

## The New Public Management paradigm as a further interaction of the public and private sectors

*El paradigma de la Nueva Gestión Pública como una mayor interacción de los sectores público y privado*

### Authors

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### Abstract

The purpose of this study is to determine the impact of the development of the paradigm of the new public management on improving the efficiency of the public administration system; the need to use the basic principles of theory in the practice of public administration; the state's opportunities to benefit from strengthening cooperation between the public and private sectors. The article established that neo-Weberian administration is aimed at modernizing the state machinery towards improving efficiency, digital era management complements administrative processes with digital changes, the new public administration determines aspects of different levels of government. We studied practical manifestations of NPM reform and their basis as neoliberalism and managerialism. We found that the public-private partnership (PPP) is a tool of the new public management, which provides a new approach in the paradigm of public administration based on the unification of the interests of the state and the private sector.

**Keywords:** New Public Management, Governance, Paradigm, Public-Private Partnership.

### Resumen

El propósito de este estudio es determinar el impacto del desarrollo del paradigma de la nueva gestión pública en la mejora de la eficiencia del sistema de administración pública; la necesidad de utilizar los principios básicos de la teoría en la práctica de la administración pública; las oportunidades del Estado para beneficiarse del fortalecimiento de la cooperación entre los sectores público y privado. El artículo estableció que la administración neoweberiana tiene como objetivo modernizar la maquinaria estatal para mejorar la eficiencia, la gestión de la era digital complementa los procesos administrativos con los cambios digitales, la nueva administración pública determina aspectos de los diferentes niveles de gobierno. Estudiamos las manifestaciones prácticas de la reforma de la NGP y su base como neoliberalismo y gerencialismo. Encontramos que la alianza público-privada (APP) es una herramienta de la nueva gestión pública, que brinda un nuevo enfoque en el paradigma de la administración pública basado en la unificación de los intereses del Estado y el sector privado.

**Palabras clave:** Nueva Gestión Pública, Gobernanza, Paradigma, Alianza Público-Privada.



## Introduction

Science in the field of public administration has developed in the direction of the new public administration paradigm, post-new public administration, postmodern and postbureaucratic theories, which are based on a modern rethinking of processes occurring in society, management, economic space, technological systems. The key understanding of future needs in public administration is a new vision of the organization of world relations, overcoming contradictions, expanding thinking in the context of management, determining the directions of power relations. Public administration reforms, which constitute a set of organized actions and purposeful changes in the structure and processes of organization of public existence, combining government, private and public sectors to harmonize public relations, improve efficiency, obtain expected results determine the near future development of public authorities.

## Literary review

In terms of process, public administration consists of actions related to the implementation of the intentions or desires of government and public policy (Kalimullah, Alam & Nour, 2012). Modern management approaches provide some key characteristics of the quality of management of public officials: the satisfaction of officials with their own work; self-assessment of productivity in the position; work motivation; focusing on performing their functions; level of trust in the organization; willingness to follow formal rules; combating ethical violations by colleagues, political corruption, etc. (Nelipa et al., 2020).

According to a number of researchers (Van de Walle et al., 2016), paradigms emerge through bureaucratic policy processes, and slow down due to the duration of administrative reforms... settling within NGOs, increasing complexity and diversity of reforms in different countries. These scientific trends and practical approaches shaped the evolutionary path of the governance system in the public sector, which allowed to distinguish the current vision of the new public management as a theory that has enhanced the quality of cooperation between the public and private sectors. This approach allows strengthening the capacity of public authorities to solve socially important problems. The public value approach is a new, post-bureaucratic, post-competitive paradigm in public administration that rethinks the role of public officials in the public sphere (O'Flynn, 2005). The current categorization in the literature of recent years has determined the research of public administration specialists in the main areas:

1. Disaggregation: the division of the public sector into broader hierarchies, as well as the construction of management and information systems to facilitate control, generate strong flexibility in practice in the areas of personnel, information technology (IT), procurement, etc.
2. Competition: involvement of the buyer/supplier in the field of public administration in order to promote various forms of service provision and increase competition between potential suppliers, which reduces the scope of public supply management and diversifies suppliers.
3. Encouragement: the focus on the motivation of managers and teams is reduced to monetary incentives.

