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New Public Management as a Tool for Changes in Public Administration

ABSTRACT

Objective: The implementation of mechanisms stimulating marketization of the public sector is an elementary assumption of a modern public management system. The main goals of these processes are to increase efficiency, reduce bureaucracy, create a platform for cooperation between public and private entities, and extend decentralization. The set of rules practiced in modern local governments increasingly resembles a private enterprise managed by efficient managers. The traditional approach, which was only the administration process itself, is being replaced by a focus on economy, efficiency, quality, and effectiveness.

Methodology: The material was created based on the qualitative method in the form of secondary analysis of literature data. At the same time, it provides the theoretical background for conducted empirical research on changing the management system in public administration. The effect of further research explorations will be another material presented in the form of a research report

Value Added: The New Public Management (NPM) concept is based on changing the orientation of management of public organizations consisting in ceasing to apply the approach focusing only on procedures and rules of conduct related to expenditure, and implementing rules based on the analysis of the results related to expenditure incurred, adopting strategic orientation and introducing market mechanism for the process of providing public services (Zalewski, 2006, p. 74). The purpose of the article is to describe the New Public Management model, the implementation of which helps public institutions to respond to challenges posed by external and internal stakeholders.

Findings: The article presents the thesis that changes in public administration require the transformation of a management system characterized by entrepreneurship, the use of different business-oriented strategies for implementing effective actions.

Recommendations: The idea of New Public Management is to replace the bureaucratic administrative management model and to introduce a managerial model, i.e. the application in the public sector of the principles and solutions of management systems known and used in the business sector (Alford & Huges, 2008, pp. 130–148). This is caused by the increase in citizens' expectations regarding the increase in the quality of service provision, while at the same time unwilling to raise taxes. To achieve this goal, NPM has introduced certain assumptions to help in effective management (Templatka, n.d.).

Key words: New public management, public administration

JEL codes: H75

Introduction

The history of the concept and essence of public administration is located in the philosophical and social considerations. The first mentions of the specificity of organizing and influencing social life through a system of developed norms and the principles can be found already in antiquity, e.g. in the works of Plato, Aristotle.

Analyzing the specifics of the concept of public administration, it should be pointed out that it dates back to ancient Rome. This term comes from the Latin language *ministrare*, which means service, performance, an activity subordinated to orders with the suffix *ad* giving this action the potential of purposefulness. It is also a synonym of help, service, leadership, management and guidance to achieve the defined goal (Izdebski & Kulesza, 2004, p. 24).

The second part of the term, i.e. the word 'public', is to prove that the administration belongs to the area of state activity and this means that it is somewhat universal in a given country and imposed from above.

There are many definitions of administration in the literature on the subject. Their main description comes from the combination of the words *ministrare* and *ad* mentioned earlier, however, the specification of the features can be somewhat varied. The nature of public administration does not fully help in determining the essence of its operation – and thus determining its definition context. The problem with creating a good and full definition of administration occurred from the very beginning of the implementation of this concept to consider the nature of order.

In J. S. Langrod's theory the administration was: "planned grouping of people in the service of a certain public mission, and only through these people the sum of the devices at their disposal" (Boć, 2010, p. 10).

The functional approach to administration, recognized as the activity of organizing and executing political decisions conditioned by state authority, indicates the need for its functioning in all known state systems. In turn, the subjective approach was only formed in the 17th and 18th centuries, in particular during the Enlightenment.

In 1887, W. Wilson used the term public administration in the context of conducting public affairs. This was due to the fact that the administration has always been subordinated to the system and served as the executive apparatus of public authority (Witkowski, 2010, pp. 13–23).

It should be emphasized that in the Enlightenment one can find the basics of so-called good administration. "The leading idea of the En-

lightenment was mercantilism. The commented system of economic and political views drew attention to the positive trade balance. Its fundamental premise was the opinion that the wealth of the state is directly proportional to the accumulated resources of precious ores, with particular emphasis on gold. Good administration in a functional sense according to this doctrine should accumulate resources as much as possible, both by regulating its exports and by actively acquiring new resources from areas outside the country" (Princ, 2016, p. 23).

