legitimised the use of Public Sector Comparators to judge the value for money of public-private partnerships.

PA > conceptual impact on NPM
Performance audits can influence ideas about reforms and NPM reforms could be adjusted on the basis of performance audits (for example, being more attentive to the possible trade-offs between performance and ministerial accountability in outsourcing decisions or decisions to create agencies; being more attentive to the limitations and negative side-effects of instruments such as strategic planning, performance measurement; ...). The above-cited literature on role conflicts (Jacobs 1998, Mulgan 2001, English 2003, Funnel 2003, Pailot 2003) is also relevant to demonstrate some forms of conceptual impact.

Conclusions

The existing evidence about the relationship between NPM and PA/SAIs may be summarised as follows:

- the (direct) relationship between NPM and the rise and diffusion over the world of (external) performance auditing is not so clear;
- the nature of performance auditing (methods of selection of topics, types of audits, methods of data collection, norms) is probably influenced by NPM;
- NPM has probably influenced management practices within SAIs (for example, performance measurement);
- NPM has probably reinforced role conflicts within SAIs (for example, conflicts between the ‘accountability’ role and the ‘improver’ role);
- there is evidence that PA has also had an influence on the implementation and adjustment of NPM reforms.

Figure 15.1 showed a shift from the first pyramid to the second. According to the NPM logic, shifting to the second pyramid constitutes a reform programme. However, some of the ‘solutions’ have resulted in new problems such as: administrative overload; dysfunctional effects of measuring, incorporating and using performance information; new tensions within organisations (for example, inspecting and counselling); competition for people between internal and external audit organisations; conflicts between public and private actors (SAIs and private sector consulting and auditing firms). As a consequence some countries have reversed this shift partly; for example by reducing internal audit, or by applying the performance logic in a pragmatic and reduced way (‘comply or explain’ in the Netherlands), or by moving to single audit principles. This proves that the NPM–PA interaction is multidimensional, sometimes ambiguous and definitely dynamic in its changing nature. This makes it a necessary topic for researching public sector reform.

Managerialism and Models of Management

Martin Painter

Introduction

Managerialism is a belief system that highlights the role of management and managers in providing solutions to social and economic problems (Pollitt 1990, Clarke and Newman 1997, Deem et al. 2007). At the root of managerialism is the assumption that in any enterprise or organization, managers are the most important people – more important than bureaucrats, clerks, accountants, teachers, doctors, nurses and so on. Private sector experience is, for the most part, depicted as the fount of most practical management wisdom, as it is argued that only in the face of market competition do core managerial values – efficiency, cost-effectiveness, quality, flexibility and so on – become imperatives, compelling managers to learn from mistakes and to innovate (Downs and Larkey 1986: 20–21).

Management as a distinct function in the modern workplace developed along with industrial mass production and it has been associated primarily with control and coordination of business enterprises. But increasingly in the twentieth century, management became associated with the reform and modernization of public sector organizations, a process which has been labelled ‘managerialization’ (Clarke et al. 2000: 6–10). Managerialism took strongest and earliest roots with respect to government administration in the USA. From the USA, management doctrines in government spread to other Anglo-Saxon countries and beyond. Generic management models in one form or another have been looked to as answers to many different problems of modern government, including controlling and administering the large-scale, complex mid-twentieth-century welfare state (Pollitt 1990); enhancing the accountability and responsiveness (as well as effectiveness) of conservative-minded public bureaucracies so as to make them better instruments of progressive reforms (Royal Commission on Australian Government Administration 1976); and cost-cutting and retrenchment in the Reagan/Thatcher eras and in the aftermath of the most recent financial crisis.
Managerialism as a movement is thus both older and also more diverse than NPM. NPM comprises a quite specific set of techniques, emphasizing the marketization of public service delivery. It has been labelled ‘new managerialism’ or ‘neo-liberal managerialism’ (Deem et al. 2007: 8). In Australia in the 1980s and 1990s, both ‘corporate management’ and ‘market bureaucracy’ (‘old’ and ‘new’ managerialism) appeared alongside each other as reform themes (Considine and Painter 1997). Following what some saw as the excesses of NPM, we are now in a phase of ‘post-NPM’ managerialism, emphasizing such things as partnerships, ‘joined-up government’, ‘network governance’ and ‘collaboration’. The flexibility of managerialism in absorbing or generating new ideas and models is one of its distinguishing features. Indeed, in pursuit of new mechanisms of control and myths of success, managerialism often seems to value ‘change for its own sake’.

