New Public Management and the Conceptual Upheaval of Human Resource Management

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During the last decades of the 20th century most world states, Lithuania being one of them, started different reforms of a public sector that were aimed at transforming M. Weber’s described ideal, legislative and rational bureaucracy and increasing the effectiveness of public institutions and their activity. According to the theorists of these reforms (Osborne, Gaebler, 1992; Hughes, 1998; Pollitt, Bouckaert, 2003), inflexible, centralized bureaucracies developed during industrial periods have become ineffective and unproductive; moreover, they cannot function effectively and successfully in a rapidly changing knowledge society and economy. Thus, they should be changed into more flexible, result oriented, modern management models developing the partnership of public and private sectors (Skietrys, Raipa, Bartkus, 2008). This aspiration is the main stimulus to turn to a business sector under the market conditions and to base on New Public Management (NPM) modernizing the structures of administration culture taking into account the challenges of the time under consideration.

NPM ideas and their introduction are directly linked with human resources (HR) of public institutions. HR is the main and most valuable asset that is managed by the institutions of a public sector. Activity effectiveness depends on it. According to M. Armstrong (2006), human resource management (HRM) is a strategic, complex approach to the most important aspect of an organization, i.e. to people who individually and collectively support the realization of organizational objectives. This approach explains the fact that HR is the main factor of any changes having its culture and aspirations that can stimulate or hinder changes related to the change from public administration (PA) to NPM. In order to achieve a consecutive turn, the system of HRM is of the utmost importance as well as its conformity to NPM requirements that witness the change of principles (Storey, 2001). Thus, this change is a process that requires objective and full assessment of the present HRM that would help to reveal the obstacles of the change and would offer development directions.

NPM is a new way, however, some of public sector models have already been tried. Their analysis is closely related with some researches (Pollitt, 1993, 2003; Osborne, Gaebler, 1992; Wilson, 2004, Boston, 1991; Hughes, 1998; Hood, 1991; Kettl, 2000; Massey, 1993; Peters, Waterman, 1982; Peters, 2003; and others). Much attention is devoted to Weber’s ideal bureaucracy model and its criticism that has been aimed at opposing public choice and “managerialism” theories (Aucoin, 1990; Reichard, 1992; Schedler, 1993; Budäus, Grüning, 1998). However, both management practice and theory hold that there exists some succession between the new and the old, and this aspect should be taken into account. Lithuanian researchers also stress this fact (Puskorius, 2002; Raipa, 2001; Domarkas, 2004). Mention is made about an intermediate case of a public sector reform (Domarkas, 2004), the necessity of political changes (Zidonis, Sudnickis, 2005), the models of effective activity development (Christauskas, Marcinkevičiute, Petrauskienė, 2007).

There are research works that deal with public sector institutions, different aspects of HRM and their changes (Thom, Ritz, 2004; Manning, Parison, 2002; Fleming, 2000; Larsen, Brewster, 2003; Rabin, 2003, Renwick, 2003; OECD, 2005). Lithuanian researchers of a public sector base their approaches on western theories and models while analyzing HRM (Barsauskiene, 2002; Vienazindiene, 2009; Siugzdiniene, 2008; Chlivickas, 2005; Domarkas, 2002; Raipa, 2003; Velicka, Minkevicius, 2005; Juralevičienė, 2003; Ciarniene et al., 2007; Tijunaitiene, Neverauskas, Balciunas, 2009; Gustas, 2003, Cesnulevičiene, Lakis, 2002 and others) They emphasize Lithuanian peculiarities.

In spite of a wide range of researches, HRM change from public administration (PA) to NPM is analized rather fragmentary; they lack the system approach that could reveal the cognition of this phenomenon, i.e. its research methodology showing HR change from PA to NPM. This article is aimed at presenting a research methodology and its application in practice, and the use of the results obtained is clearly demonstrated in the field of HRM development.

Keywords: public sector (PS), business management, new public management (NPM), human resource (HR), human resource management (HRM), HRM research methods, NPM level, HRM level.