It is necessary to dwell on some concepts that have laid the relevant elements in the formation of principles and foundations of the new public management. For example, neoliberalism deals mainly with economic issues and has a specific political agenda, while management methods determine a management approach that emphasizes the need to solve all problems through management decisions (Klikauer, 2015). This fundamental difference demonstrates their origins: neoliberalism comes from economics and promotes the free market, while management is based on management theory (Shepherd, 2018).

Given the limited resources of the public sector; the growing vulnerability of society to environmental, biological, man-made and military threats; formation of social requirements for the capabilities and results of public administration; the need to increase the efficiency of the state's functions; the need to expand public functions through the transfer of certain powers in the areas of security, health care, protection from emergencies and other entities that are able to more effectively fulfil the relevant tasks; expanding the provision of socially important public services; creation of a modern innovative infrastructure network; increasing the requirements for reliable protection of critical infrastructure, a number of other pressing needs allow expanding the discussion on the current state of development of the new public management paradigm as one of the tools for the fulfilment of public tasks that have emerged over the past two decades. To what extent the theory of new public management satisfies existing needs at the level of performance of the functions by the state, how the state, using the opportunities of new public management, can increase its own resources and tools of management and regulation due to the advantages of the private sector is one of the key research topics in the field of public administration. This topic is exacerbated by the need to identify trends that precede the creation of new boundaries



of theoretical models that should determine the near future in the study of public administration.

Drawing on the evolutionary process of various changes in approaches to public administration, the development of scientific thought aimed at studying the theoretical foundations of management theory; the emergence of hybrid models based on a combination of public and private sector capabilities; revisiting the classical models of practical activities in the field of public administration enables to claim the importance and relevance of the study into the paradigm of new public management in the framework of enhancing cooperation between the public and private sectors. The purpose of this study is to analyse the main conceptual approaches to the theory of public administration, which underlie the formation of a paradigm of new public management, and search for key areas of new public management, which involves expanding the interaction of public and private sectors. In studying the development of new public management, we reviewed the works examining the features of:

- Neo-Weberian state (NWS) (Van Wart et al., 2015);
- Digital Era Management (Margetts & Dunleavy, 2013);
- New Public Governance (NPG) (Kisner & Vigoda-Gadot, 2017);
- Neoliberalism and managerialism (Diefenbach, 2009) and others.

The study of public-private sector cooperation was based on an understanding of the role of public-private partnership (PPP) in the implementation of socially significant projects, analysis of public service delivery (Casady et al., 2019; Panayides, Parola & Lam; Pellegrino, Vajdic & Carbonara, 2013).

This study involves the following objectives:

- analyse the main directions and trends in the new public management, which are relevant and necessary for the implementation into the practice of public authorities;
- identify a set of key theories that are the foundation for improving the efficiency of public administration in terms of current range of issues;
- identify the benefits of the state provided by strengthening of cooperation between the public and private sectors within the new public management paradigm.

### **Methods**

The main issue underlying the present study was to identify the key areas that have shaped a paradigm

of new public management, the relationship of this model in the framework of theoretical research with existing trends in the theory of public administration, which involve the use of public and private sectors. Furthermore, we explored the major changes in approaches to public administration, which determine the relevant practical areas of implementing the underlying rationale. The findings of the study provide a hallmark to determine the impact of the new public management paradigm on the effectiveness of public policy based on the combination of public and private business resources and the possible adjustment of theoretical provisions in practice.

The research methodology is based on the analysis of theoretical approaches, which is premised on traditional models of public administration, managerial competitive models, motivational models, and mixed models. The research strategy envisions determining the database of scientific sources in accordance with the research topic; the use of the relevant methods (the method of narrative analysis, the historical-logical method, the dialectical method); a sample from the databases of sources that meet the criteria; the processing of available theoretical data and data analysis.

The purpose of the systematic review is to select within the scope of the search terms ("new public management", "public-private partnership") relevant scientific articles, analyse them and search for answers to research questions identified above. As the database, we used a sample of Scopus and Web of Science databases based on keywords of the most important articles of scholars, which reflect the development of scientific thought in the field of public administration for the period 2000 to 2019. This period of analysis was chosen as the one that most clearly reflects the development of the theory of new public management, and the study of models of public-private partnership.

