

The New Public Management Towards a Strategic Approach to Management Control : Case of Public Establishments and Enterprises in Morocco

Le nouveau management public vers une approche stratégique du contrôle de gestion : cas des établissements et entreprises publics au Maroc

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Abstract

The public and private sectors have both the two insiders of the modernizing reforms to meet the pressing needs of citizens and align the economic and social infrastructure of the country with the environmental changes. The Moroccan state has integrated the principles of New Public Management to optimize the management of the public property, and to establish management methods focused on the value creation. This article explores the contribution of the New Public Management to the evolution of management control to a strategic lever, which exceeds its strictly financial dimension, to improve the overall performance of the Public establishments and enterprises in Morocco. By analyzing the effects of these reforms, we show how a results-focused approach can transform administrative practices, strengthen governance within public institutions and increase citizen satisfaction. This approach makes it possible to establish clear performance indicators, hold public managers accountable and encourage innovation in administrative processes.

Keywords: New Public Management ; Public Establishments and Enterprises ; Management Control ; Steering Strategic ; Performance.

Résumé

Les secteurs public et privé ont tous les deux initiés des réformes de modernisation afin de répondre aux besoins pressants des citoyens et aligner les infrastructures économiques et sociales du pays avec les évolutions environnementales. L'état marocain a intégré les principes du Nouveau Management Public pour optimiser la gestion des biens publiques et instaurer des méthodes de gestion axées sur la création de valeur, répondent ainsi aux attentes des citoyens. Dans cette optique, notre présent article vise à explorer la contribution du Nouveau Management Public à l'évolution du contrôle de gestion en un levier stratégique, dépassant sa dimension strictement financière, en vue d'améliorer la performance globale des Établissements et Entreprises Publics marocains. En analysant les effets de ces réformes, nous montrons comment une approche axée sur les résultats peut transformer les pratiques administratives, renforcer la gouvernance au sein des institutions publiques et accroître la satisfaction des citoyens. Cette approche permet de mettre en place des indicateurs de performance clairs, de responsabiliser les gestionnaires publics et d'encourager l'innovation dans les processus administratifs.

Mots clés : Etablissement et Entreprises Publics ; Nouveau management public ; Contrôle de gestion ; Pilotage Stratégique ; Performance.

Introduction

Organizations operating in a complex and ever-changing environment are forced to perform successfully to preserve their competitive advantages. Organizational environments can present both opportunities and risks. Even though the future is unknown and difficult to predict, managers must evaluate their surroundings to anticipate and, if possible, influence environmental change.

The environment has experienced organizational, technical, and financial disruptions in the previous few decades. The management techniques must be updated and developed to keep up with these changes. This suggests a deeper comprehension of internal organization to get the intended results. Emery (2005) asserts that the pursuit of optimal performance, which is connected to the outcomes, is what distinguishes management. This definition of performance considers not just financial and economic factors, but also social ones. All organizational functions must update and participate to accomplish this.

Hamel et al. (2008) claim that management innovations give businesses a competitive edge and help them stand out from the competition. This differentiation stems from the fact that, in contrast to process or product advancements, this type of innovation is hard to duplicate and transfer (Nobre, 2013a). particularly the introduction of novel management techniques that encourage businesses in the public and commercial sectors to set up a system of strategic management. This makes it possible to put in place an efficient management system, assess performance using indicators, coordinate, monitor, and evaluate tasks, maintain a continuous improvement strategy, and provide value. The ability to foresee changes in the environment and modify current services and procedures in response to changing client demands, technology advancements, and market dynamics is what creates value.

The Moroccan public administration has undergone numerous reforms in recent decades that have been implemented in a variety of fields of activity. These reforms have made it possible for new forms of governance to emerge, most notably the New Public Management (NPM), which was created to promote the responsible use of public funds to deliver high-quality services to the populace.