The rest of this chapter follows four inter-related themes: first, it traces some of the intellectual roots of managerialism and explores the nature of the ‘science’ of management as a basis for managerial thought; second, it reviews debates about the appropriateness of managerialism in the public sector; third, it looks at some specific models and ‘recipes’ of managerialist thinking and practice; and fourth, it explores how these models have been translated into public management reforms in recent years in different contexts. The trajectory of managerialist thinking and practice as applied to public sector reform in recent decades is a global phenomenon, albeit with considerable variation in different contexts. Despite the ups and downs and swings of fashion in managerialist thinking, the core beliefs continue to drive much of public sector change and reform.

A Science of Management?

Both scientific research and practitioner wisdom provide managerialism with its doctrines. As Hood (1998: 173–174) points out, any ‘what to do’ set of ideas about complex social organizations, such as models and recipes for public management, are likely to resort to methods of persuasion other than truth claims based on scientific method – their rhetorical content is just as significant. At the same time, management thought has relied heavily on key breakthroughs in social science research, and we can identify a number of major strands or schools of management thought from these origins. Four such schools of thought will be briefly discussed: scientific management, human relations, system thinking and economic theories of organization.

F.W. Taylor’s Principles and Methods of Scientific Management provided the basic text for the ‘classical management school’. Taylor claimed that the scientific design of working environments, including pay and incentive schemes, could radically increase an individual’s productivity and lower costs. Drucker (1976) asserts that Taylor was as important as Karl Marx and Sigmund Freud in his influence on the modern world. Pollitt (1990: 16) argues that ‘neo-Taylorist tendencies’ strongly influenced the direction of management reform in the UK in the 1980s and beyond, including such things as pay-for-performance. Taylor remains a controversial figure among scholars of management, being accused of ‘dehumanizing’ the workplace through mechanistic forms of control; on the other hand, he continues to have many defenders (Wood and Wood 2002).

Some of the more seemingly mechanistic tendencies of Taylor’s prescriptions for reforming the workplace were challenged by a series of findings from the ‘Hawthorne Studies’ of the late 1920s. The work of their principal author Elton Mayo (1933) and other industrial psychologists made claims about the importance of informal aspects of organizations, as well as their formal structures and incentive mechanisms. Mayo found that incentive schemes could have opposite effects to those intended, because groups of workers cooperated informally and adopted defensive strategies. This informal dimension of organization and the emphasis on group relations inspired the human relations school, which argued that managers must give more attention to the human needs of employees. Workplaces contain ‘natural groups’ and workplace performance rests as much on the satisfaction arising from membership of these groups as on the rewards and sanctions provided by the formal organization. Management techniques favoured from this perspective include flatter structures, more cooperation and greater employee participation. Yeatman (1987) argues that managerialism in its late-twentieth-century manifestations in Australian public sector reforms combined scientific management with human relations approaches, with an emphasis on both economizing and efficiency-related aspects of management and also ‘soft skills’ such as negotiation, communication, networking and stress management. Total Quality Management (TQM) echoes some of the ideas of the human relations school, seeking to internalize quality control as the responsibility of all workers through teamwork, not something to be imposed by control and inspection (Deming 1994).

The third set of ideas, loosely labelled system thinking, covers a very wide range of theories about decision making and organization. System thinking came to the fore in the 1950s and was particularly influential in government circles, as the origin of some of the ideas was in US military planning. One branch of system thinking, cybernetics (Ashby 1956), gave birth to ideas such as homeostasis, feedback loops and the ‘law of requisite variety’ as general principles reaching across natural, technical and social systems. System thinking has had wide-ranging impact in both highly technical management disciplines such as operations research and also in ‘softer’ fields such as human resource development. In organization theory, systems thinking also gave rise to the stress on how organizations adapt to their environments. From this viewpoint, ‘contingency theory’ attempts to identify the appropriate structures and processes for dealing with specific tasks under a particular set of environmental conditions (Woodward 1965, Pugh and Hickson 1976, Donaldson 1995: 32–41). Rather than a ‘one-size-fits-all’ approach, contingency theory looks to management solutions that are more tailored to the specific situation facing the organization. A contingency view of management places the onus on managers to scan their environment, strategize and consult stakeholders.