To achieve the objectives, the study of the new public management paradigm was based on the strategy of using the method of narrative analysis of sources that systematize and describe the features of this paradigm, determine the prerequisites for the formation of new public management. The study envisages a thorough analysis of the concept of "new public management", "public-private partnership" in classical and modern theories of public administration on the basis of the works (Casady et al., 2019; De Vries & Nemeč, 2013; Osborne, 2006; Wollmann & Thurmaier, 2011), and others. The historical and logical method allowed tracing and determining the evolutionary trajectory of the development of new public management. The dialectical approach has contributed to the critical

study of previous and current research by experts in the field of public administration. The study involved the content analysis of publications on new public management and the interaction of private and public sector by analysing, comparing and identifying key features of new public management, other existing theoretical areas of public administration, clarifying patterns and trends in public administration as further combining the capabilities of the public and private sectors. It is planned to study the theoretical gaps that exist within the use of public-private partnership as an element in the theory of public administration, and to identify the need for further understanding of the challenges arising in the process of reforming the public administration system.

One of the key areas of research was to identify the theoretical foundations of the practical manifestations of NPM reform, systematization of public administration paradigms according to identified criteria, based on the work O'Flynn (2005), and study of post-NPM tendencies in terms of its inherent principles by Cavalcante (2019). We provide for achievement of the objectives set in research, and for obtaining the results presented in the following sections on the basis of the selected and processed theoretical data, using the offered technique.

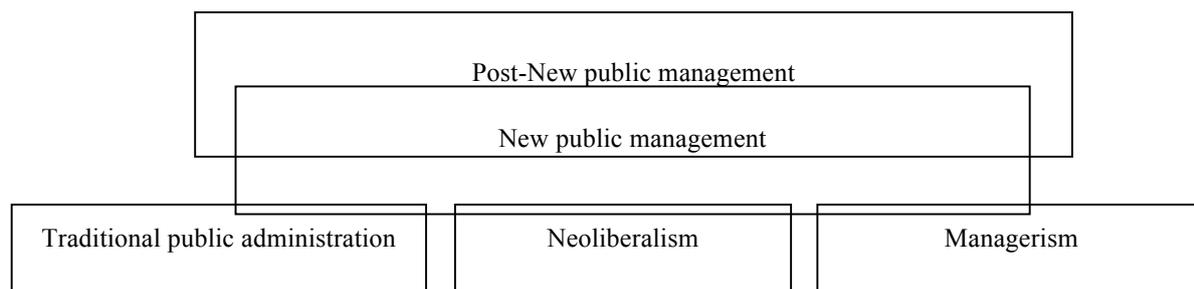
### Results and discussion

Content analysis gives an insight into the state of research on new public management and theories that have been explored in the framework of new public management issues. The research agenda of the new public management enable us to see a distinct evolution of the paradigm that has taken place over the past two decades. The system of public administration has been gradually subject to amplification as the public sector expanded, public entities became more complex, the influence of state power increased, and the functions of the public administration system expanded. The rapid growth of private initiative, the ability of the private sector to deliver public services more efficiently than the state could, gave rise to the idea of providing dynamic opportunities to the public administration system.

One of the major reasons for the need to implement changes in the public sector was the discrepancy between the capabilities of public authorities (organizational structure, accountability, resource management) to the existing needs in various spheres of public activity. That being said, the approaches of the new public management theory offer the means to implement areas related to the development of professional management staff through motivational approaches, leadership skills, effective management tools (resource control, monitoring and audit, procedures for analysing the objective fulfilment, cost efficiency).

In public administration the emphasis is gradually being shifted towards addressing common issues related to the fields of public concern, joint decision-making, distribution of responsibilities, the handling of public property in the interests of communities, which expands the need for contractual arrangements, deregulation, competition, modernization of administrative procedures. It should be noted that the concept of new public management is aimed at achieving effective indicators in the interaction of public and private sectors, civil society and imminently by the system of public authorities as part of the process of services provision and public needs realization. Innovative approaches in the adoption of new public management technologies involve reducing the boundaries of the formation and implementation of public policy by virtue of the engaged actors (citizens, business environment, non-governmental institutions) and common interests, which involves overcoming the negative developments associated with excessive management costs, bureaucracy, centralization, etc.

A skeleton diagram of the evolution process of a new public management can be presented as follows (Figure 1), where we can see that the paradigm shift is based on the development and use of elements of other theories. This leads to a shift of the essence and methods in new approaches, with a certain preservation of relevant principles and methods, particularly those established in management or traditional public administration.



**Figure 1.** Modernization processes in public administration based on the development of theoretical approaches



The paradigm of new public management stands out of the other existing public administration theories.