It can be assumed that from this moment the administration has begun to be present in the space of social life as a tool supporting the building of social and political order. Public administration in the 18th century focused mainly on the army and ensuring an adequate financial level in the state treasury. During this period, numerous wars took place that forced the organization of appropriate funds for the development of the arms-related economy. Therefore, the mercantilism mentioned above became popular at that time, which, with the aim of supporting the state treasury, protected its own traders by granting reliefs by imposing high external duties. Public administration played a huge role at the time, expanding its activity by increasing the number of officials and establishing many state offices.

For G. L. Seidler, the 18th century administration is:

- a reasonably selected team of people who expertly manage state affairs at various levels;
- a team that, apart from *ad hoc* tasks, had a clearly defined overall goal;
- a team that was a relatively separate group in society, aware of their position and role (Seidler, 1984, p. 23).

The increase of interest in the utilitarian approach to administration has also been manifested in building specific principles that it should characterize and improve its operations. Key replacement parts include, among others:

- the need for action based on a bureaucratic system;
- covering a larger area of social significance with its influence;
- action legitimized by so-called general legal norms (Miłek, 2004, p. 12).

The need to achieve the set goals in an efficient and effective way has resulted in the need to determine the characteristics of the organization by which it is possible to achieve key results. Bureaucracy was to be a type of organizational structure characterized by a specific set of variables intended to ensure high efficiency of the organization. Nowadays, the term is a specific form for describing the activities of public administration, which, based on three features: resolving public affairs, initiating state activities, and acting with non-empowered means, is an efficient means of accomplishing the tasks of the state as an organization (Sokalska, 2003).

Public administration as a bureaucratic organization

Bureaucracy as a tool for the organization's activity became the subject of research in the nineteenth century. There are two key areas of inquiry into this approach. One of them is the bureaucracy analysis based on the description of the structure and features of the bureaucratic organization, seeking to build the so-called perfect model. The other approach describes the consequences of the functioning of bureaucracy, with particular emphasis on the practical context focusing rather on descriptions of dysfunctional problems arising from bureaucracy.

The article focuses on the first concept of bureaucracy, referring to M. Weber's approach.

M. Weber created a model of an ideal organization based on the so-called bureaucracy as a type of organization's ideal functioning. His goal was to be able to precisely define and determine important variables organizing and improving the operation of a standards-based organization. He assumed that ideal types are artificial constructs that have the character of cognitive tools. On the other hand, however, he believed that they were useful in real creation, research and description of the features of the organization's model in order to improve the effectiveness of its operation (Weber, 2004, p. 324).

Weber defined the concept of organization as a specific type of apparatus whose operation is based on legal and legitimate authority. The principle of operation of this model comes down to the fact that it contains very strictly defined relations between the subordinate unit and the superior unit. Within these relationships, the responsibilities and jurisdiction of other entities are strictly defined. They are also equipped with appropriate resources enabling them to act, which in turn is closely monitored. Therefore, it can be determined that under the M. Weber's model, the central office determines and imposes operating principles on all entities. He preferred to include the pure, so-called monocratic, bureaucracy, characterized by a hierarchical organizational structure, internal division of labor and tasks, fairly durable provisions on the substantive implementation of matters and service of external entities. He pointed to the selection of employees according to qualifications and the need to separate matters of the workplace from personal property and matters of persons who occupy these positions. Selected principles on which the ideal bureaucracy model is based are presented in the table below.

Table 1. Principles of the ideal bureaucracy model according to M. Weber

Principle	Description of the specifics of operation
Stability	All tasks and activities carried out by administrators must be determined by the legal system. The administrators must be permanent employees of their institutions, this increases the chances of commitment to work, reliability, and timeliness of the implementation of the assigned tasks.
Competence	The scope of responsibility for issuing instructions must be strictly defined; persons issuing the order must be granted formal rights; employees carrying out tasks must be narrowly specialized to perform their work faster and better; division of work according to competence is aimed to prevent the incorrect use of methods or tools or the improper provision of services. The basis of the employment relationship is the appointment of employees, which consists in appointing the most competent employee for a specific job.

