

# *Why the New Public Management is Obsolete: An Analysis in the Context of the Post-New Public Management Trends*

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In the 1980s and 1990s, the New Public Management (NPM) paradigm dominated the field of public administration. However, this paradigm, which integrates the principles of the private sector and business administration into the field of public administration, began to be criticised in the new millennium after a quarter century of domination. The criticisms soon turned into comprehensive challenges which emerged as the post-NPM trends. The aim of this paper is to explain what makes NPM obsolete within the framework of these criticisms. In addition, five post-NPM trends and their starting points are examined: new public service (NPS), public value management (PVM), digital era governance (DEG), neo-Weberian state (NWS) and new public governance (NPG). The main method for the

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theoretical basis of the paper is to screen and evaluate secondary sources.

*Keywords:* management, public administration, new public management, post-NPM

## 1. Introduction

An examination of the historical development in the field of public administration sees the main emphasis shifting from administration to management, which reflects a paradigm shift that symbolises the transition from classical public administration to New Public Management. This new paradigm prevailed in the last quarter of the 20<sup>th</sup> century and dominated the field of public administration with private sector and business-style reforms. However, the criticisms that began in the 2000s turned into challenges that questioned the validity of the paradigm, ultimately leading to post-NPM trends based on the opposition to NPM.

This study is based on the assumption that many independent factors play a role in determining the obsolescence of New Public Management. Moreover, it focuses on seeking to fill the paradigmatic gap. The method of the study is to screen and evaluate secondary sources, thereby aiming to explain why New Public Management is obsolete. The study consists of three parts: in the first part, the emergence of New Public Management and its basic principles are pointed out; in the second part, criticisms of New Public Management are summarised and grouped into six contexts; in the last part, post-NPM trends (new public service, public value management, digital era governance, neo-Weberian state, and new public governance) are examined and presented as pursuits for an alternative paradigm.

## 2. The New Public Management: The Paradigm of the 1980s and 1990s

Since the emergence of public administration as an independent branch of science, it has been affected by both politics and law, especially administrative law. The emphasis on *administration* in the classical public administration (CPA) model supports this thesis. However, in the 1980s, the

field of public administration was dominated by the theories and methods of business science. In this period, emphasis was placed on *management* and its role in the field of public administration, whereby the boundaries between the public and the private sector became unclear. With the disappearance of the differences between these two sectors, and within the framework of the market metaphor in the public sector, the approach to managing the state as an operation became popular (Box, 1999, pp. 19-20). In this context, the 1980s saw principles such as entrepreneurship, privatisation, customer orientation, and private sector management techniques integrated into the public sector. Thus, a second paradigm emerged in the field of public administration, expressed through the term New Public Management. While NPM covers a wide range of techniques and perspectives aimed at overcoming inefficiencies caused by the CPA model, many different concepts have also been developed by public administration scholars and used in literature to imply NPM: public management (Perry & Kraemer, 1983), supply-side management (Carroll et al., 1985), managerialism (Pollitt, 1990), post-bureaucratic management (Kernaghan, 1993), entrepreneurial government (Osborne & Gaebler, 1992), and market-based public administration (Lan & Rosenbloom, 1992). Although all of these concepts are used to describe the outmoding of CPA and the transformation in contemporary public administrations, NPM remains the most commonly used term in the paradigmatic framework.

The term New Public Management was first used by Hood (1991). However, the emergence of the NPM model is based on the popularisation of various innovative managerial reforms in the public sector (Christensen & Lègreid, 2002, p. 268). Hood (1991, pp. 5-6) states that the marriage of two opposing currents lies at the heart of the new paradigm. One of the partners is new institutional economics and the other business-type managerialism. The new corporate economic movement consists of a combination of economic theories such as public choice theory, transaction cost theory and principal-agent theory, and refers to new developments in the approach to bureaucracy within the framework of these theories. The other partner of the marriage, business-type managerialism, helped to produce a series of managerial reform doctrines for the creation of a professional management based on technical expertise. Some of these doctrines are: high appreciation for achieving results, the creation of appropriate cultures for the development of organizational performance, and active measurement of organizational outputs. Thompson and Thompson (2001, p. 152) formulated the respective cultures to be formed in this

context as “liberty of management”; “focus on outcomes rather than inputs” and “more reliance on the private sector for service delivery”.