System thinking also led to an emphasis on planning and strategy, including the introduction of programme budgeting, management by objectives and policy
analysis in the 1960s and 1970s in US governments. These approaches to public management presumed a collective capacity to make rational, forward-looking decisions and drew on decision-making theory. Herbert Simon’s name is the one most often mentioned in the context of organizational decision theory. One of his most influential ideas is the concept of ‘satisficing’ (March and Simon 1958: 137–172) – that is, the way in which cognitive limits to decision making lead to strategies that fall short of optimization, but nonetheless are ‘organizationally rational’.

The final school of management thought to be mentioned is perhaps the one that has most contemporary relevance and influence: economic theories of organization. This way of thinking about management emerged somewhat independently, Donaldson (1998: 177–179) notes that many of the economists who theorize about management for the most part ignored previous contributions to organization theory. The most influential economic theories of organization are agency theory and transaction cost theory (Jensen and Meckling 1976, Williamson 1985). The first sees most management situations as problems of contracting between principal and agent, both of whom are conceived as self-interested utility maximizers. The trick of successful management is to get the carrots and sticks and the monitoring mechanisms right. Most often, the agent has the power of holding vital information as a result of being on the spot, and thus has many opportunities to cheat and shirk; the principal has the power to command and monitor and must provide the agent the right incentives to align the latter’s interests with those of the principal. In transaction costs analysis, organizations are seen as a solution to market failure arising from close inter-dependency between two transacting parties. Such inter-dependency is open to abuses and to the costs arising from haggling, giving rise to the need for various remedies to align incentives and avoid ‘rent-seeking’.

Economic theories of organization provide the intellectual inspiration for NPM, through instruments such as internal markets and contracting out. The entrepreneurial manager, whose work is deliberately structured to expose her to competition and risk-taking, is the new exemplar. One authority on management theory argues that this brand of management thought is in fact ‘anti-management’ (Donaldson 1995). Economic theories of organization treat managers as crooks rather than heroes. Most other schools of management thought by and large presume that managers are motivated by the desire to achieve the purpose of the organization. Economic theories of management may be said to be ‘anti-management’ also in the sense that all their prescriptions for successful management presume that a market solution would be the best. However, entrepreneurial management and market bureaucracy have become important tools and techniques of managerialism in the public sector.

The existence of a science of management with roots in academic research and social or psychological theories, while it creates a seeming confusion of different ideas and models, is nevertheless a source of respectability for managerialism. Also important for lending legitimacy is the existence of a global industry of management education training, centred on the world’s leading universities. They offer a standardized global product, the Master of Business Administration (MBA), marketed on the basis that acquiring a prestige MBA has direct benefits in pay and rewards for the recipient. The MBA is sometimes a prized qualification for public management jobs as well, with a templated multi-disciplinary curriculum that emphasizes practice as much as theory. Indeed, the ‘academic’ and ‘theoretical’ basis of management thought is often down-played in these programmes. One feature of MBA education is the use of case studies to exemplify successful practice.

Consultancy firms are also important legitimizing and disseminating instruments of managerialist thought and practice. All large corporations, whether private or public, seem compelled to ‘call in the experts’ when they have a management problem, or want training in the latest ideas. The history of management consulting is intertwined with the history of business schools, with founders and partners being graduates and professors from schools such as Kellogg (Booz Allen Hamilton) and Harvard (Boston Consulting). The consulting industry boomed in the last few decades of the twentieth century, particularly in providing services to the public sector (Saint-Martin 2000, 2001: 590–594). International consulting firms played an important role in spreading the doctrines of managerialism and in bringing new ideas and fashions to governments across the world.