The debate over public sector administration processes is approaching the awareness of the evolving societal needs. With due regard to the role of the managerial capacity of the state and its instruments, there emerge the ideas about the implementation of quality public services, making use of the best opportunities available in business management. The neo-Weberian state (NWS) approach complements the "modern" elements of Weber's doctrine. The NWS reaffirms the state's superiority as a key implementer of decisions, as well as the role of representative democracy and administrative law in reforms to support the transition from expectations to de facto control. NWS is modernizing the traditional state apparatus in terms of increasing efficiency and meeting the needs of citizens. Business methods may have a supporting role, but the state remains a key element with its own rules, methods and culture (Van Wart et al., 2015).

Rapid development of technologies and the resulting flow of information, databases, the need for information exchange has affected the need for public administration to integrate information technology into the mechanisms of planning, organization and control of administrative processes. The Digital Era Governance aims at aligning public governance with changes in IT information that have not been closely integrated. The main topics of this area: reintegration of

organizational and budgetary factors that are internal to the state apparatus; integrity, which stands for citizen- and client-oriented public service factors; the relevance of digital change to the influences of social acceptance and cultural adaptation of technology drivers (Margetts & Dunleavy, 2013).

The New Public Governance (NPG) identifies changes in the areas of: transnational, intergovernmental and global, local, regional, private and public spheres of power. In contrast to the New Public Management's focus on internal organizational processes and governance, the New Public Governance addresses the inter-organizational aspect of networks that operate both with government and without the provision of public services (Kisner & Vigoda-Gadot, 2017).

The key components of the NPM related to internal reorganization are the following (Wollmann & Thurmaier, 2011): the new management model aims at overcoming the hierarchical logic inherent in the traditional management model by decentralizing powers; a necessary element of the model is to change the orientation of the public administration: from the initial parameters (legal norms and invested budget resources) to the final effects (by determining the goals to be achieved by the administration).

Reforming management approaches, which are the basis of new public management theory, provided an appropriate understanding of the basics that characterize the NPM reforms (Figure 2).

Neoliberalism	Managerism
<ul style="list-style-type: none"> <li>Introduction of market-type mechanisms and competition</li> <li>Consumption of services</li> <li>Focus on price/quality/efficiency</li> <li>Central regulation and/or control</li> <li>Adoption of entrepreneurial culture</li> <li>The transition of priorities from universalism to individualism</li> <li>Emphasis on service quality, consumer choice</li> <li>Greater payment and terms flexibility</li> <li>Increasing contractual relations</li> <li>Expanding the public-private sector and opportunities for the provision of the private sector</li> </ul>	<ul style="list-style-type: none"> <li>Adoption of a more business-like approach and private sector practice</li> <li>Establishing a management culture</li> <li>Rational approach to management (strategic planning and goal setting)</li> <li>Strengthening the management function (e.g. performance management)</li> <li>Application of human resource management techniques to ensure employee commitment</li> <li>Transition from inputs and processes to results</li> <li>More measurement and quantification of results (performance indicators)</li> </ul>

**Figure 2.** Practical manifestations of NPM reform and their basis.

Source: Diefenbach (2009)

The paper De Vries and Nemec (2013) formulates the main aspects of NPM: minimizing the role of the state in relation to society, and attempts to improve the efficiency of the public sector.

Features of the New Public Management (decentralization, market orientation of public services, contracting, privatization) differ from the traditional governance model, which embodies the

dominant role of government in providing services, has hierarchical organizational structures, centralization, etc. The thrive of the New Public Management to decentralization in the organization of the public sector aims at forming a more efficient, responsible public service (Kalimullah et al., 2012).

The paper on the “new pragmatism” (Hughes, 2006) formulates themes in management reforms that characterized NPM: results and managerial responsibility are a function of a higher order than administration; economic principles (taken from general choice theory, principal agent theory, contracts, competition, and firm theory) can improve public administration; modern management theory and practice can help public administration; the provision of services is an important aspect for citizens.

In the NPM concept, the market means competition, because the lack of pressure for economic efficiency and productivity in the public sector leads to suboptimal resource distribution in public administration. The NPM offers a number of ways to increase competitiveness in the public sector. Public governance, according to the NPM ideology, requires more professional governance by transferring responsibility for the overall goals of public sector organizations to professional managers only (Kalimullah et al., 2012).