There are also scholars who deal with NPM in the context of a reform practice. Peters (2001, p. 11) for example, states that NPM represents a series of reforms that include flexibility, deregulation and the use of market mechanisms by governments in the post-1980 period to increase efficiency. What is meant by reform are the managerial actions undertaken to make governments more efficient by making conscious changes in the structure and processes of public sector organizations (Pollitt & Bouckaert, 2011, p. 2). In this respect, the NPM principles and assumptions constitute the theory of public sector reforms. In other words, the guidelines for the administrative reform movements in the last quarter of the 20<sup>th</sup> century are NPM principles. Although these reform movements differ in profundity, scope, and success from country to country, they are remarkably similar in terms of the objectives they follow and the technologies they use (Kaboolian, 1998, p. 190). As a matter of fact, a common point observed in the administrative reform movements in all the countries during this period is the use of market principles as a model for political and managerial relations (Nagel, 1997, p. 349). Thus, public goods and services are transformed into market products and market values are dominated in the public sector (Zanetti & Adams, 2000, p. 544).

NPM suggests the use of market principles to address and avoid failures in the public sector. With this understanding, the main reason for any failures in the public sector is seen as a result of the stiffness of the bureaucracy and it is therefore recommended to replace such a bureaucracy with a more flexible, market-based public management approach. In other words, it is thought that efficiency in public administration can be achieved by providing public services with competitive market-like practices, rather than by creating a managerial device managed by politically impartial experts (Lan & Rosenbloom, 1992, p. 535). In this respect, O'Flynn (2007, pp. 344-345) interprets the use of market principles in public administration as an open challenge to the state's monopoly on the production and distribution of public services, that is, to CPA. In public administration literature, there is a conceptual dynamism with NPM, whereby many concepts with origins in business and economy have been transferred to public administration terminology. The most obvious example of such a transformation is the administrator term, which is replaced by the term *manager*, and the citizen term, which is replaced by the term *customer*. Concepts such as minimal state, de-bureaucratisation, decentralisation, market orientation in public services, contracting, privatisa-

tion, performance measurement, etc. are also considered among the new concepts that NPM brought to the literature.

There are parallel views on the basic principles and characteristics of NPM in the field of public administration. According to Wilson and Doig (1996, p. 53), NPM is based on three dogmatic principles: management is superior to administration; private sector management is superior to public sector administration; good management consists of a universally acceptable and uniformly applicable knowledge integrity. Similarly, Hood (1991, pp. 4-5) formulates the basic features of NPM as doctrinal components: hands-on professional management in the public sector; explicit standards and measures of performance; greater emphasis on output controls; shift to disaggregation of units in the public sector; shift to greater competition in the public sector; stress on the private sector styles of management practice; stress on greater discipline and parsimony in resource use. In addition, in their article on how the entrepreneurial spirit transforms the public sector, Osborne and Gaebler (1992, pp. 19-20) provide a set of ten items in the form of guidelines on managerial structures based on the NPM approach: catalytic government; competitive government; mission-driven government; results-oriented government; customer-driven government; enterprising government; decentralised government; community-owned government; anticipatory government; market-driven government. Within this framework, the NPM paradigm dominated the field of public administration in the last quarter of the 20<sup>th</sup> century, only to begin to be questioned for various reasons in the 2000s.

### 3. Criticisms of New Public Management

NPM is not only a paradigm that aims to make public administration more efficient, effective and sensitive but also a reform program. It is an initiative to adopt modern management approaches and techniques in order to reduce bureaucracy and strengthen lower level cadres in the public sector. However, this initiative faces serious criticism when private sector management principles, which are contrary to the public service tradition and values, are accepted without being properly questioned. The source of these criticisms stems from the fact that principles of equality, justice, impartiality and public interest are often undermined by NPM. Criticisms of NPM can be explained through six points: the dominance of economic and business norms; the definition of citizen; the presence

of various paradoxes; ignoring the differences between the public and private sectors; ethical concerns; the adoption of the same reform program for different countries.