The New Public Management has been developed to promote the culture of performance in public institutions and offer a variety of tools for its adaptation to different contexts. The

difference with the current language of public administration (concepts of rules, regulations, and decision-making process), the NPM focuses on the achievement of pre-established goals and performance evaluation (Savoie, D.J., 2006). As pointed out by Hughes (1994) and Hood (1991), the NPM puts more emphasis on the objectives and the achieved results, rather than focusing on compliance with the rules. This approach has encouraged the implementation of several structural reforms, including the Organic Law related to Finance Laws (LOLF), which aims to modernize management practices, with a particular emphasis on management control. These laws enforces the requirement to strengthen the control of management in Moroccan public organizations to better track their performance and identify areas of improvement, which is of significant interest (El Kezazy & Hilmi, 2023).

According to Burlaud and Simon (1997), Book and Prequeux (1999): In public organizations, the control is done by the application of rules and procedures, which corresponds to a steering mechanics. More so, the Moroccans Public Establishments and enterprises have many gaps in their use of management control systems. They lead us to wonder how the adoption of the principles of NPM influenced the evolution of management control in the public sector aimed at improving the overall performance?

This study adopts a methodology based on a review of the literature and an analysis of public policies and the various reforms implemented and their impacts on the performance of public establishments. This approach helps to understand both the theoretical and practical aspects of NPM reforms.

First, we will explore the principles and contributions of New Public Management (NPM) by detailing the fundamental concepts and underlying theories. Next, we will discuss the specific context of Moroccan public institutions, highlighting the reforms and management practices adopted. Subsequently, we will present the conceptual model illustrating the strategic role of management control within the framework of NPM.

1. The research of overall performance: The concept of New Public Management

1.1. Organizational performance: A multidimensional approach

Since the beginning of the 20th century, the schools of thought in management have tried to decode organizational behavior to better understand and accelerate the multiple facets of performance. **Table N°1** summarizes the perspectives of many authors on the concept of the performance:

Table N°1: The different perspectives on Performance

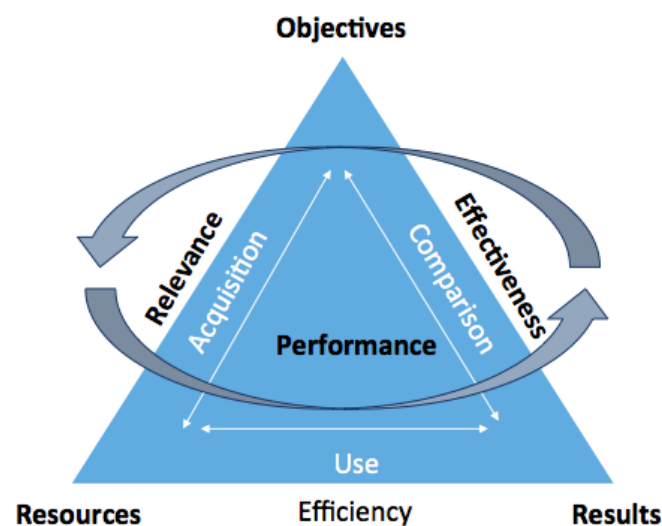
Authors	Perspective on performance
Gilbert (1980)	Performance represents efficiency in a linear relationship between the desired objectives, the resources necessary to achieve them and the results.
Morin et al. (1994)	The effectiveness of an organization is measured by its longevity (financial viability, product quality, regional and global competitiveness), its economic efficiency or added value (productivity, resource efficiency), its value for its human capital (social climate, remuneration, employee mobilization development) and its credibility with external groups.
Morin et al. (1996, p. 7)	Performance can be defined in various ways depending on the values, training, status, and experience of the evaluator. A variety of indicators can be used to evaluate performance, the interpretation of which will depend on the decision-maker, his goals, and his time.
Bourguignon A. (1996)	Regardless of the type and variety of organizational objectives, performance refers to their achievement. Performance is multifaceted and reflects organizational objectives; it is arbitrary and dependent on the chosen referents.
Lorino P. (1997)	Performance in the company, everything that helps to achieve strategic objective.
Marmuse C. (1997)	Performance takes more into account various convergent factors than simply assessing the viability of an investment for the company or the investor
Reynaud J-D (2003)	The overall performance of an organization includes social performance, economic performance, and environmental performance.
Plane J-M (2006, p. 19)	Performance is divided into six challenges: (1) cost management; (2) quality, which is the search for customer or user pleasure; (3) time, which is the ability to act quickly; (4) innovation, which is the ability to rely on the creativity of employees; (5) variety, where consumers seem to conflict with the notion of standardization economics, which suggests that innovative ideas can be linked to obvious things and (6) flexibility in order to adapt in a competitive environment.
Chatenay Y.(2008, p. 19)	Performance is the achievement of objectives according to pre-established levels of quantity, quality, cost, and deadline.