Management literature is voluminous and widely disseminated among practitioners, ranging from archetypical social science research in academic journals to ‘how to do it’ management guru texts displayed at airport bookshops. Andrzej Huczynski (1993) argues that these guru texts rely for their success on rhetorical devices rather than on the reliability or validity of their truth claims. Hood (1998: 176) makes a similar point, exemplified by the case of Osborne and Gaebler’s (1992) best-selling Reinventing Government, which makes copious use of anecdote and selective examples, or ‘fables’ of triumphant managers who turned sleepy public bureaucracies around. Another important source of management texts and manuals is the publications of international organizations such as the OECD and World Bank. They bring together current thinking and they pronounce on the current ‘state of the art’, seeking to promote ‘best practice’.

All these sources of managerialist ideas and models are global in their reach and have had profound effects, particularly in recent times, when the global circulation of people and ideas has accelerated. The clearest example of such a direct transfer of management theory into managerialist practice was the introduction of public choice economics (agency theory and transaction cost theory) into New Zealand state sector reforms by a small group of Chicago-trained Treasury economists in the mid-1980s. The sudden U-turn this represented for New Zealand, from a progressive, corporatist, statist tradition to a radically marketized system of government, was triggered by economic crisis and a change of government, with the radical new ideas ready-to-hand as reform became urgently necessary. What this illustrates, though, is not that managerialism is characterized by enjoying a ‘direct line’ to the latest ‘scientific’ theories of management, which in the right circumstances prevail over less ‘truthful’ or inappropriate models. Hood (1998: 190–191) uses this example to argue that the frequently noted phenomenon of ‘fads’ and rapid ‘pendulum swings’ in public administration may be a form of ‘cultural
shift', with new ideas suddenly becoming attractive at a moment of crisis because they are the polar opposite to an orthodoxy in decline and decay, and hence offer hope.

Managerialism and Government

The role and status of management and managerialism in public administration has often been a point of contention or, at least, of ambiguity (Pollitt and Bouckaert 2004: 8–9). Managers as administrative leaders may have to compete for control with others in a way that is quite the same as in the private sector. The claim that management is the most important function of these leaders is not self-evident. Other spheres of activity – in particular, policy (or politics) and the law – also make this claim. Policy overlaps with politics, so administrative leaders have to compete with political party leaders and other politicians in running government organizations. They routinely have to take politics into account in their own managerial activities. They may also have to compete with various ‘policy professionals’, some of whom give direct advice to political leaders. Formal roles and administrative cultures acknowledge these complexities, even in the face of managerialization.

As to the law, it is often claimed that the need for ‘legality’ is an overriding one and that this constrains the role and scope of management as an activity in government (Pierre and Painter 2010). Keeling (1972) embodied this point in his attempt to distinguish between ‘administration’ and ‘management’ in government, with the former concerned with review and enforcement of law, and the latter to do with the ‘best use of resources’. In most Continental European administrative systems, the notion that high-level administrative and policy work are governed primarily by law and that jurisprudence is the most important dimension of ‘statecraft’ often leaves managers and management sidelined. Indeed, the penetration of managerialism into the public sector is much more an Anglo-Saxon phenomenon, although in recent decades countries outside this sphere have increasingly adopted public management reforms in one form or another (albeit often with quite different results) (Ongaro 2009). These differences are also reflected in the conception of the nature of the subject as it is taught in universities. Universities in the USA and in the UK, for example, often teach ‘public management’ (sometimes in Business Schools) whereas Continental European universities are more likely to call it ‘administrative science’ or plain ‘public administration’ (Pollitt and Bouckaert 2004: 10).

It has often been argued as well that managerialism misconstrues much of the work of public administrators by conceiving of their work as if it were a ‘production process’. Under this conception, the policy-making and administrative processes are ideally decoupled through insisting that political control and accountability should be confined by and large to two functions: first, setting objectives and second, evaluating and adjusting policy based on assessments of results, or

1 The following sections draw on Pierre and Painter (2010).  

Managerialism and Models of Management

outcomes. Managers are left to get on with the rest of the ‘business of government’. In the business production model, each production unit has a core, unequivocal purpose or set of production goals related to its often narrowly defined purpose and a specific set of customers. As a consequence, ‘customer rights’ and ‘service quality’ receive primary attention, while wider democratic principles such as citizen entitlements or third-party participation rights are sidelined. Integration of goals and values across related service functions and activities in larger, more ‘general-purpose’ public service organizations, which are monitored by more diffuse and diverse sets of policies and values, is sacrificed to permit managers to focus clearly on a single set of service objectives and clearly defined clients or customers. The clarity and simplicity of marketplace expectations such as ‘good service’ and efficient production are preferred to the ambiguity and complexity of conflicting political and social values.