The dominance of economic and business norms and values results in pushing traditional values into secondary place in public administration (Christensen & Lègreid, 2002, p. 268). While NPM emphasises the economic dimension of management, it ignores the managerial and democratic dimensions. According to Balfour and Grubbs (2000, p. 577), NPM prioritises the economic values in public organizations and gives them priority over other values, thus leading to the exclusion of values such as equality, equity, participation and citizenship. Similarly, Lynn (2001, p. 144) states that the managerialism approach does not adequately emphasize democratic values such as citizenship and law. However, Christensen and Lègreid (2002, p. 284) state that two interpretations of democracy should be taken into account when criticising the notion that democratic values are excluded in the NPM approach: the first is egalitarian and collective democracy, based on the idea of the sovereignty of society; and the second is a liberal and individual democracy, derived from an individual-based concept. Thus, it can be argued that what is neglected by NPM is the equalitarian and society centred democracy. Indeed, this form of democracy is associated with the welfare state concept that reflects the paradigm of CPA, whereas in the NPM paradigm this understanding was abandoned and an individual-oriented democracy form was adopted. To sum up, it is the social democracy that critics claim is excluded by NPM, yet there are many references to liberal democratic principles and reforms envisaged by NPM.

Another criticism of NPM stems from its definition of citizen. The citizen in NPM is formulated as a customer. This formulation complies with the liberal citizen definition that focuses on individual preferences and rights. However, it ignores the republican or collective tradition that envisions participation in political parties, local groups, and community activities, and that emphasises the common good and collective actions. According to Aberbach and Christensen (2005, p. 241), in the NPM approach, citizens are seen as individual consumers who are satisfied with being represented by their administrative bodies or their proxies, rather than being part of the collective initiative. These individuals are defined as private actors who make their own choices. Thus, the emphasis attributed to the citizen's collective identity and participation decreases (Clark, 2009, p. 34).

NPM is also criticised for containing various paradoxes. Despite the principle of decentralisation, the centralisation of practices is a serious criticism. Mongkol (2011, p. 36) refers to this as a paradox of centralisation. The fact that public administrators are given more authority to manage programs can also lead to increasing political intervention (Maor, 1999, p. 6). Central governments delegate certain powers to public administrators, but also provide a rigid framework for decision-making in terms of certain types of managerial behaviour (Khademian, 1998, p. 271). Thus, the promotion of decentralisation in public institutions paradoxically results in central decisions by public administrators. Others have found more paradoxes in NPM. Lorenz (2012, p. 625) argues that NPM redefines concepts such as quality, accountability, transparency and professionalism by transforming them in reverse. Similarly, Dunleavy and colleagues (2005, p. 472) emphasize that despite planned privatisations, the expectations for reducing costs and increasing quality were not met.

The fourth criticism of NPM refers to applying private sector management techniques to the public sector. While NPM encourages the use of private sector management techniques, there may be risks associated with the adoption of some private sector practices. The public sector has its own political, ethical, constitutional, and social dimensions. According to the constitutional principles, management should be built not on market mechanisms, but on law and legitimacy (Ricucci, 2001, p. 172). Since the public sector has a more turbulent political environment than the more complex objectives of the private sector, there are those that do not favour NPM for the public sector. Considering that the NPM approach is fundamentally flawed, Savoie (2006, p. 595) bases his opinion on the fact that the field of public administration is only rarely applicable to private sector management practices. Moreover, the relationship between public sector managers and political leaders is different from any relationship in the private sector. Similarly, Painter (1988, p. 2) argues that the use of private sector models in public administration is dangerous because of contextual differences.

Fifthly, there are also ethical concerns among critics of NPM. Hughes (2014, p. 187) emphasises that although unethical or corrupt behaviour can be more easily identified due to a greater transparency in NPM, ethical issues still exist in the private sector and this is a threat to public administration. In other words, although it provides transparency for the public sector, private sector practices can still lead to corruption. Minogue (2002, p. 9) criticises NPM for risking a direct relationship between managerial autonomy and corruption, and the difficulty with accountability.