Official hierarchy	The implementation of the hierarchy-based system is required for the efficient and legal implementation of tasks; lower-level administrators are subject to higher-level officials who have the right to give orders and control the process; every staff member has the right to appeal to a higher level. Hierarchization and expert authority should delimit errors that may result, for example, from ignorance or lack of experience.
Separation of employees from property and separation of business and private matters	Officials receive a certain salary for their work; they cannot be owners of public funds. Official positions and resources of the institution may not be used by employees for personal purposes. Officials are remunerated according to hierarchy and responsibility.
Qualifications	The necessary knowledge, experience and level of education should be determined for each position in the office to ensure that the recruited employees will perform their tasks in the best possible way. Care should be taken to improve employee qualifications. Staff members are employed according to their qualifications and not outside the criteria; the organization enables further career for people who efficiently carry out their tasks and allows them to plan their career path, which develops with the age of the employee and their achievements.
Documentation and rationality	Each action has a specific purpose and must be documented; this is to ensure that the correctness of the settlement of matters can be verified; the choice of methods for achieving the objectives is to be adequate to the specifics of the given case.
Impersonality of provisions and their repetition	Procedures, rules and regulations have no reference to specific persons; regulations and not persons should clearly and unambiguously specify the ways of dealing with matters; the proceduralization of activities ensures reliability, it is easier to exchange staff and implement replaceability by showing developed standards of operation.

Source: based on Weber (2002).

Weber, creating a model of an ideal organization, based it on legal, conferred, formal power. It was to be a contestation to anachronistic forms based on traditional or charismatic power. According to him, any departure from bureaucratic management means reducing the effectiveness of the organization, and this means irrational management of broadly understood organizational resources (Krasnodębski, 1999, p. 80).

M. Weber, describing the model of ideal bureaucracy, also initiated the current of institutionalism consisting in formalizing and legitimizing the or-

ganization's activities and, as a result, social life (Di Maggio & Powell, 1983, pp. 147–160). In this approach, it is assumed that bureaucracy is a rational and effective method of managing an organization that, when implemented, is difficult to stop. Its advantage lies in the fact that standardization of procedures helps institutions operate efficiently despite market changes. This approach to bureaucracy was named an *iron cage of rationality*. This concept presents the effects of introducing a rational management model of organizations that mainly focus on imposing restrictions on society in flexible and free implementation of goals that have not been adopted and set by bureaucracy. In this way, a significant reduction in the development of administration is born, as bureaucracy becomes an autonomous and self-supporting being (Di Maggio & Powell, 1983).

However, despite the shortcomings and inconveniences of this approach, many public organizations still base their activities on it. Of course, one must consider the fact that with the development and changes taking place in the environment of public institutions, the evolution of this model is taking into account modern changes.

Nature and tasks of public administration

In 1955, D. Waldo divided human activities according to the categorization used in the natural sciences:

- family – joint human action;
- type – administration;
- species – public administration (Suwaj, 2009, p. 54).

According to this division, administration is a type of joint human effort that must be characterized by a high level of rationality. In turn, human action can be considered joint when it produces such effects that without cooperation would be impossible to achieve. People's cooperation may vary in terms of the effectiveness of achieving goals, which can be the goals of leaders or the goals of those who take the joint action.

The term public administration is described in the source literature as the activities of the state and local government, performing public tasks defined in the constitution and other sources of applicable law. Public administration is understood as the activities of local government (as a whole) and partial activity of the state commensurate with the other state authorities (legislative and judicial).

E. Ochendowski assumes that "administration is the activity of the state, the subject of which are administrative matters or, in other words, the task and competence in the field of executive power" (Ochendowski, 2004, pp. 13-15). I. Lipowicz claims that "administration is a system made up of people, organized for the purpose of constant and systematic, directed towards the future, realization of the common good as a public mission consisting mainly (though not exclusively) on the ongoing implementation of laws, equipped for this purpose state power and material and technical means" (Ochendowski, 2004).

H. Izdebski and M. Kulesza present the objective and subjective approach to administration – namely, "public administration means a set of organizational, executive and executive activities, activities and projects carried out for the implementation of public interest by various entities, bodies and institutions on the basis of the Law and in forms defined by law" (Cieślak, 2004, pp. 13–14).