By contrast, in the traditional public administration model, politics and administration are kept distinct in theory but in practice are closely coupled through mechanisms of control and accountability that are in principle unified and consistent across the public sector (albeit in pursuit of multiple and sometimes conflicting goals and values). At the core of this system is a generalized hierarchy of political control focused on the political executive, embodying not only the immediacy of policy control over operational matters but also a clear principle that public administration is regulated through universal attention to procedure for the sake of core democratic values of equity and access. Customers are no more prioritized than the general citizenry or specific constituencies of stakeholders, represented in many guises through multiple accountability mechanisms. Diverse procedural standards are given pervasive but often shifting attention: economy, attentiveness, integrity and probity, accuracy and dispatch, promptness, fairness and equity, anti-discrimination, preserving the environment or local amenity and so on (Dunsire 1986: 337).

In this traditional model, the organization of government is often less concerned with allocating separate service delivery tasks to production units than with collecting together related functions and activities within more common-purpose, inclusive politico-administrative structures. Thus, in traditional public administration, large-scale bureaucratic organizations tend to predominate over more disaggregated units focused on particular clients. They facilitate procedural consistency and, where there is ambiguity, its resolution through hierarchical authority. Where this aggregation becomes too cumbersome, multiple accountabilities are often handled by ‘hiving off’ or ‘tackling on’ para-state organizations or local self-governing bodies that reflect particular communities of interest. If these concerns can be handled through a dispersal of authority and power, the democratic principle of organization is often preferred to more technical, efficiency-based managerialist values.

Managerialists in response to such views make two arguments: first, they argue that most of the work of government – for example, service delivery, infrastructure provision, immigration control – is, in fact, able to be conceived and organized as a production process with inputs, throughputs and outputs. There can be no
Managerialism and Central Reforms

Managerialism was an increasingly attractive set of doctrines for the organization and staffing of the public sector the faster government grew and the more services it delivered. In the USA in the 1960s and 1970s cost effectiveness analysis, programme budgeting and so on were applied at the same time as the federal government was expanding its role and introducing new programmes in poverty reduction, urban renewal and so on. These techniques were direct descendants of earlier managerial trends, beginning with the Brownlow Report in the 1930s and continuing through post-war initiatives in performance budgeting and efficiency analysis (Downs and Larkey 1986: 149–165). In the UK, a growing emphasis on the need for better management techniques across the senior civil service was evident in the Committee on the Civil Service (the Fulton Report) of 1968. The Report argued that there were ‘too few ... skilled managers’ in the ranks of the civil service, which was dominated by the ‘amateur, generalist or all-rounder’ (quoted in Saint-Martin 2000: 76). Fulton argued that the civil service as then constituted was incapable of managing the welfare state and needed to learn from the private sector. He recommended more interchange of staff and better management training. Fulton also recommended the setting up of planning units in each government department. Corporate planning was also the main theme of the Bains Report on management in local government in 1972 (Pollitt 1990: 41). In UK central government in the 1960s and 1970s, the Public Expenditure Survey (PESC) process was designed as a rational planning and resource allocation mechanism. A new Conservative Government in 1970, strongly influenced by a group of business advisers when in opposition, introduced a series of measures aimed at bringing better management to Whitehall, including setting up ‘super departments’ and undertaking more comprehensive rational policy analysis.
operated on a fully commercial basis, with no hidden subsidies and under an imperative to show a real ‘profit’ (or rate of return). The corporate governance models for these reforms were taken from the private sector. For non-commercial bodies, ‘agencyfication’ in the UK followed a somewhat similar logic: a large number of semi-autonomous agencies were hived off in order to bring wider spheres of government under a stricter ‘results management’ regime (Pollitt et al. 2004).