Finally, NPM reforms are criticised for the unequal realisation of the benefits promised to underdeveloped countries. Polidano (1999) states that very few of the NPM generalisations are valid and that the reform does not lead to similar results in each country. According to him, in developing and underdeveloped countries reforms related to NPM or in conflict with NPM continue. Polidano (1999) argues that although the reforms have some successful aspects, NPM is not a reform program suitable for underdeveloped or developing countries, especially due to problems such as corruption and low administrative capacity. Similarly, Mongkol (2011, pp. 37-39) summarises the criticisms that centre on NPM's not addressing developing countries with the following arguments: developing countries lack the resources and management capacity to implement NPM reforms formulated by developed countries; NPM's decentralisation principle is incompatible with governments in developing countries that maintain a central decision-making process; the basic management infrastructure in developing countries has not been sufficiently developed to support market-oriented reforms; since it is difficult for developing countries to move away from a bureaucratic system, it is not realistic for governments in those countries to adopt contractual arrangements for service delivery; the applicability of standardised reform packages varies from country to country in the context of their political culture, therefore, the premise that "one size fits all" is problematic; NPM reforms have been formulated according to the expectations of developed countries rather than the developing countries, which do not have the same expectations, thus making the reforms meaningless; the rules governing people's behaviour in developing countries may differ with respect to contracts, therefore, the mechanisms of accountability agreements have little impact on what is expected in the official field in these countries; it may be difficult to implement the privatisation principle in developing countries, as these countries are not capable of performing complex tasks successfully.

From the moment NPM emerged, it was a complex theory and far from being a consistent set of ideas. Nonetheless, it was seen as a useful model for the development of developing countries in the early days (Manning, 2001, p. 297). However, the developments in the 2000s shook the dominant position of NPM in the public sector. The NPM approach, which was formed by the new right and neoliberal thought, entered into serious problems due to the global financial crisis in 2008. Although the global financial crisis, which struck the world in autumn 2008 did not dramatically change the theories and practices of NPM, it did affect how they were monitored and used. The legitimacy of NPM instruments was weakened

with the global financial crisis and from a more technical and administrative perspective, the NPM trend in most countries has since reversed. Randma-Liiv and Drechsler (2017, p. 601) explain this U-turn with the necessity to rationalise the structure and relationships within the executive power after a very chaotic period of over-agitation. The financial crisis and the social and political crises it brought, expressed through a dissatisfaction with the state, forced political leaders to rationalise and rearrange the public sector. The search for savings and cost efficiency has led to the abolition, absorption and merging of many NPM-based organizations, and a shift away from NPM has started.

The fact that neoliberalism lost its political hegemony over the past thirty years with the economic crisis has caused NPM to become obsolete (De Vries, 2010, p. 88). With this crisis, confidence in the market was shaken and the accepted arguments of NPM were refuted. Thus, the Keynesian approach, based on the interventionist and regulatory state, reemerged with the return of the classical approach foreseen in the minimal state. With this return, the NPM institutions, which adopt market values and prioritise market-like mechanisms, have become unsustainable (Levy, 2010, p. 234). As such, structural arrangements are expected to become more complex and multifaceted than public sector organizations. However, it is difficult to meet these expectations with the NPM principles (Groot & Budding, 2008, p. 11). As a result, both the criticisms and the political and economic background have become controversial, leading to the search for a new paradigm.

#### 4. Challenging NPM: Pursuits for an Alternative Paradigm

It is very difficult to say if NPM has been successful in meeting the expectations of the 2000s. As one of the most significant contributors to the theoretical development of NPM, Hood's ideas are the clearest evidence of this. Hood and Dixon (2015, p. 266) stated that over a thirty-year period, despite a reduction in the public service volume by about one-third, a cost increase could still not be prevented. There are theoretical and practical examples of a shaking confidence in NPM. Theoretically, in the public administration literature, a consensus emerged in the late 1990s on the failure of NPM reforms. König (1997, p. 214) stated that there is no empirical evidence that the reforms of NPM had led to any productivity

increase or welfare maximisation. In fact, according to Van Mierlo (1998, p. 401), even though NPM reforms in Western Europe and other OECD countries are presented to the public as being successful, there is evidence of a relative failure. Even in the host countries of NPM reforms, confidence in them has been shaken. Shortly before the global economic crisis, the privatised railway system was again expropriated in New Zealand. In defence of this move, it was stated that the privatisation system had led to a disaster in terms of economic development, investment, and innovation. Drechsler (2009, p. 11) interpreted this defence as “the most noteworthy nail in the NPM coffin”. The reasons for the referendum on the suspension of NPM reforms in Switzerland also provide a satisfactory summary in this context: “Improving efficiency, effectiveness or quality cannot be attributed to NPM reforms” (Noordhoek & Saner, 2005, p. 38).