Source: Authors

Other authors have attempted to characterize the performance under different headings based on this description. In a first context, we will focus on the perspective of Gilbert, who represents

a classic approach and traditional performance. This perspective defines the performance in terms of output indicators, related to the profitability of investments. According to this definition, the performance is to put in place actions and ways that promote cost-effectiveness (Cohanier et al., 2010). It also includes the concepts of effectiveness and efficiency, which are sometimes considered to be synonymous with the performance, even as the objectives to be achieved. Gilbert model (1980) summarizes this classical approach to the performance through the performance triangle (see **Figure N°1**).

Figure N°1: The performance triangle

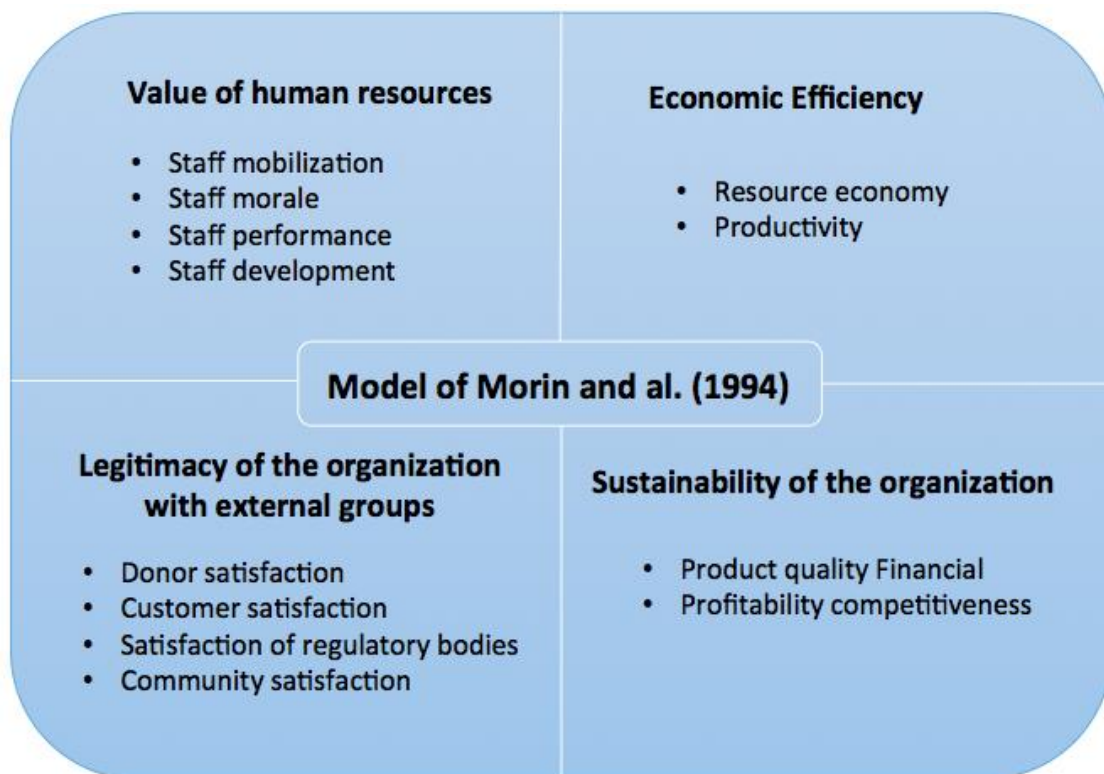


Source: Gibert (1980)

According to this model, also called a model in a short loop, the relationship between the goals and the results defines the efficiency. This helps to determine if an organization can achieve its predefined objectives. Similarly, the relationship between the results and the ways defines the efficiency by measuring whether an organization achieves its objectives with the minimum of resources and costs. Finally, the relationship between the means and objectives, and indicates the relevance and can determine if an organization has good resources to achieve its goals.