Public administration can be considered as a separate organization or institution that has specific characteristics and is understood as organizational activity in relation to political decisions of state authorities.

As far as the theory is concerned, public administration is distinguished in organizational, material and formal terms. In organizational or otherwise subject terms, public administration is administrative bodies and other entities that perform commissioned functions in the area of public administration. In material terms, however, public administration is a state activity whose subject is the tasks and competences in the field of executive power. In formal terms, public administration is an activity that administrative entities perform regardless of whether it is of an administrative nature or not (Cieślak, 2004).

The constitutional definition of public administration states that the main responsibility of the state is to perform public tasks. A state which evades this obligation questions the sense of its existence (Błaś, Boć, & Jeżewski, 2003, p. 6).

Tasks and functions of public administration:

- order and regulation – protection of the state, social order, ensuring security for citizens (police tasks);
- provision of public services – social care, education, health care, communication, culture, municipal economy, environmental protection;
- efficient planning, organizing, performing and controlling the implementation of public tasks;
- public property management;
- services ensuring social development, economic development, issuing decisions, permits, customs, loans, interest rates etc.;
- collecting and distributing income to other areas of social tasks;
- implementation of expenditure by means of budgetary and extra-budgetary units implementing state and local government tasks;
- creating the law, establishing the financial plan and strategy;
- public resource management (Zawadzak, 2017, p. 15).

The most important features of public administration include:

- coercion, which means that all citizens of a given country and foreigners staying on its territory must be subject to public administration;
- monopolistic nature – public administration is the only such body in a given country, which means that it is the only institution with such powers;
- durability;
- plan keeping;
- continuity;
- stability;
- apolitical nature;
- competence;
- organizational and competence separation and ordering;
- legalism;

- respect for the public interest (Zieliński, 2001, pp. 45–47).

The notion of “public services” is associated with the public sphere. The purpose of these public services is to improve the quality of life of residents. This category includes only those services that serve the achievement of higher goals, constituting the so-called “to be or not to be” of the community of citizens. The basic criterion for determining whether specific actions are a public service is serving the public interest. They can be defined as public goods in relation to which it is impossible to exclude anyone from using them. These are goods which, regardless of the number of users, have a specific value that subsequent users do not infringe (Zieliński, 2001, p. 34). Therefore, these are services provided by public administration directly to the public within the public sector or private entities providing a given service. In this regard, there is social consent for the provision of certain services to everyone, regardless of the amount of income received. Public services are such an important factor that providing them is an inalienable obligation of the state under the concept of human rights. These are public goods that cannot be excluded from consumption and at the same time do not compete in consumption. Using them by one person does not deprive others of access and use infringe (Zieliński, 2001, p. 35).

Public services cover a wide range of activities of local government units implemented by various organizational forms, including, for example, budgetary units, such as: offices, budgetary establishments, commercial law companies. Tasks related to the provision of these services relate not only to offices, but also to other organizational forms, regardless of organizational solutions occurring in a given unit.

Contemporary public services can be divided into:

- administrative services;
- social services;
- technical services.

Improving the management of public services relates mainly to increasing the availability and quality of services provided by public administration units,

which should create conditions for their effective implementation based on defined standards and a specific market of service providers.

Nature of public organization management

System transformations in Poland in the 1990s led to many changes in the management of the public administration sector and the services it provides. Already in the 70s a crisis began regarding the trust of citizens in the state apparatus. "The economic recession of the 70's undermined social confidence in the institution of the welfare state and in public administration perceived as an instrument to implement its principles. The model of administrative management of the economy was questioned and the extensive public sector was criticized" (Mazur, 2005, p. 57).

This situation was also forced by changes taking place in politics, economy, and social life. Thus, the transformation itself introduced changes in the functioning of public administration, and the administration had to become a mechanism by which new reforms were introduced. "The history of Polish public administration, as in other countries, was determined by the political forms established in the Polish state. The development of the system of the Polish state, its transformations and functioning significantly influenced the institutional shape and practice of administration." (Mazur, 2005, p.103).