The waves of criticism against NPM have turned into pursuits for an alternative paradigm after the turn of the millennium. The approaches, which are common in many aspects and differ only in terms of their basic emphasis, are called post-NPM trends (Lodge & Gill, 2011; Christensen, 2012; Christensen & Lègreid, 2011). These trends are based on NPM’s inability to keep in step with the public administration and services of the 2000s. In this respect, it is worth mentioning the main trends in the public administration agenda in recent years. Greve (2010, p. 11) summarises these trends as follows: the main concern is to turn to the wider social problems that no one can solve on his own, rather than on economic activity; the adoption of a thinking structure that focuses on long-term results and tries to produce public value by abandoning the logic of business that targets short-term outputs; establishing a governance mechanism that focuses on the networks rather than market-based management; the transformation of the citizen perception from passive consumer to joint producers; to formulate the premise as governance rather than efficiency in the conception of information technology; focusing on transparent network governance rather than outputs in terms of accountability and concentrating on long-term outcomes.

Post-NPM trends are a movement that tries to reintegrate the fragmented state by focusing on management as a whole and combining its constituent parts into horizontal and vertical coordination (Halligan, 2010, p. 235). The trends stem from negative feedback on NPM and the weakening of political control. Even the most radical NPM countries (England, New Zealand and Australia) have lost confidence in NPM. Perri (2005, p. 54) interprets this loss of confidence as a sign of the post-NPM period. Although post-NPM attempts have differences with respect to their

starting points and national management cultures, the common feature of these initiatives is that they do not represent a dramatic break or a return to the past (Christensen, 2012, p. 8). In other words, post-NPM trends are associated with overcoming weaknesses produced by NPM, rather than returning to the CPA model. They are attempts to rebalance existing managerial systems. They also provide an integrated or unified management style in response to the market-making and discriminatory nature of NPM. This type is based on the idea of strengthening coordination through a more centralised and collaborative capacity (Lodge & Gill, 2011, p. 143). Thus, the key themes underlying the idea of reform in post-NPM trends are partially disaggregated from the principles predicted by previous paradigms.

The main purpose of post-NPM reforms is to slowly eliminate the disintegration occurring under NPM and to bring public sector organizations back to a greater degree of integration and coordination (Christensen, 2012, p. 3). This purpose is closely related to the development of governance mechanisms in a modern political system. Use of public-private partnerships and networks, support for non-profit organizations, user forums and user surveys are among the mechanisms steering in this direction (Christensen & Lègreid, 2011, p. 133). Many alternative approaches to NPM, including the above trends and key themes, were discussed by scholars in the public administration literature in the 2000s. These approaches, which are systematized to make public administration sustainable, effective and up-to-date, include new public service (NPS), public value management (PVM), digital era governance (DEG), the neo-Weberian state (NWS) and new public governance (NPG).

One of the emerging approaches in the public administration literature to criticise the managerialism approach and NPM is new public service (NPS). It represents a movement built on four factors: democratic citizenship, community-focused and civil society, organizational humanism and discourse theory. The manifesto of this approach is the article by Robert B. Denhardt and Janet V. Denhardt published in 2000, *The New Public Service: Serving Rather than Steering*. In this article, the basic role of the public official is formulated to help citizens catch up with their common interests rather than to control or direct society. In it they propose seven principles: serve, rather than steer; the public interest is the aim, not the by-product; think strategically, act democratically; serve citizens, not customers; accountability isn't simple; value people, not just productivity; value citizenship and public service above entrepreneurship (Denhardt & Denhardt, 2000, pp. 553-557).

Another approach that looks at NPM and its economics-based management values from a critical perspective is public value management (PVM). It directly contradicts the NPM assumption that public expectations from the state have precedence over the sum of individual preferences. In this context, the main factor that makes PVM different is the emphasis on collective preferences and values, as opposed to the individualistic focus of NPM. The theoretical origin of this approach is based on Moore's book *Creating Public Value*, published in 1995. According to Moore (1995, p. 299), the public manager is neither a scribe for noting what practices are put in place, nor a scapegoat for setbacks in practice. He/she is an explorer appointed by society to seek public value. In the framework of PVM, public managers are important agents that help to discover and define what is worthwhile rather than designing tools to achieve mandatory objectives. Thus, public managers are transformed from traditionalists, who are only responsible for guaranteeing continuity, to important innovators who investigate what public institutions are doing and how they should change them. Inspired by Moore's ideas, O'Flynn (2007, p. 360) argues that creating public value depends on the political expression determined by the collective preferences of the citizens, thus showing a paradigm shift from NPM to PVM in public administration.