The new public management consisted of a broad reform movement in the state machinery, which promoted a set of purposeful changes in the structures and processes in public sector organizations in order to achieve better results. Some researchers focused on the topics of strict control in NPM (accounting, auditing and performance measurement), others emphasized the approach to performance (human factors, user orientation, quality improvement and personal development) (Cavalcante, 2019). Although performance evaluation is a very important element for NPM as a global management paradigm (Erbacci & Catalano, 2019).

The gradual use in practice, the significant interest of scholars in the subject of new public management, the need for active participation of the private sector in addressing social issues give rise to an evolutionary path of development of management theories. This direction is developed by the theory of post-NPM, which is based on the relevant principles (Figure 3).

Trends in the development of new public management (post-NPM) try to solve existing and completely new problems of society, based on leadership, modern technologies consumed by

society, partnership, transparent ways of functioning and reporting to society, network approach to public administration. With the New Public Management, this source follows mainly from market logic and private company approaches, and adapts to the public sector, however, in post-NPM the key is the network, which is the basis for governance and ensuring public policy (Ferlie & McGivern, 2013; Rhodes, 2016).

Existing mechanisms of public administration need constant changes, which cannot be implemented only within the public sector. As follows from the analysis, competitive principles, administrative technologies, the need to achieve goals should provide available additional resources and tools.

Referring to the concept of the New Public Governance, we can argue that the PPP is its tool that provides infrastructure services, using a close network of links between the state and the private sector. Within the paradigm of the new public governance, the rule of law, trust and potential are determined as the key institutional capabilities that support the state use of PPP (Casady et al., 2019).

The evolution of the theory of public administration is gradually creating current models of interaction of different forms of ownership to address the urgent needs of the country. The institutional environment envisages the creation of appropriate legal norms and institutions by the state that will strengthen the development of public-private partnerships in the fields of education, health care, utilities, and the environment. Economic mechanisms should increase the efficiency of PPP projects; ensure transparency of the financial system; reduce the tax burden for investors; ensure investor protection by enhancing the reliability of PPP projects (Kruhlov & Tereshchenko, 2019).

The provision of public services through public-private partnerships undergoes a significant development, and evokes interest in many countries around the world, as it uses the opportunity to shift the scales of the state monopoly on property and the provision of public services. Thus, the interaction of the two partners makes it possible to identify the managerial potential and technological level of the private sector and the regulatory capacity and protection of public interests, which is a strength of the public sector. The result is a new level of public service delivery, that each consumer of such services experiences (Panayides et al., 2015).

The PPP partners have different ownership structures: one party is a public body, and the other



is a private entity, so they pursue different operational and strategic goals. While traditional joint actions usually involve private goods, the PPP results are always public goods and services for the benefit of a third party — the society. The PPPs

usually operate between specific partners over a long period of time. It can be noted that PPPs have become a key mechanism for implementing state and social policies, as they are considered cost-effective (Osborne, 2006).