The main purpose of the changes was to improve the working conditions of the office personnel, to take care of customers by paying more attention to them, and thus to improve the overall efficiency of administration. "There are five basic motives for the legislator of changes in public administration: systemic, pragmatic, political, ideological and unidentified" (Cieślak, 2004, p. 213).

"The development of the function of public administration is an exponent of changes taking place in administration and the role it plays in the lives of individuals and entire social groups" (Ferens & Macek, 2002, p. 136). That is why it is important to notice the historical outline in relation to the present day, as well as the circumstances in which transformations of public power take place.

“When analyzing the processes of reforming public administration, it should be noted that the legal and institutional change alone does not automatically solve the problem underlying the implemented transformations” (Mazur, 2005, p.121).

Today, an important element is to see the connection between the proper and effective operation of administration and management science. “To the classic of administration science and organization and management sciences, H. Fayol, state (public) administration and management are synonyms” (Habuda, 2006, p. 9). According to H. Fayol, all institutions, not only enterprises, but also state offices and services, are subject to the same principles, i.e. the need to anticipate, plan, control, organize and coordinate. Therefore, to function properly they all must be subject to the same rules. The use of management techniques in managing administration staff is more and more often noticed. However, one should not forget about the differences visible above all in the goals between public administration (acting for the good of the state) and enterprises (where the goal is mainly financial profit).

J. Korczak notes that in the administration more and more often emphasis is placed on criteria such as effectiveness, profitability, economy typical for management, and not only politics and law (Korczak, 2005, p. 53). The new approach assumes focusing on the effectiveness of performed tasks. It draws attention to the economic aspect, how to spend financial resources usefully and improve the quality of services provided, and above all, increase the efficiency of public sector activities.

When considering the nature of public management, it should be noted that it is one of the scientific sub-disciplines of management itself. Researchers emphasize, however, that they should not equate the management of private sector organizations with the management of public sector organizations. There are very clear premises that distinguish between the public and business spheres. It results even from separate goals that guide these areas. Therefore, they should also differ from each other in the way they are organized and operated. The first of these differences results from the ownership, i.e. having the right to dispose of the resources. Commercial

organizations are characterized by the fact that the right to dispose of their resources results from the ownership right. On the other hand, in public sector entities, it results from the power held by state and local government authorities, as well as from the right to supervise social units that have legal personality (Kudrycka, 2001, pp. 184–185).

Another difference results from separate goals. As one might assume, private organizations are characterized by the fact that their management is focused on achieving the particular goals of the organization and it is in this direction that the management body takes action. It should be noted here that business goals most often (in the vast majority of cases) are aimed at achieving such goals that will be expressed in money, i.e. in the highest possible profit. Meanwhile, the goals of public organizations are quite different, because their action is to lead to the well-being of the society in general or at least to improve the situation at local level. This means that the objectives of public organizations relate to a much larger group of entities and do not have a dimension that would have a purely financial sense. The anticipated profits from the activities of public organizations can be considered only in the general social context (Dziendzióra, 2008).

For these reasons, the difference seems to be significant, as it relates both to the assessment of management effects and to the fact that institutions belonging to the sphere of public life should not be assessed on the basis of their financial result or market value which they represent themselves, but on the basis of fulfilling their mission and performing their planned and various tasks.

W. Kieźuń points out that public management is about achieving organizational goals and the personal responsibility of public managers for their implementation (Kieźuń, 2002).

Public management can be defined as the management of public services in a broad sense. The basic criterion for determining whether specific activities are a public service is the pursuit of public interest. This management includes planning, organizing public services as well as motivating managers

and other people to provide these services at a high level while using their resources rationally, as well as controlling the degree of usability of the result achieved by public organizations (Kozuch, 2004, p. 256).

The subject of public management is:

- a) examining management processes in public interest organizations that are to serve the community as a whole, while achieving higher goals;
- b) determining the relationship between organized activities of people and changes in public organizations regardless of the size of their activities, presenting the justification of the changes introduced;
- c) finding and directing these changes, and then using them in reality (Kozuch & Sułkowski, 2015, p. 29).