One of the factors that shook the throne of NPM in the paradigmatic framework was the development of information and communication technologies in the 21<sup>st</sup> century. Dunleavy and his colleagues, who state that the approach to public administration should be updated within the framework of this development, introduced the digital era governance (DEG) model to the literature with the article *New Public Management is Dead - Long Live Digital Era Governance* published in 2005. This model was built on the assumption that the NPM approach does not yield the desired results within the disaggregation, competition, and incentivisation themes (Dunleavy et al., 2005, p. 471). In the DEG model, which includes the digitalisation of administrative processes, Dunleavy and colleagues (2005, p. 467) highlight the themes of reintegration, need-based holism, and digitalisation. Information relations in the public sector are redesigned by utilising contemporary information and communication technologies in DEG (Homburg, 2018, p. 357). This is mediated by social media, mobile infrastructures and in particular e-government, as it has the potential to make relations between the state and the people softer, easier and more productive (Layne & Lee, 2001, p. 123). In summary, DEG is one important alternative approach of the post-NPM period character-

ised by technological, organizational, cultural, administrative, economic, politic and social changes.

There is also an approach that emphasises the notion that post-NPM trends may not be a fundamental criticism of NPM, suggesting instead that NPM can be blended with a number of anti-NPM values. This is the position that the neo-Weberian state (NWS) takes. It is based on the assumption that business values and Weberian principles are not in contradiction and that they can be synthesised. The new elements of NWS are listed by Pollitt and Bouckaert (2011, pp. 118-119) as follows: a change from an internal orientation that focuses on bureaucratic rules to an external orientation that measures the needs and aspirations of the citizens; the role of representative democracy is supported by a range of devices for consultation and direct representation of the citizen; the modernisation of relevant laws to encourage governments to orient themselves to the achievement of results rather than correctly following procedures in resource management; as a result of the professionalisation of public service, bureaucrats become experts in legislation related to their field of activity and become professional managers to meet the needs of citizens.

Finally, the most remarkable theory among post-NPM trends in literature is new public governance (NPG), which claims to be a third paradigm in the field of public administration and is formulated by S. P. Osborne (2006). NPG, driven by the theory of governance, is a product of the need for a holistic paradigm that goes beyond the distinction between administration and management, and provides a more comprehensive public management theory (Osborne, 2006, p. 380). It is based on the problematique that many problems that confront societies and their rulers cannot be fully solved within the framework of either the CPA or the NPM paradigms (Barraket, Keast & Furneaux, 2016, p. 125). NPM is criticised for being very close to the private sector; CPA for being insufficient in the area of decision making and management. The aim of NPG is to overcome the negative aspects of both (Iacovino, Barsanti & Cinquini, 2017, p. 63). The NPG approach focuses on participation, partnerships, networks, unified services, and new ways of co-producing, and emphasises a more active citizen model. NPG also attaches importance to the social responsibility neglected by NPM (Patapas, Raipa & Smalskys, 2014, p. 29). As a result, NPG is more inclusive than the others (NPS, PVM, DEG and NWD) and is claimed to be the third paradigm challenging NPM.

During the NPM era, enterprise-like solutions such as organization, concessions, asset privatisation and outsourcing were adopted. These reforms

saw users as customers, not stakeholders. In this context, privatisation initiatives did not pay attention to the transparency and participation of users and citizens. Today, however, a participatory approach in public administration has become a must for the legitimacy of government. Unlike NPM, it is now popular to make decisions for the public, not in official or administrative offices, but in areas where joint governance is built that transcends the public-private division (Denters, 2017, p. 91).

21<sup>st</sup> century society and relations are more complex than the NPM label suggests. There is now an increasing disparity in public sector objectives, particularly in the need for efficiency, quality and accountability, and reform measures. In fact, the term post-NPM refers to the overall picture of the reform that constitutes the hybridisation of public sector organizations. The post-NPM label includes reforms to improve horizontal and vertical coordination between the government and other actors in terms of vertical and inter-institutional coordination. Therefore, post-NPM reforms pay attention to a holistic style of governance, cross-border skills and combined objectives. They aim to increase the steering capacity of the centre. As such, civil servants are thought to be network managers and partnership leaders rather than pure business managers as proposed by the NPM model (Klenk & Reiter, 2019, p. 4).