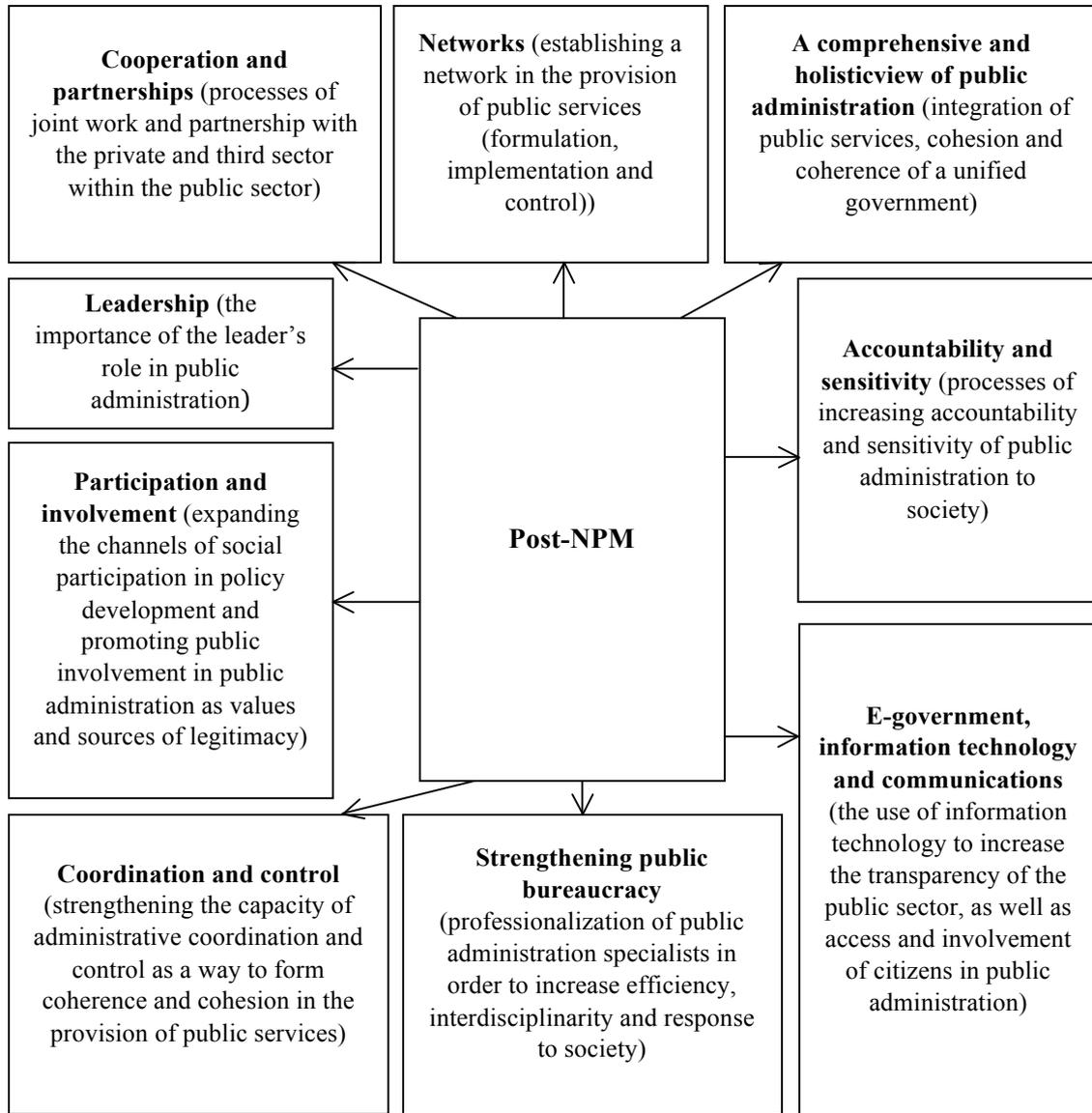


Figure 3. Post-NPM trends according to basic principles

Source: Cavalcante (2019)

The PPP involves stakeholders from both sectors to provide services or projects that involve significant amounts of investment, technical and operational risks, as well as stakeholder expectations (Pellegrino et al., 2013). The private sector does not seek to deliver these types of goods and services due to lack of profitability. However, for social or political reasons, they must be accessible to society, and it is therefore the responsibility of the public sector to ensure universal access to these goods and services (Sarmiento & Renneboog, 2016).

Given the essential characteristics of the new public management, aimed at reducing the extent of state influence, shifting management decisions to service consumers by decentralizing powers, setting targets, it should be noted that researchers, emphasizing the importance of public-private partnerships, focus on the use of business entities as partners of infrastructure facilities and service providers. In our opinion, this approach narrows the mechanisms for using the opportunities of the private sector in the public administration system. The transfer of rights (use/administration of property, financial preferences) and powers (distribution of profits, risks) by the state to the

area of responsibility of a private partner should develop from classical models based on service provision to models that complement and expand state functions — administrative, control, security.

In our opinion, the study of theoretical approaches, in terms of the development of new public management, proved certain shortcomings, namely: the focus of public-private partnership projects on organizational and control functions (justification, organization of partner selection procedure, project implementation, control over performance). It is reasonable to strengthen the planning functions of private partner involvement processes at the state level, regional level, polysectoral and sectoral levels, which will rationally determine the needs, opportunities for integrated policy development of priority areas of economic and social spheres. Functions of motivation include the formation of public policy aimed at attracting a wide range of participants to achieve the goals set by the state, which take into account competition, increased responsibility, efficiency, combination of advantages. To achieve the necessary changes, it is possible to provide for the coordination of functions and competencies of management entities, long-term implementation of certain government policies, expansion of the legal boundaries of interaction between partners.

It should be noted that the study draws on individual researches, selected in accordance with the methodology, which elaborate the topic of new public management, that does not take into account the entire study of various public administration theories and requires a special emphasis.