Introduction

Scientific discussions dealing with new public management (NPM) and its theoretical foundations are usually confined by a simple formula: NPM = public choice theory + managerialism. Public choice theory seeks to distribute services among states and private producers, and new institutional economics theories stress the importance of the application of economic criteria. Managerism emphasizes the transfer of the instrument used in a private sector into a public sector.

The analysis has shown that the documents of Lithuanian public sector somehow or other stress and
highlight NPM functions and responsibility in even distribution, partnership, personal responsibility in making decisions as well orientation to a person, his/her rights and interest satisfaction, activity and other principles.

**The research problem.** NPM ideas and their consolidation are linked with public sector and human resources that are to be subjected to essential changes of behaviour and competences. HR role in public policy realization and the satisfaction of society’s needs in the sphere of public affairs is very important as it ensures successful and step by step transition from a traditional public administration (PA) to new public management (NPM). In this context it becomes evident that HRM gains a special importance as an essential strategic function in an organization. The analysis of NPM theory and practice has shown that a special attention should be devoted to HRM changes as NPM is based not on a traditional personnel management (PM), but on an advanced HRM system.

NPM in Lithuania has already turned from theoretical discussions to a practical stage. This is the level where a number of theoretical and practical decisions become evident.

1. **Does the existing PS system correspond to the requirements raised by NPM?**

   Recently it is doubted in the rightness of some NPM principles. NPM is a critical application of business sector achievements in PS. Having employed business sector practice, there can arise some danger to the true values that are inherent to a PS (Peters, 2003; Pollitt, Bouckaert, 2003; Cutler, Waine, 1994; Gray, Jenkins, 1995; Hague, 2000). Terry (1999) states that NPM is a very serious threat to democracy, Minogue (2001) points to even more drawbacks: market does not fit to all activity areas (culture, spiritual life); it is difficult to prove the effectiveness of most decisions (the construction of a new stadium, the closure of a school is economically grounded for some people, while for others it is the obstacle of life quality); a greater autonomy of administrators means a rather mysterious responsibility and a bigger risk; the application of competition principles decreases cooperation; there arises the possibility of HR demoralization in PS. Domarkas (2007) holds that there should dominate the notions of democracy and a citizen, but not that of market, competition and consumer. This is conditioned by the result-reward mutual dependence.

2. **Does the level of the main HRM directions conform to the requirement raised by NPM?**

   Realizing these tasks, there has been carried out an empirical research that aimed at checking theoretically based HRM change of characteristics from public administration to NPM.

   **The aim of the study** is to single out the research trends of HRM and the elements, revealing the upheaval of HRM in the transition from PA to NPM; to present the NPM and HRM research methodology and the main results of the research carried out in Lithuanian municipalities.

   **Research methods.** The empirical research of HRM change from PA to NPM is aimed at combining quantitative and qualitative methods.

   Carrying out a manifesting analysis of document contents, a quality research is applied as the main information source in analysing a normative HRM basis of Lithuanian municipalities. Six HRM areas are being assessed: HR philosophy and organization culture; HR strategy and policy; resource management; training; work payment management; inhabitants’ self-government. Conducting a descriptive analysis of documents, a quality research fulfils an intelligent function. Using a questionnaire, a quantity research is used to state the expression of contemporary HRM, PM characteristics as well as to evaluate HRM level in a real municipality practice and HRM level. Factorial analysis method is applied for the diagnosis of the primary variables to be thickened and the construction of scales and subscales. Having analyzed the data collected, there are formulated qualitative and quantitative research results.

   In the context of the same research, the application of quality and quantity methods is conditioned by the insurance of an internal and external validity: a) the essential features of the researched phenomenon are fully revealed as there exists a bigger scope of data (internal validity); b) the generalization of the results is more objective (external validity) (Calfee, 1999; cited by Zydzunaite, 2003). Quality and quantity researches are applied independently and in a consecutive order.

**The research results of NPM introduction legislative basis in municipalities**

Quality research is more oriented to the reflection of formal NPM and HRM changes. Without going into details, it could be maintained that in Lithuania there has been formed the legislative PS basis for NPM introduction, HRM rearrangement, and a number of practical means have been implemented.