In turn, the subject of public management research includes some forms of planned human activity:

- 1) public institutions operating in various fields of social life;
- 2) national economy or its parts, e.g. industrial economy;
- 3) the state as a political institution of society.

The nature of public management lies therefore in the analysis of management processes in organizations that pursue the public interest. It deals with explaining the relationship between the characteristics of organized collective action of people and their impact on changes in public organizations.

It is worth emphasizing that in recent years, the demand for management of public sector entities has increased. This situation is affected, among others, by the following factors:

- quick response to a changing environment – public institutions with their decision-making system based on an autocratic process can rarely do this;
- meeting client expectations – public institutions do not have incentives to study the real expectations of citizens, even political marketing is not a sufficient signal for them;
- initiative and decentralized responsibility – public organizations, especially public administration, find it difficult to leave the bureaucratic model with strict hierarchical subordination;

- investment in a high-profit employee – the public sector stops investing in staff training when it becomes necessary to reduce costs;
- the staff of 'excellent' business organizations share a common set of values relevant to the organization – public institutions are only occasionally constructed based on a shared vision and goals of the organization; in addition, the political process effectively disrupts the construction of such lasting elements of the organization's image;
- specialization in what you do well – public institutions perform tasks assigned by law, they cannot always specialize in the fragment of their activity that they assess as the best, they must perform a full range of legally defined tasks (Czaputowicz, 2011, p. 192).

In the face of new challenges and conditions in the public sector, the basic change in management is the need to meet the challenges of modern times while maintaining a classic approach based on standardized procedures. However, it needs to be considered that the new approach is associated with multiple reforms that are not only distinct but sometimes even contradictory (Dunleavy, Margetts, Bastow, & Tinkler, 2006, pp. 467–494). Public organizations face a challenge arising from the need to consider "the ability to survive, develop and act effectively in conditions of generalized uncertainty, i.e. the unpredictability of internal and external business environment" (Dunleavy, Margetts, Bastow, & Tinkler, 2006, p. 65). Public institutions are required to "follow novelty, innovation, and their skillful and effective use both inside and outside the organization" (Drucker, 2000, p. 73).

New Public Management as a new form of public administration management

The administration is constantly changing, and accordingly, change the tasks it performs, as well as expectations from citizens. The administration "is subject to a process of particularly dynamic transformations (...). It is all

about making the public sector more effective and efficient and less costly” (Herbut, 1999, pp. 50–51).

“Given the growing pressure on the adaptation of management methods and techniques used in the private sector to the conditions of managing public organizations, or the desire to introduce the idea of New Public Management into administration, one can notice the growing importance of management issues” (Kamiński, 2016).

The response to the demand for administrative reforms was New Public Management, which is defined as a management-based public administration model. New Public Management is difficult to define because it is more than merely a concept, or a set of doctrinal beliefs (Hood, 2005).

This model can also be described by the following terms: public management, market public administration, public management on market principles. It also results from the growing expectations of citizens regarding the improvement of the quality of public services while being reluctant to raise taxes.

New Public Management is derived from the theory of economy and experience in management in private services. The basic assumptions of this concept are:

- looking at public organizations as a chain of relations between the orderer and contractor;
- disaggregation of the traditional functions of international organizations into a quasi-contractual or quasi-market relationships;
- launching competition in the field of public services provided between public agencies, companies and social organizations;
- replacement of administration, hierarchical and clerical organizational culture by managerial, entrepreneurial and market culture;
- public administration should focus on search results first, and then on processes and activities;
- introduction, where possible, of the competition mechanism to work through contracting services to make it possible to correctly improve the results of public entities;

- public services should be provided by public and private entities, as well as by third sector entities, i.e. public benefit organizations, and this choice should be based on efficiency and effectiveness;
- public entities must strive to improve the quality of services provided and should be constantly adapted to the client's needs;
- public entities must pay particular attention to how they use their resources, and particular emphasis should be placed on reducing the cost of services provided or improving quality at the same costs;
- when choosing their goals, public entities, should pay attention to stakeholders;
- organizational culture of public entities should be characterized by flexibility; innovation, problem solving and entrepreneurship;
- efficient management of public entities requires the implementation of modern management tools;
- control focused on recognizing the effectiveness and efficiency of functioning (Hood, 2005, p. 423).