The adoption of new forms of public administration means the emergence of a new paradigm in the public sector and a critical look at the theory and practice of public administration (Kalimullah et al., 2012). There is an intention to move away from the classic bureaucracy to make organizations, staff, and working conditions more flexible (Islam, 2015). The tools to implement the theoretical principles are the focus on results, reducing the dominance of the public sector, the effectiveness of management, partnership relations with the private sector in solving social problems.

The NPM can be seen as post-bureaucratic, competitive government models, and the search for a new paradigm for reflection and implementation of public administration practices (O'Flynn, 2005). New Public Management is a new paradigm of public administration that promotes different relationships between governments, civil service and society, as well as for the effective delivery of public services by building and strengthening institutional capacity, and implementing result-

oriented management methods (Islam, 2015). The New Public Management includes the vision, ideology and set of certain management approaches and methods (Kalimullah et al., 2012).

In NPM theory, the key approaches determine the principles of the private sector, efficiency, competition, contractual relations, consumer orientation. Further deepening of the NPM principles gives rise to a distinction of direction in public administration called Post-NPM. The latter is characterized by partnership principles, reciprocity, inclusiveness, integrity, cooperation. The development of public administration theories has brought together the interests of the public and private sectors. Modern management approaches allowed the development of public-private partnership as a way to fulfil socially important tasks through the joint efforts of partners — the state and business entities. PPP implements projects to provide important services in housing and communal services, health care, law enforcement, education, and science.

Unfortunately, education is rarely seen as a top priority for reform, as national governments and the international community, in supporting the transition process, seek to focus on other things that deliver more tangible results, where rapid results can be achieved, while education is inherently very conservative, and slow to change (Nelipa et al., 2018).

We should make some critical remarks about the study. The materials of the study were limited to the period of 2000-2020. The expansion of available sources beyond this period may more widely reveal the features of the influence of various theoretical models that have influenced the new public management paradigm. This is especially true of the development of the direction of “private financial initiative”, which identified the main approaches of the state to models of using the benefits of private ownership. In addition, the study did not take into account the analysis of the peculiarities of the development of the public management paradigm in accordance with the practical application in countries with different levels of economic development, the level of state institutions, and the specifics of public administration.

The analysis of research papers show that issues related to the development of public-private partnership are often considered by researchers (Osborne, 2006; Panayides et al., 2015; Pellegrino et al., 2013) in the context of government policy aimed at attracting investment, innovation and technological resources; improving the procedure for implementing infrastructure projects; research



of efficiency issues, risk management, models of partnership organization. Without diminishing the importance of these issues, it is necessary to outline the issue of PPP as a key mechanism for combining the specific functions of each partner in the process of public administration and regulation, as well as achieving sustainable development goals, which has not become widespread.

Another issue is the need to agree the goals of the state and the private owner on the basis of the existing needs of society, which provides for the enshrinement of both state and sectoral levels in

legislation. This allows determining an integrated state economic policy, redistribute resources and share responsibility. In addition, these actions strengthen opportunities for the organization of new partnership models, develop a competitive environment, intensify private initiative through an incentive system of taxation.

Table 1 presents a detailed content of the elements of the concept of public-private partnership development as a key mechanism in the system of public administration and regulation.

**Table 1.** Implementation of elements of the concept of public-private partnership development in the system of public administration

Concept elements	Possible ways of implementation
Setting goals	Dominance of social goals and interests, human-centered approach, taking into account the interests of all stakeholders
Policy formulation	Provisions that are impartial to all stakeholders and maintain the long-term principles and approaches
Mutual coordination of strategic documents	Coordination of regional and sectoral strategies on the basis of a single strategy for the development of the state in the medium term. Providing public authorities with the opportunity to balance their own interests and mutual cooperation
Realization	Strengthening or replacing state regulation mechanisms with market mechanisms and mechanisms based on poly subject specifics.
Monitoring	Controlling, openness of information on project implementation, dynamic response to monitoring results, sensitive feedback

To proceed with the discussion on the further development of the new public management theory, it is expedient to suggest improvements in the areas below:

- intensifying the transparency in functioning and implementation of the public authorities' accountability to the major consumers of public services;
- expanding the elements of quality public services provision based on monitoring the needs alongside with the consumers;
- introduction of the up-to-date models of public-private partnership as a tool of joint state regulation of economic and social processes;
- implementation of control functions of civil society in terms of monitoring the processes, efficiency and results of the public power subject' activity;
- utilization of public marketing tools to enhance the information component in public decision-making;
- strengthening the dynamics of public management decisions based on multi-channel information delivery (electronic survey, personal data analysis, operational use of databases);
- adoption of competitive mechanisms in the system " service customer – provider";

- expanding the possibilities of e-government and increasing the number of services using information technology.