In 2002 the Law of State office issued the main principles of the state service, state employee status, responsibilities, work pay, social and other guarantees and the legislative foundations of the state service.

In 2003-2005 there was put into life PHARE project “Development of the State Management”, the aim of which was to reinforce the administrative capabilities of a department and modernize HRM. Realizing the Twin Project, there has been prepared HRM guide book, introduced computer technologies and telecommunication equipment for the better application of management information system.

Moreover, there was adopted the training strategy of the state employees for 2007 – 2010. In 2006 – 2008 there was carried out the project “The enforcement of the state and municipalities employees’ capabilities in the field of management”.

In October 17, 2007 Lithuanian government adopted the decision to confer qualifications to the state employees and the regulations dealing with the state employees assessment and the criteria of their activity evaluation.

The general principles of the inhabitants’ participation in the state management have been legalized by the Constitution of Lithuanian Republic that has foreseen the election right (clause 4), the government responsibility towards people (clause 5), referendum organization (clause 9). The clause 33 foresees the right to directly participate
in the state governance, to freely join communities, political parties and associations (clause 68).

However, having in mind a very rapid transformation of a public sector and its administration system, more external than internal changes should be stressed. NPM principles that are widely introduced in the western countries are also introduced in Lithuanian PA system, however, the results are quite contradicting. There is some danger that there can arise contradictions between the system created and the previous public administration traditions and culture as well as between PS administration development theories and their introduction reality. There exists a declaratory approach of NPM; however, there also exists bureaucratic cultural opposition to innovation. This statement has been proved by Lithuanian researchers who have discovered that Lithuanian PS institutions are characterized by bureaucratic culture, i.e. attention is paid to regulations and procedures, the government is centralized, there exists a very strict accounting, orientation to stability, control and internal integration (Aleksiene, 2005; Velicka, Minkevicius, 2005). This manifests that bureaucratic values are deeply rooted in Lithuanian public structures and they limit the expansion of NPM values. Approving the principles that are widely introduced in the western countries are also introduced in Lithuanian PA system, but there exists bureaucratic cultural opposition to innovation. This also lies in the quality research results of Lithuanian municipalities.

NPM and HRM changes in Lithuanian municipalities: methods of a quantitative research

The construction of the questionnaire has been based on the recommendations and principles of some authors (Bjerke, 2003; Tidikis, 2003; Kardelis, 2005). The questionnaire consists of 150 close type questions united in three blocks: the research of NPM principles and their level manifestation diagnosis of employees’ requirements and work regulation; HRM system diagnosis.

Evaluating NPM level, there are distinguished diagnostic characteristics each of them being reflected by a certain number of indicators: 1) the system is oriented to NPM (it is oriented to strategic, aims, the management of a private sector (PS) is introduced, non-characteristic functions are transferred to PS, and economical way of management is the main criteria of making decisions, PS activity is controlled by a public sector, and solutions are strongly influenced by a public opinion press); 2) the system is oriented to a traditional PA, i.e. it is strictly regulated, the elements of bureaucratic management prevail, the interest of political forces dominate, decisions are influenced by personal interests, public sector services are more qualitative than those supplied by a business sector. The format of four evaluations is used in the assessment of every indicator.

The diagnosis of the requirements for employees, their work regulation and HRM is carried out by applying the system analogical to the first block, and only three evaluate formats (agree – no opinion – disagree) are used for confirmation.

The questionnaire data are processed by using the packet of statistical programmes SPSS.12 and MS Excel electronic computing. Descriptive statistics and multidimensional statistical methods are applied in data computation and interpretation.

The sample of those researched has been determined according to V. Jadov’s table of a general set totality and volume sample (Kardelis, 2005). In accordance with the register data of the state employees, 5406 state employees worked in municipalities in 2006. Thus, according to V. Jadov table, the research sample should include 371 respondents (370 + (15/5000 + 406) = 371). In order to ensure the questionnaire feedback, it has been sought to secure anonymity, a paper variant of the questionnaire has been distributed after having received the approval from the institutional management staff. 450 questionnaires have been distributed, 273 of them have been returned, however, 148 questionnaires have been processed as 125 of them have been found to be defective. Although the research is not representational because of its small scope, however, it can partly reveal general tendencies. This also lies in the quality research results of Lithuanian municipalities.