As a consequence of these assumptions, public organizations should operate based on rules similar to those of the business sector, but the goals in the public sector are not only more diverse, but also harder to measure than in the private sector (Rainey & Jung, 2010, pp. 34–59).

Public administration should be focused on achieving results first, and then on processes and activities. For a long time, public organizations did not pay attention to the quality of services provided. Due to this, managers in public administration, who are progressive managers, not reactive officials, should pay more attention to tasks, and the assessment of their operation and functioning of public organizations should result from the results achieved and should be based on clear and measurable standards (Supernat, 2005).

On the other hand, in order for public organization to achieve better results, it is necessary to make better use of market competition mechanisms where it provides things and provides services, which can be done by reaching for privatization or outsourcing.

Organizational bodies and units should be reorganized as private companies to obtain revenue from the sale of goods and services. Newly organized bodies and units of public administration can compete with each other, as well as with private and non-governmental organizations. The last two solutions are usually associated with the so-called disaggregation of the public sector and the creation of smaller organizational units, so that it is easier to define their tasks, and managers take the place of bureaucrats. Making public administration more accountable to the society it serves belongs to fundamental objectives of New Public Management.

It should also be noted that New Public Management makes extensive use of the concept of public choice which perceives the individual as a consumer of the services offered by public administration. It is assumed that both the consumer's choice and the efficiency of administration will be strengthened if the administrative bodies or organizational units have to apply, just like the organizations on the market, for the individual to purchase their goods and services.

The main idea of New Public Management is to put the art of management over the art of administration in public administration, which is reflected in the words of O.E. Hughes: "Administration involves following instructions, whereas management involves the achievement of results" (Młodzik, 2015, p. 87). Therefore, New Public Management is based on a change in the orientation of management of public organizations, which consists in discontinuing the pedestal approach and procedures related to expenditure, and implementing rules based on an analysis of the results related to expenditure incurred, adopting strategic orientation and introducing a mechanism market to the process of providing public services. In addition, there is an increasing emphasis on the quality of public services provided, oriented on the needs and expectations of the citizen, who is treated as an "administration client" and whose needs should be known and met. For government agencies that compete with private organizations, this is obvious. However, even when public administrations offer goods and services, by using a monopoly or without

charging any fees, they should treat interested parties as consumers, which significantly improves the efficiency and ethics of administration.

According to J. Supernat, the idea that public organizations have customers or consumers is not new, because in 1936, that is when traditional public management was in its heyday, administration theorist M. Dimock noted that: "consumer satisfaction is equally a task of public administration and business. If an officer of the administration always has the final result, namely consumer satisfaction, in mind, the action to be taken to improve the organization of the administration becomes evident" (Supernat, 2005).

According to A. Zalewski, "New Public Management introduces a managerial approach to public sector management. The novelty of this management model is the adaptation of management methods and techniques used in the private sector to the conditions of managing public organizations. It is especially about the attitude of these organizations on achieving results, decentralization of their management, taking over the strategic perspective and using market mechanisms. This management model is intended to ensure the efficiency and effectiveness of public organizations" (Zalewski, 2005, p. 68).

Efficiency and effectiveness are closely related. Generally speaking, effectiveness refers to the degree to which goals and tasks have been achieved. In turn, efficiency refers to the degree of achievement of the assumed objectives at minimal costs or maximization of the degree of achieving the objective at assumed costs. Efficiency in New Public Management is understood primarily as providing citizens with access to services of the highest quality possible at the same time with a relatively low burden on the state budget at the cost of providing them. It should be added that in the discussed concept, the effectiveness of a given entity's activities does not depend on the level of its expenses or the amount of the budget, but on what has been achieved thanks to these expenses.

H. Krynicka, on the other hand, states that: "New Public Management puts emphasis on proper goal setting and performance monitoring, financial management, setting service standards, the use of benchmarking

solutions and modern human resource management” (Krynicka, 2006, p. 199). The author also adds that the goal of administration in the spirit of New Public Management is to obtain results and control and accountability for results, while effective action requires a combination of public, private and non-governmental efforts.