On one reading, this devolution of managerial control was an abdication of political responsibility by political leaders; on another, it was a common-sense ‘clearing of the in-tray’ so that politicians could get on with the more important matters of broad policy. On the one hand, the result was apparently ‘control over less’ (Christensen and Lægreid 2001a); on the other hand, it was supposed to bring better control over the most important things. The actual results show that things are more complicated than this. Politicians often prefer the detail, which is where the headlines are (indeed, ministers often intervened in agency management when it suited). In fact, they are generally very poor at forward-thinking and planning. In addition, the devolved agencies probably acquired much less autonomy than appeared on paper. It has been argued that the enhanced autonomization was in many cases illusory, as it was accompanied by new performance audit regimes that opened up another channel of control (Hood et al. 1999).

Managerialism also influenced personnel management. First, we have seen that Fulton in the UK (as well as Coombs in Australia, among others) favoured bringing in more private sector managers to the public service. This had sweeping implications if taken seriously, as it meant that traditional civil service systems, which relied on promotion through the ranks, would be opened up to ‘lateral recruitment’ into senior positions. In Australia, Canada, New Zealand and the USA, this was taken further with the creation of a Senior Executive Service in which members were trained in generic management skills as an elite group of executives, with mobility across departments. There would be more or less free movement in and out as well as within, with many on short-term contracts (rather than permanently tenured) and receiving performance pay. In many respects, the life and careers of public managers (on the surface at least) increasingly mimicked that of private managers.

At the same time that these managerialist reforms were taking place in budgeting, personnel management and the machinery of government, a parallel set of reforms was occurring in front-line public service production and delivery. It was here — in the ‘rowing’ rather than ‘steering’ parts of government — that NPM may have had the biggest impact. NPM reforms provided an armoury of managerial techniques for transforming public service production in ways that promised to save money, while continuing to provide high-quality service. These transformations were especially sweeping in the case of human welfare services.

Managerialism, NPM and Service Delivery

As a case of the influence of managerialism on public service delivery, the UK local welfare provision system provides a good example. The dominant welfare management model that emerged in the UK welfare state before the 1980s was a so-called ‘bureau-professional’ regime (Clarke and Newman 1997, Harris 1998). Professional teachers, health workers and social workers shared in a division of labour between ‘bureaucratic’ and ‘professional’ work. The ‘bureaucrats’ were relatively ‘hands-off’ in practice while the core work of production units was controlled by professionals. Administrators and clerks were there to do paperwork, while the professionals delivered the substance of the service. They often enjoyed considerable discretion and power, including over claims for resources to meet what they defined as the necessary standards of service. For example, social workers in local government enjoyed considerable day-to-day discretionary power as case workers, while local government was not very closely supervised by Whitehall. This ‘permissive supervision’ led to a ‘parochial professional culture’ (Harris 1998: 849).

This ‘bureau-professional’ model reflected a political-cum-administrative settlement in which the providers as professionals were delegated the key production roles. Citizens were cast as taxpayers who footed the bill or ‘clients’ for whom the services were designed (Deem et al. 2007). One problem with this ‘bureau-professional’ model was that it was expensive; another was that it gave citizens no active role. A third acknowledged and tackled in the managerialist measures described in the previous section — was that it militated against central strategic resource planning and control. In the New Right attack on the size of government in the 1980s, this system of professional autonomy was targeted head on at the level of the production unit, both as a source of profligacy and also as a system that stifled choice. Social workers themselves were the objects of criticism as the ‘front-line troops’ of an inefficient welfare state.

A different model for the production of public services emerged under the Thatcher government in the UK in the 1980s: provider agencies were organized more on business lines and exposed to competition; social workers were constrained to act within targets and under contractual arrangements, rather than purely as autonomous professionals managing their ‘case load’; strategic planning was undertaken centrally to set the targets and ensure that social workers followed new priorities of entitlement and service quality and kept to a strict ‘bottom line’ to ensure savings; and the bureaucratic control structure was ‘delayed’ so as to produce a leaner, more direct principal-agent system of monitoring of results. Social workers themselves had to internalize managerialist norms and practices so as to be part of the systems of gate-keeping and rationing. Information technology enabled the adoption of standardized on-line procedures and forms to facilitate these new controls, including workload measurement. This ‘de-autonomization’ of the professional-dominated production units of the welfare state took place in a setting where central government not only mandated marketization but also found new ways to control and squeeze local government authorities more
generally. Auditing, league tables and benchmarking were intensified to keep local production units 'up to the mark'.