The expression of NPM introduction in Lithuanian municipalities

The data presented in Table 1 allow to state a rather contrary distribution between the factors oriented to NPM and traditional PA ones. It is practically agreed with all NPM principles. However, attention should be paid to the fact that the manifestation of some NPM factors is not so big while analyzing arithmetical mean. Taking a private sector practice, the predominance of economical criterion and going to the principle of covering the main inhabitants’ expenses, there arithmetical mean is 1 and less, and this is understood as an average expression.

It should be noted that the expression of PA reflection factors is rather strong. However, these factors require a separate discussion because in a lot of cases it cannot be maintained that NPM is aimed at getting rid of these principles. As an examples could be given that of strict regulation (M mean=1.54; SD=0.58) and bureaucracy expression (M mean=1.23; SD=0.59) in a contemporary public management. There is no wish to approve the opinion about bureaucracy only as a negative phenomenon. Standardization that is also bureaucracy takes a very important place in the management of total quality (Vanagas, 2007).

At the juncture of these two philosophies there is formed a different understanding of public management in which there should be settled an optimal balance between business and public administration traditions.
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Table 1

<table>
<thead>
<tr>
<th>Institutional activity of a public sector</th>
<th>N</th>
<th>Agreed, percent</th>
<th>Mmean</th>
<th>SD</th>
<th>PR/%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factors reflecting NPM</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Oriented to strategic aims and aspirations</td>
<td>141</td>
<td>99.3</td>
<td>1.62</td>
<td>0.5</td>
<td>69</td>
</tr>
<tr>
<td>2. Managerial practice of a private sector is introduced</td>
<td>125</td>
<td>83.2</td>
<td>1.01</td>
<td>0.59</td>
<td>42</td>
</tr>
<tr>
<td>3. Seeking economical effect, a part of functions is transferred to private enterprises</td>
<td>137</td>
<td>73.0</td>
<td>0.88</td>
<td>0.64</td>
<td>32</td>
</tr>
<tr>
<td>4. Economical effect is the main criterion of decisions</td>
<td>143</td>
<td>68.5</td>
<td>0.9</td>
<td>0.72</td>
<td>36</td>
</tr>
<tr>
<td>5. Private sector is controlled by a public sector</td>
<td>140</td>
<td>67.1</td>
<td>0.84</td>
<td>0.69</td>
<td>29</td>
</tr>
<tr>
<td>6. Decisions are influenced by a public opinion – the press</td>
<td>139</td>
<td>66.2</td>
<td>0.77</td>
<td>0.63</td>
<td>19</td>
</tr>
<tr>
<td>7. Inhabitants pay the expenses of public services</td>
<td>136</td>
<td>73.5</td>
<td>0.99</td>
<td>0.73</td>
<td>40</td>
</tr>
<tr>
<td>Factors reflecting traditional public administration</td>
<td>146</td>
<td>95.9</td>
<td>1.54</td>
<td>0.58</td>
<td>67</td>
</tr>
<tr>
<td>1. Strictly regulated</td>
<td>147</td>
<td>91.8</td>
<td>1.23</td>
<td>0.59</td>
<td>55</td>
</tr>
<tr>
<td>2. Bureaucratic management</td>
<td>138</td>
<td>83.3</td>
<td>1.28</td>
<td>0.73</td>
<td>57</td>
</tr>
<tr>
<td>3. Interests of political forces prevail in management</td>
<td>139</td>
<td>65.5</td>
<td>0.81</td>
<td>0.68</td>
<td>25</td>
</tr>
<tr>
<td>5. Services supplied by public sector enterprises are more qualitative than those of business</td>
<td>134</td>
<td>38.8</td>
<td>0.49</td>
<td>0.68</td>
<td>6</td>
</tr>
</tbody>
</table>

Note: M=Arithmetic Mean; SD=Standard Deviation; PR= Percentile

The level of HR work management in municipalities

The level of HR work management competes with HRM. Work management could be considered to be external HRM factor but having a very strong influence. Having compared the present and expected state and its evaluation, it has become clear that the expression of most characteristics should be increased as compared to the present situation (see Table 2). In this situation a greater need of NPM indication expression becomes more evident (McorrespondsNPM=1.71) because the one already achieved shows only an average level of approval (McorrespondsNPM=0.99). It could be assumed that respondents tend to be more oriented to NPM factors development reflecting contemporary HRM.