We can distinguish four basic models in NPM, whose creators are E. Ferlie, L. Ashburner, L. Fitzgerald and A. Pettigrew, they are divided into:

- NPM model 1 – increasing efficiency;
- NPM model 2 – limiting the size of organization and decentralization of management;
- NPM model 3 – in search of perfection;
- NPM model 4 – public service orientation (Młodzik, 2015, p. 190).

The basic features of this model are presented in table 2.

Table 2. New Public Management model

Model	Basic features of the model
NPM Model 1. Increasing efficiency	The increase in the importance of financial control. Maximizing effects while reducing costs. Setting transparent goals and monitoring results. Development of financial and substantive audit. Promoting the use of questionnaires as a tool for assessing activities. Exposing the responsibility of service providers to customers. Increasing market and customer orientation. Implementing new good governance patterns. Increased role of the management staff. Management staff accounting for the results of their work.
NPM Model 2. Limiting the size of organization and decentralization of management	Development of public service quasi-markets. Increasing the role of contracting. Limiting the role of hierarchical management in favor of contract management. Importance of teamwork. Focus on “management through impact”. Departing from providing standardized services towards forms characterized by diversity and flexibility.

<p>NPM Model 3.</p> <p>In search of perfection</p>	<p>Radical decentralization and evaluation through the results obtained.</p> <p>Focus on organizational development and organization learning.</p> <p>Intensive training programs for managers.</p> <p>Emphasis on charismatic management methods.</p> <p>Determining the mission of the organization and the image of its employee.</p>
<p>NPM Model 4.</p> <p>Public service orientation</p>	<p>Achieving excellence in the process of providing public services.</p> <p>Implementation of quality management.</p> <p>Focusing on the development of knowledge about public services among citizens for example by assessing social needs, organizing community tasks.</p>

Source: Młodzik (2015).

New Public Management also faces criticism. Opponents of this concept point to limited possibilities of implementing the new management model in the public sector. They mention such arguments as:

- New Public Management uses market solutions to meet social needs in which the market as a resource allocation mechanism fails;
- markets created in the public sector are not markets of free competition but markets of competition organized by various public authorities;
- the concept does not recognize that market forces are not sufficient to achieve consumer satisfaction, for example the social and environmental effects of production on buyers and employees;
- New Public Management does not recognize the difference between a client-consumer who finances the provision of goods and services and a client, i.e. the recipient, who needs goods and services (Krynicka, 2006, p. 201).

Critical remarks regarding New Public Management led to the emergence of a new concept of managing a public organization, called Good Governance, public governance, or public co-governance, the implementation of which is manifested in decision-making and activities characterized by the involvement of all stakeholders, the rule of law, transparency, responding to social needs, striving for consensus, taking into account minority voices, efficiency, as well as broadly understood responsibility towards society.

Regardless of what the new approach to changes in the public administration system will be called, it should be emphasized that transformations become the *sine qua non* condition of the activities of modern administration. Once launched, the transformations caused the necessity to take them into account and also pointed to the functionality and even the necessity of their implementation.

Summary

The new management model focuses on effective implementation of transformations, which will result in greater flexibility of structures, saving of finances and introduction of customer orientation (no longer a customer). The concept postulates to improve the efficiency and effectiveness of the services offered, the quality of which can be checked and assessed. The new management has also improved the quality of public services by improving their accessibility, and extensive use of information technology, in particular intranet ones.

It is worth emphasizing that the modern public administration management system enforces effective management of financial resources and achieving economically and socially desirable results. However, it is moving away from looking at the activities of public administration from the perspective of expenditure incurred. Attention is paid to the rationalization of budget expenditure, the optimal use of possessed financial, material and human resources. Financial transparency leads to increased citizens' awareness, and thus limits the scope for influencing the administration of various pressure groups, e.g. trade unions. The ideal situation is the ability to independently manage resources in accordance with the belief in the rightness of action and at the same time achieving measurable results.

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