveness and equity of public healthcare systems	They (2019) claimed that three NPM reform profiles are evident in Europe; (1) strong reformers, adopting a comprehensive package of reforms that are perceived to perform better than (2) partial reformers, with (3) limited reformers	14 European Countries



		also doing better than partial reformers.	
Hammerschmid et al. (2018)	Impact of New Public Management (NPM)-style reforms	The study was based on perceptions of top public sector officials. Their (2018) study explored the relationship between five key NPM reforms (downsizing, agencification, contracting out, customer orientation and flexible employment practices) and four dimensions of public sector performance: cost efficiency, service quality, policy coherence and coordination, and equal access to services. Structural equation modelling reveals that treating service users as customers and flexible employment are positively related to improvements on all four dimensions of performance. Contracting out and downsizing are both positively related to improved efficiency, but downsizing is also associated with worse service quality. The creation of autonomous agencies is unrelated to performance. They (2018) suggested that policy makers should prioritize managerial reforms within	European countries

		public organizations over structural transformations.	
Špaček (2018)	Administrative reforms	The author illustrated the developments and issues of Czech administrative reform, based on desk research, secondary literature on developments of administrative reform in the country and input obtained through mapping and analyzing ESF / ESIF support and interviews with employees of central bodies that are responsible for the coordination and evaluation of the use of ESF / ESIF support. The findings revealed that within the project European Public Administration Country Knowledge (EUPACK) that focused on researching dynamics of public administration in EU member states and the contribution of external support to improving public administration quality.	Czech Republic
Chowdhury and Shil (2017)	New public management	The primary catalyst of reforms in Australia was generated by government regulatory policies. It is also evident that the Australian Public Sector had made changes in their structure and operation to achieve cost-efficiency, budget accountability and an improved customer focus in service delivery.	Australia

		The research also demonstrates that implementation of reforms initiatives are the functions of New Public Management in the key areas of financial management.	
Ritz and Sager (2010)	New public management	The major features of New Public management are performance contracts, decentralised budget, product group structure and controlling resources.	Switzerland
Barzelay and Gallego (2010)	Comparative historical analysis of public management policy cycles	Reform processes are influenced by economic policy choices, political and policy inferences and public policy subsystems.	France, Italy and Spain
Siddiquee (2010)	Public management reforms	Although Malaysia has introduced result-based public management, the implementation of this new approach is far from satisfaction.	Malaysia
Elwood (2009)	Accrual Accounting in the public sector	Accrual accounting did not fit in the public sector	UK
Christensen and Rommel (2008)	New public management and accrual accounting	New management approach forced the governments to abandon traditional cash accounting systems.	International
Groot and Budding (2008)	New public management's current issues and future prospects	New public management reforms were related to the improvement of planning and control of non-profit entities.	Netherlands and Belgium
Anderson (2008)	Public management reforms and student performance	Greater focus on evaluation and performance is one of the most central aspect of these reforms.	Denmark
Anessi-Pessina and Stecolini (2007)	Effects of budgetary and accrual accounting in local governments	Accrual accounting did not fit in the public sector.	Italy

Haque (2007)	New public management	Features of the new public management are downsizing the public sector, introducing market type mechanisms, contracting out, user charges, performance measurement.	International
Rondeaux (2006)	Reforms in the federal administration	Reforms were related with Managerialism. It changed both organisational and human resource management	Belgium
Moynihan (2006)	Reform programs of state governments	State government adopted strategic planning and performance measurement but were less successful in implementing reforms that would enhance managerial authority.	USA
Broadbent and Laughlin (2005)	Private finance initiative	New public financial management played an important role in the UK Government's modernization agenda.	UK
Kellough and Nigro (2005)	Transformation of civil service	New performance management and pay for performance plan was introduced and authority for personnel was significantly decentralised.	USA
Venieris and Cohen (2004)	Accounting reforms in Universities	Reforms have not seriously progressed.	Greece
Brown et al. (2003)	Change management practices in the public sector	Public organisations are forced to adopt corporate change strategies and many of these practices were borrowed from private sector.	International
Worrall et al.(2000)	Impact of organisational change	Organisational changes in the public sector was found to have been more driven by a cost reduction ethos,	UK

		with redundancies, outsourcing, delaying, using contract and temporary staff closure.	
Doyle et al. (2000)	Perception of organisational change	Change in the public sector is more pressured than in the private sector.	UK
White (2000)	Management of change in the public sector	Public organisations are in a cyclone of change as they try to adopt to the turbulent environment.	UK
Hadi and McBride (2000)	Commercialisation of public sector information	The government departments who are involved in information trading priced to cover the cost of publishing but did not consider the market value of the information.	UK
Maor (1999)	Comparative analysis of changes in the public sector	First, a change from hierarchical to economically based structures, second from regulative to economically based processes and third, from legally based to economically based values.	International
Christiaens (1999)	Financial accounting reforms in the municipalities	Municipalities were coping with a lot of problems in implementing business accounting.	Belgium
Salauroo and Burns (1998)	Organisational change in the National Health Service	Four case studies were conducted. Two of the organisations were relatively successful in managing change and two were less so.	UK
Common (1998)	Globalization of new public management	Government everywhere was being reinvented.	International
Ogden (1995)	Contribution of accounting and accounting information to organisational change	Accounting has been instrumental in the process of organisational change.	UK
McHugh and Brennan (1994)	Managing the stress of change in the public sector.	Public sector employees are required to provide	UK

		better quality of service, value for money and accountability.	
Laughlin et al. (1994)	Accounting and administrative changes in GP practices.	Accounting-led financial and administrative changes for GPs were the ethos of a much wider agenda for change in the public sector.	UK
Lapsley and Pettigrew (1994)	Issues and impacts of changes	Strategic management accounting is one innovation which has been developed in response to the pressure for change in management accounting practices in the private sector. Strategic management accounting can contribute in the public sector too.	International
Alam and Lawrence (1994)	Developments in the New Zealand health sector	Accounting technologies and practices are an integral part of the change process	New Zealand
Lawrence et al. (1994)	Financial management reform in the health sector	Reforms have changed the culture of health care providers by increasingly infusing management with the conceptual language of business, economics and accounting rather than medical service.	New Zealand
Thomson (1992)	Radical change of public sector management	Public sector managers are needed a greater attention for externally imposed changes.	UK

Source: authors.