Table 2

<table>
<thead>
<tr>
<th>Expected and present requirements for employees and work regulation, N=148</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicators</td>
</tr>
<tr>
<td>Corresponding to NPM requirements</td>
</tr>
<tr>
<td>Mmean</td>
</tr>
<tr>
<td>Priority is given to ethical decisions</td>
</tr>
<tr>
<td>Employees are evaluated according to the achieved results</td>
</tr>
<tr>
<td>Team work is widely applied</td>
</tr>
<tr>
<td>Employees’ initiative is stimulated</td>
</tr>
<tr>
<td>Big employees’ personal responsibility</td>
</tr>
<tr>
<td>All employees starting to work are being trained</td>
</tr>
<tr>
<td>Employees enjoy activity freedom</td>
</tr>
<tr>
<td>High level of cooperation among employees</td>
</tr>
<tr>
<td>Great autonomy of employees of lower level</td>
</tr>
<tr>
<td>Relations are attributed to a traditional public administration</td>
</tr>
<tr>
<td>Employees’ activity is strictly regulated by laws and rules</td>
</tr>
<tr>
<td>Vocation to serve society is the main for this profession</td>
</tr>
<tr>
<td>Making decisions is followed by expenses minimization</td>
</tr>
<tr>
<td>Work is incompatible with a private activity</td>
</tr>
<tr>
<td>Strict duty hierarchy</td>
</tr>
<tr>
<td>Priority is given to the „presence at work“ not to work result</td>
</tr>
</tbody>
</table>
Assessing the requirements for employees, the increase of the priority of ethic decisions has received the greatest approval. The adequacy of the average has been also proved by other characteristics (SD=0.25; PR%=99).

Respondents agree with employees’ evaluation according to the achieved results, the increase of personal responsibility, the application of team work, bigger cooperation, and the stimulation of employees’ initiative. The data in Table 2 show that the strict regulation of employees’ activity has been highly approved (Mstriction regulation=1.81; SD=0.58; PR%=82).

The least approval has been expressed as far as the autonomy increase for the lower level of employees is concerned (Mautonomy=0.78). A rather great disapproval has been expressed of the aspect that priority should be given to work process and not to the result (Mprocess=0.39).

It can be maintained that the requirements for public sector institution workers and work regulation research show an average approval level for both NPM and traditional PA distinctions. Speaking about an aspiration aspect, respondents approve contemporary HRM characteristics corresponding to NPM expression.

**Diagnosis of HRM in municipalities**

The diagnosis of the present and expected HRM in Lithuanian municipalities has been conducted assessing nine HRM activities of multilateral characteristics. The factorial analysis method has been used in data processing. It has allowed to thicken the number of the variables of the third research block without losing essential information, and to formulate theoretical-diagnostic constructs of the research conforming scales and indexes-sub scales.

At the beginning all the questions of the third block are factorized according to the method of principle components applying the turn of factor axis in accordance with the biggest dissemination (VARIMAX rotation) and using the evaluation method of the nearest distance between two critical points-square Euclidian distances. Having found a theoretically important structure of indication, there have been obtained separate factors that have been additionally checked by the method of alfa factorial analysis enabling to check separate test steps and their linking into additive index. In other words, this method has helped to check scale unilateral measurement (Steyer, Eid, 1995; Lienert, Raatz, 1994).

Having thickened primary variables, factorial analysis allowed to psychometrically validate the subscales obtained.

The article volume does not allow to demonstrate in detail either computation peculiarities or all obtained results. Thus, the results of one complex subject computation in a generalized table will be presented.