Post-NPM Managerialism

One problem with neo-liberal managerialism was an illusion of choice when provision was being squeezed and budgets were being cut. NPM alone could not deliver the cost savings (indeed, many argue that there were sometimes cost increases due to some of the measures, such as contracting out (Downs and Larkey 1986)). Marketization did not always result in multiple providers competing on quality but rather in stratagems such as 'creaming' (searching out cheap clients because they would be less of a 'problem' to managers) so as to exceed performance targets. Another problem was that the squeeze on public services, particularly where they were enjoyed by the middle class, brought unpopularity to elected governments. Following the election of the first Blair government in the UK, the new priority was not to cut and economize but to offer better access and higher quality in public services. This brought a change in rhetoric the highlighted themes were 'personalization', 'co-production', 'localization' and 'partnerships' between public and private actors. Community participation would give consumers real power, unlike the imaginary power of a lone consumer in an imperfect market. New 'hybrid' organizational forms at local level evolved with novel public–private mixes, producing more of a 'network-style' of governance involving complex 'boundary-spanning' activities. The market was still evident, but it was now overlaid at the local level with various forms of collaboration and cooperation. At the centre, a more elaborate set of managerial tools was developed in pursuit of quality – in particular, a proliferation of performance metrics. This was more an intensification of previous trends than a departure, however. Minimum standards were increasingly defined in terms of results and outcomes, such as examination pass rates in local schools, in order to bring about improvements in quality.

Also at the centre, 'joined-up government' became the new mantra, emphasizing the interconnectedness of people's problems and the need for an integrated approach in dealing with them, as distinct from the kind of disaggregation implied by NPM (Bogdanor 2005, Christensen and Lægreid 2007b). A feature of the move towards joined-up government was a reassertion of confidence in government itself after a period of market-leaning thinking (Perri 6 et al. 2002: 42–45). In this sense, joined-up government was part of the post-NPM reaction to some of NPM's failings. But the idea was not revolutionary or profound and promised little staying power as a set of organizing themes for reform. Rather, there was a rediscovery of older themes concerning the need for coordination (Hood 2005b).

One significant feature of post-NPM managerialism is that many of its features are the product of learning from the failings of NPM. In this regard, they are managerial lessons based on public sector experience and models, rather than being yet one more round of private sector imports. Post-NPM might be said to be a 'new generation' of public sector managerialism. It already has its gurus and its texts, most notably Mark Moore's Creating Public Value (1995). Moore takes the distinctiveness of public management as the starting point. Topics covered in his text include mobilizing support; advocacy and negotiation; 'political management'; and 'ethical challenges of public leadership'; as well as more conventional managerialist themes such as 'reengineering organizations' and 'defining organizational mission and product'.

Recent writers on public management have associated the 'public value' approach with post-NPM reforms and with such features as 'networked government' (Stoker 2006a, Alford and O'Flynn 2009). Here, post-NPM managerialism has affinities with the rhetoric about 'new modes of governance'. Features such as blurring of lines between public and private sectors are viewed as part of a broader phenomenon. From this standpoint, there has been a set of challenges to the power and authority of the state, one symptom of which is the emergence of new, 'non-state' ways of organizing, such as networks that cross national and state boundaries (Pierre 2000). Such 'network governance' contains elements of new forms of managerialism, calling on the softer managerial skills of negotiation and other modes of networking and on mastery of new internet technologies which permit wider participation, greater spontaneity and enhanced flexibility.

Conclusion

Managerialism has not lost its hold on public sector reform in the post-NPM era. However, it may be the case that managerialism itself is going through a new phase as a driver of public sector reform. Public management as a profession and public managerialism as a body of doctrine may be coming of age. The advocates of 'value management' do not deny the relevance of private sector models and NPM-style delivery mechanisms, but see them pragmatically as one set of tools available in a larger tool bag. To take a longer view, perhaps it is also true to say that public management is re-discovering some of the doctrines of pre-NPM public administration – such as the importance of law and politics – and applying them in the new context of post-NPM, networked governance.