## 5. Conclusion

The NPM model gives priority to the economic values in public organizations, leading to the exclusion of democratic values such as equality, equity, participation and citizenship. In addition, the NPM paradigm's view of the citizen is against the nature of public administration. These contradictions make NPM unsustainable. There are many paradoxes in the NPM paradigm. Decentralisation, transparency, and accountability are only a few of these. While NPM promises these values, they result in the opposite, suggesting there are discrepancies between theory and practice. For all these reasons, the applicability of NPM is decreasing.

The belief in the affinity between the public and the private sector weakened in the 2000s. Nevertheless, maintaining this belief invites ethical problems in public administration. These problems are experienced more and more, especially in underdeveloped and developing countries. The basic principles and characteristics of NPM were determined on the basis of developed countries. Moreover, NPM reforms are also formulated

based on these countries. This creates risky results for developing and underdeveloped countries that attempt to follow these reforms. The waves of criticism directed at NPM have been transformed into pursuits for an alternative paradigm in the new millennium. These pursuits, which are common in many aspects and which differ only in terms of their basic emphasis, are called post-NPM trends. They are based on the assumption that NPM has become obsolete.

Post-NPM approaches theoretically position themselves in an anti-NPM disposition and demonstrate that they are a new paradigm or trend for the public administration discipline; emphasising different aspects than those of NPM. Currently there is a hybridisation of public administration reforms. We are entering a period in which new approaches and developments are being used together. The most prominent feature of this period is that social and political issues are given more importance than NPM. The complex problems of the 21<sup>st</sup> century are driving policy makers into a network-based governance mechanism rather than encouraging market-driven moves.

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## WHY THE NEW PUBLIC MANAGEMENT IS OBSOLETE: AN ANALYSIS IN THE CONTEXT OF THE POST-NEW PUBLIC MANAGEMENT TRENDS

### Summary

*In the 1980s and 1990s, the New Public Management (NPM) paradigm dominated the field of public administration. However, this paradigm, which integrates the principles of the private sector and business administration into the field of public administration, began to be criticised in the new millennium after a quarter century of domination. The criticisms soon turned into comprehensive challenges which emerged as the post-NPM trends. The aim of this paper is to explain what makes NPM obsolete within the framework of these criticisms. Five post-NPM trends and their starting points are examined: new public service (NPS), public value management (PVM), digital era governance (DEG), neo-Weberian state (NWS) and new public governance (NPG). The main meth-*

od for the theoretical basis of the paper was to screen and evaluate secondary sources. As a result, the waves of criticism on NPM are seen to be transformed into pursuits for an alternative paradigm in the new millennium. These pursuits, common in many aspects and differing only in terms of their basic emphasis, are called post-NPM trends. They are based on the assumption that NPM is obsolete.

Keywords: *management, public administration, new public management, post-NPM*

## NOVI JAVNI MENADŽMENT KAO ZASTARJELA KONCEPCIJA: ANALIZA TRENDOVA NAKON NOVOG JAVNOG MENADŽMENTA

### Sažetak

Tijekom zadnja dva desetljeća 20. stoljeća, novi javni menadžment je bio dominantna doktrina u javnoj upravi. Nakon više od četvrt stoljeća dominacije, početkom milenija, ta je upravna doktrina koja načela iz privatnog i poslovnog sektora nastoji primijeniti u javnom sektoru naišla na brojne kritike. Kritika se ubrzo pretvorila u traženje novih doktrinarnih trendova. Svrha rada je objasniti zastarjelost novog javnog menadžmenta u okviru novih doktrina. Analizira se pet novih doktrinarnih trendova: nova javna služba, upravljanje javnom vrijednošću, vladavina digitalnog doba, neoweberijanska država i novo javno upravljanje. Rad se bazira na utvrđivanju i vrednovanju sekundarnih izvora. Valovi kritika novog javnog menadžmenta konstituirali su se kao novi doktrinarni trendovi tijekom traženja alternativne upravne paradigme u novom mileniju. Svi ti trendovi su utemeljeni na velikom broju sličnih elemenata dok se međusobno razlikuju po temeljnim naglascima, a glavna im je pretpostavka da je novi javni menadžment zastarjela upravna doktrina.

Ključne riječi: *upravljanje, javna uprava, novi javni menadžment, novi doktrinarni trendovi*