Table 3 presents HR training and qualification development level computation. There are distinguished four subscales: training initiative, identification and planning of training, training benefit and stimulation to take a personal responsibility for constant development.

**Table 3**

<table>
<thead>
<tr>
<th>Indications</th>
<th>Expected Mmean</th>
<th>SD</th>
<th>PR/%</th>
<th>Present Mmean</th>
<th>SD</th>
<th>PR/%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Training initiative</td>
<td>1.78</td>
<td>0.93</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1. Management taking the responsibility to present employees an opportunity to learn</td>
<td>1.96</td>
<td>0.26</td>
<td>97</td>
<td>1.3</td>
<td>0.73</td>
<td>59</td>
</tr>
<tr>
<td>1.2. Learning and development considered to be an invaluable value</td>
<td>1.92</td>
<td>0.32</td>
<td>94</td>
<td>0.87</td>
<td>0.78</td>
<td>32</td>
</tr>
<tr>
<td>1.3. Management and personnel service specialists constantly looking for new, better and more effective learning ways</td>
<td>1.91</td>
<td>0.37</td>
<td>93</td>
<td>0.91</td>
<td>0.74</td>
<td>36</td>
</tr>
<tr>
<td>1.4. Possibilities to learn and develop qualifications are not limited by the institution budget</td>
<td>1.91</td>
<td>0.38</td>
<td>92</td>
<td>0.83</td>
<td>0.75</td>
<td>26</td>
</tr>
<tr>
<td>2. Identification and planning of learning fields</td>
<td>1.87</td>
<td>1.02</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1. It is known by everybody what capabilities and knowledge are necessary in striving to do work very well</td>
<td>1.82</td>
<td>0.52</td>
<td>84</td>
<td>1.03</td>
<td>0.79</td>
<td>44</td>
</tr>
<tr>
<td>2.2. In learning plans the needs of an organization and individual are combined</td>
<td>1.92</td>
<td>0.32</td>
<td>94</td>
<td>1</td>
<td>0.82</td>
<td>42</td>
</tr>
<tr>
<td>3. Learning benefit</td>
<td>1.89</td>
<td>0.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1. The results and the way knowledge is applied in work are discussed after training</td>
<td>1.91</td>
<td>0.38</td>
<td>92</td>
<td>0.83</td>
<td>0.75</td>
<td>26</td>
</tr>
<tr>
<td>3.2. The benefit of learning is discussed with the tutor before starting the process</td>
<td>1.86</td>
<td>0.47</td>
<td>88</td>
<td>0.95</td>
<td>0.79</td>
<td>38</td>
</tr>
<tr>
<td>4. Stimulation to take personal responsibility of constant development</td>
<td>1.82</td>
<td>0.47</td>
<td>83</td>
<td>0.86</td>
<td>0.82</td>
<td>31</td>
</tr>
</tbody>
</table>

There has been a strong approach of the statements: “managers and specialists of personnel services should look for new effective ways of learning (M1.3=1.91; SD=0.37; PR%=93); ‘learning and development should be considered to be an invaluable value’ (M1.2=1.92; SD=0.32; PR%=94).

The research shows a strong approval of the fact that institutional budget limits the possibilities of employees to learn and develop qualifications (M1.4=1.37). This problem could be solved by stimulating personal responsibility to learn, its expression being only average (M4=0.86), and evaluation being much lesser than the expected one (M4=1.82; SD=0.47; PR%=83).

The research shows only the average expression of learning fields, their identification and planning (M2=1.02), while the expected level is much higher (M2=1.87).
Learning planning, combining institutional, departmental and individual needs, have been especially highly valued (M3=1.92; SD=0.32; PR/%=94).

Learning benefit evaluation differs very much as compared to the present (M1=0.9) and the expected one (M3=1.89). Basing on the research data, it is possible to state only the average present expression of such indication that “before taking part in training there should be discussed its benefit” (M3.2=0.95) and “after training the results as well as the application of the results in work are to be discussed” (M3.1=0.83). Respondents express the greatest approval of the discussion of the results after learning (93%). This fact is also confirmed by other characteristics presented in the table (M3.1=1.91; SD=0.38; PR/%=92).