### Conclusion

Public administration reform is aimed at enhancing the management processes, increasing the efficiency of decision-making, improving the functionality of public administration. A considerable number of concepts, elaborated on the basis of efficiency needs, achievement of public goals, creation of competitive government entities, provision of specific services at the expense of the private sector, call for innovations in management. These innovations highly weight towards approaches in management, changes in processes, functions, procedures, policies, expansion of services, soliciting complementary resources.

Drawing on the study findings, the following conclusions were made:

1. Modern paradigms of public administration are based on post-competitive, post-bureaucratic approaches to public value. The main areas of research in public administration can be considered the issues related to motivational aspects, the competition policy in the public

sector, the division of the public administration sector into broader aggregations. Relying on the economic fundamentals of neoliberalism and elements of management theory, principles of the private sector allowed elaborating the concept of new public management with its inherent features: decentralization, efficiency, accounting, market orientation of public services, contracting, privatization, quality improvement. The said approaches are essential for the operation of public administration system, taking into account the budget deficit, the complex management hierarchy of public authorities, the need for efficient use of public resources, etc. But, despite some approaches of the theory of new public management to expanding the role of the private sector, the implementation of public-private partnership projects, there is a limited vision of the potential of public-private partnership, which defines it only as a source of additional resources and public service providers. But, despite some approaches of the theory of new public management to expanding the role of the private sector, the implementation of public-private partnership projects, there is a limited vision of the potential of public-private partnership, which determines it only as a source of additional resources and public service providers.

2. The key theories that should enhance the efficiency of the public administration system should include elements of the theory of neoliberalism, managerialism, good governance, digital age management, and other theories. The new public management paradigm has considerable advantages over the traditional public administration in terms of direction, goals, performance, accountability, and delivery system. Unfortunately, approaches to the management of individual socio-economic processes by combining the capabilities and resources of public-private partnership in the general system of public administration are not fully formed, which requires the development of additional principles of construction, separation of functionality and needs, methods and tools for the fulfilment of state tasks. This approach should significantly expand the existing new public management paradigm.

3. Strengthening cooperation between the public and private sectors within the functioning and development of the paradigm of New Public Management and post-NPM will allow the state to form a network of infrastructure facilities to provide socially important services, increase budget efficiency, implement public functions at a higher level, increase state's competitiveness, and

overcome interregional imbalances in the development of the socio-economic sphere.

The logical evolutionary path of public-private partnership should be the joint performance of public functions, which will strengthen the capacity of state regulation of economic and social processes, implement policies for the development of key industries and approved strategic documents that take into account the common interests and needs of a sectoral nature, provide for mechanisms of control by civil society. This approach will have the impact on macroeconomic stability, living standards, security indicators, minimization of territorial disparities. Implementation of the elements of the concept of public-private partnership development in the public administration system will include: goal setting, policy formulation, mutual coordination of strategic documents, implementation, monitoring.

Given the significant number of theoretical areas in the field of public administration, it is advisable to continue the study of effective approaches to the functioning of the public administration system. The discussion on the development of post-NPM theory, which promotes the processes of joint partnership with the private sector within the public sector, network approach to public services, public involvement in public policy development, integration of public administration, is promising. The directions of the theory of "Digital Age Management" are important, which contributes to the strengthening of interaction between society and the state on the basis of information and communication technologies, the introduction of advanced communications through the development of e-government.

Hereafter, the promising agenda-setting policy is the development of the new public management paradigm along the lines of implementing the tasks of the public authorities' effective functioning against the backdrop of the power decentralization; the possibility of expanding certain functions of the state by delegating powers to non-state actors in the provision of public services within territorial entities; the scaling capture of the key stakeholders in the formation of social development policy.

Thus, we can note that the paradigm of new public management is one of the generally accepted approaches to public administration in developed countries. This theory is based on a variety of theoretical foundations, and has a continuation that promotes accountability,



effective services, broad private sector initiatives. The approach based on the principles of management in private firms allows fulfilling additional tasks of the state, intensifying the dialogue between government agencies and society, directing the necessary resources to the development of public infrastructure. In the future, the development of the new public management paradigm will give positive results in achieving the goals of sustainable development, decentralization, inclusiveness based on effective decision-making of public authorities.

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