Having summarized the results, it can be stated that training and qualification development scale, the expected level and its expression are much higher than the present level. This confirms the striving to HRM and the importance of systematic learning and qualification development.

Table 4 present only the complex data whose possibilities to be analysed are much less than the data of a factual evaluation.

### Table 4

<table>
<thead>
<tr>
<th>Factors – M meaning</th>
<th>Expected meaning</th>
<th>Present meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. HR strategy level</td>
<td>1.65</td>
<td>0.85</td>
</tr>
<tr>
<td>2. Level of HR need planning</td>
<td>1.11</td>
<td>0.84</td>
</tr>
<tr>
<td>3. Level of HR selection system</td>
<td>1.12</td>
<td>0.56</td>
</tr>
<tr>
<td>4. Level of HR adaptation</td>
<td>1.92</td>
<td>0.63</td>
</tr>
<tr>
<td>5. Level of HR evaluation system</td>
<td>1.68</td>
<td>0.97</td>
</tr>
<tr>
<td>6. Level of HR career organization</td>
<td>1.05</td>
<td>0.95</td>
</tr>
<tr>
<td>7. Level of HR training and qualification development</td>
<td>1.39</td>
<td>0.93</td>
</tr>
<tr>
<td>8. Level of HR work payment</td>
<td>1.29</td>
<td>0.44</td>
</tr>
<tr>
<td>9. Level of inhabitants’ self-government</td>
<td>0.81</td>
<td>0.66</td>
</tr>
<tr>
<td>General evaluation level</td>
<td>1.34</td>
<td>0.76</td>
</tr>
</tbody>
</table>

According to the sought expected significance, M is “the level of HR adaptation”, the latter having the biggest difference between the sought and present level. The data of a more detailed analysis allow to state employees’ big requirements for adaptation and its low factual level. There can lie undisclosed problems in this field, therefore some deeper analysis might be necessary.

The second position has been taken by “HR strategy level” and the main cause of this difference is hidden in the disability of HR service, HR strategy and its bad sequence with organization strategy.

The least differences are between the sought (expected) and present magnitude, i.e. between “HR career organization level” and “the indication of inhabitants’ self-government”. The sought career level has been influenced by party “protectionism” indication that should decrease as well as career distortions closely connected with it. Low evaluation of the indication “inhabitants’ self-government level” should be analysed additionally as it could mean both real inhabitants’ self-government level (being doubtful) and insufficient attention or too optimistic evaluation of this field.

It can be seen that even enlarged evaluation data allow explaining more detailed directions of the analysis and foreseeing the means for HRM development.

### Conclusions

1. Transition from traditional public administration to NPM is oriented to decentralization, privatization, economizing, and application of the best management methods used in a private sector. Successful introduction of NPM is closely connected with the essential HRM: delegation of authorization, stimulation of a team work and cooperation, development of a decision making process, engagement of citizens into decision processes, application of an advanced management. In the context of PA transition to NPM evaluation becomes an actual contemporary scientific and practical problem.

2. The research methodology is based on the attitude that the transition from a traditional PA to NPM is a process that is characterized by a concrete organization management in personnel management (PM) characteristics while changing them to contemporary HRM characteristics as well as through their consolidation. The research is conducted by combining quality and quantity analysis. The research methodology is based on traditional PA and NPM, PM and HRM diagnostic features and the analysis of indication formation.

Quality research is aimed at disclosing HRM normative regulation in Lithuanian municipalities in the light of NPM explaining basic conditions for NPM principles and the expression of contemporary HRM. Basing on the distinguished HRM change characteristics and indicators during the analysis, there are assessed the following HRM activities: HR philosophy and organization culture, HR strategy and policy, resource management (planning, search and selection of need), development (evaluation, career management, organization of learning and qualification development), work pay management and inhabitants self-governing.

Quantity research is devoted to determine the expression of theoretically formulated traditional PA and NPM, contemporary HRM, PM indicators as well as to evaluate HRM level in a real municipality practice analyzing HRM activities. There is researched not only the present situation as it is understood by municipality employees, but also their attitude to NPM perspective. There are singled out three blocks in the research: orientation to a traditional PA or NPM, requirements and work regulation for employees, HRM or PM evaluating the present or sought (expected) HRM level in municipalities practice.

It has been determined by quality research that legislative basis and normative documents that regulate the
activity of Lithuanian municipalities only partially create conditions for both the expression of NPM principles and the transition from PM to HRM in municipality practice. There exists a significant gap between legislative foundation and practice. In order to fix it there arises the necessity to carry out a quantity research.

3. Quantity research of municipality activity has made it possible to observe the following aspects:

4.1. Institutional activity of a public sector (PS) is in a transformative state, i.e. the factors important for a traditional PA are expanded by the factors that are peculiar to NPM. The research PS institutions show an average approval level for both NPM and a traditional PA reflecting characteristic expression.

4.2. It is impossible to single out a dominating HRM group in Lithuanian municipalities, besides the expression of HRM characteristics in municipalities is weak. The assessment of the present level shows an average approval for both HRM, personnel management (PM) and general characteristics of PM and HRM. The evaluation of the sought (expected) level shows the highest approval of the expression of contemporary HRM characteristics (M=1.66), average approval of a general PM and HRM indicators expression (M=1.54) and PM (M=1.35).

4.3. The research of HRM level shows a clear gap between the present and sought (expected) level analyzing all nine HRM activities and there prevails an approval to increase the expected level. The most evident difference between the present and expected situation is “adaption”, “training and qualification development”, “inhabitants’ self-government” activities and separate indexes (subscals) of “HRM and institutional strategy concord”, “HR demand analysis and planning”, “work payment policy”, “combination of professional and personal career” evaluations.

4.4. The results of quantity research and their interpretation allow to state that the offered research methods are rather reliable in reflecting a real situation.

5. The results of quality and quantity results allow to evaluate both NPM and HRM level in municipalities, to foresee further development directions, forecast the means to overcome the shortcomings that have been made clear. Thus, there has been created a reliable way of developing HRM in a public administration sector.

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Naujoji viešoji vadyba ir koncepcualus žmogiškių išteklių valdymo vizmas

Santrauka

**Akualumas ir problema.** Paskutiniai XX a. dešimtmečiais daugelis pasaulio valstybių, tarp jų ir Lietuva, pradėjo vykdyti įvairios viešojo sektoriaus reformas, kurioms siekia transformuoti M. Weber apibrėžtą idealų, ištystamają ir racionālų biurokratiją ir padižinti viešųjų institucijų veiklos efektyvumą. Šis siekis yra priešingai sekantis priešrodo sektoriaus patirtimi ir rinkos sąlygomis grindžiamas. Naujosios viešosios vadybos (NVV), modernizuojant administracinės sistemos struktūras, kontroliški metodus ir administravimo kultūrą, atsižvelgiant į naujus laikmečio iššūkius. NVV idejų gyvendinimas tiesiogiai yra susijęs su viešųjų institucijų žmogiškaisiais išklausais (ŽI). ŽI yra jūsų reikšmingiausias ir vertingiausias tautos, kurį viešojo sektoriaus (VS) institucijos valdo ir nuo kurio priklauso veiklos efektyvumas. ŽI yra bet kokių pokyčių aktyvus veiksny, turintis savo kultūrą ir išankstines nuostatas, kurios gali skirti arba stabdyti pokyčius, susijusius su poslinkiu nuo VA į NVV. Todel šiam vizmui kaip procesui reikalinga objektyviai ir visapusiškai įvertinti esamą žmogiškų išteklių valdymą (ŽIV), kad būtų galima nustatyti sklandaus perėjimo trukdžius ir pasirūpinti tobulinimu kryptis.


Raktai: viešas sektorius (VS), verslo vadyba, naujoji viešoji vadyba (NVV), žmogiškiai iškėliai (ŽI), žmogiškiai ištekliai valdymo (ŽIV), ŽIV giliausiai, NVV lygis, ŽIV lygis.