In a second context, Morin et al. (1994, 1996) offer an alternative organizational performance approach that integrates many performance characteristics and adapts better to a variety of organizations. This approach is built upon four key pillars, as shown in **Figure N°2**:

Figure N°2 : Morin et al. Performance's Model.



Source: Morin and al., (1994)

This model shows a strong relationship between each of the four pillars: economic efficiency, organizational sustainability, human resources values, and legitimacy of the organization among external groups. The authors demonstrate that organizational effectiveness is the result of four characteristics that can be combined in a "political arena" to produce results that meet the expectations of stakeholders. This model reveals the multidimensional nature of the organizational performance, which appeared in the light of the theoretical development.

Over time, this diversity of dimensions is primarily due to the evolution of the performance evaluation criteria. Performance has evolved from being purely financial to being organizational, from being objective to being social, and from a means of measurement to being a tool for management (Saulquin & Schier, 2007).

The evaluation of organizational performance requires information on several aspects such as the financial, economic, technological, social, political, cultural, and environmental.

Performance goals focus on the results of the organization, whether it is quality, price, market share or profit. These objectives are often identified as key performance indicators (KPIs).

This prior research shows that the multidimensional nature of the concept of performance is frequently illustrated by the scorecard proposed by Kaplan and Norton (1996, 2001a, 2001b, 2007, 2008), which includes measures reflecting the performance's four aspects:

- **Financial performance**, which is evaluated using parameters such as the profit margin on sales, return on investment, return on capital, the action 'worth and its benefits.
- **The performance of the customer-centered** measures the value propositions made to the targeted customers, including the proportion of the market that is both absolute and relative, the efficiency of goods or services and a satisfaction of the customers.
- **The effectiveness of the business processes** that depend on the operational efficiency measures, such as the continuous improvement of the production process.
- **The effectiveness of the human resources and innovation**, as the measures taken to ensure the development of human capital, the number of trainings offered to employees or the strengthening of research and development.

Thanks to the multi-dimensional approach, many of the tools of evaluation and analysis of the performance will be developed. However, it is crucial to try to understand the underlying principles first, to comprehend how to steer performance in an uncertain environment rather than just measuring it.

1.2. Main Management theories in the Public Sector

The concept of Management in the public sector relies on several main theories that guide the design and implementation of the control and governance systems (El Kezazy & al. 2024). These theories provide a conceptual framework for understanding and improving organizational performance in public institutions. The main theories in relationship with the concept of Management in the public sector are:

- **Institutional theory** developed by Selznick (1957) and DiMaggio and Powell (1983), highlights the influence of institutions and social norms on the management practices in the public sector. Public organizations are encouraged to adopt practices conform to social expectations to get legitimacy. However, it also underlines that such compliance is not always synonymous with operational efficiency. Thus, institutional Theory

highlights the need to find a balance between institutional legitimacy and the search of best management practices.

- **Agency theory**, which is, according to Michael C. Jensen and William H. Meckling (1976), a conceptual framework that is crucial to comprehending public management dynamics. It is based on the premise that public managers, as agents, may be subject to conflicts of interest in relation to the main actors, who are represented by the citizens or the government. To mitigate these differences, the development of mechanisms of control becomes imperative. These mechanisms include devices contracting, monitoring, and incentives to align the actions of the agents on the objectives defined by the major. Agency theory highlights the importance of governance and transparency to ensure accountability and efficiency in the public sector.
- **The Public Choice theory** established by James M. Buchanan and Gordon Tullock (1962) offers a perspective behavioral analyzing how public actors make rational decisions based on their individual interests. This theory highlights the importance of incentives and control mechanisms to influence the behavior of public actors. By focusing on maximizing their personal use, while achieving the collective goals, the Public Choice Theory emphasizes the need to develop devices of control of management that consider the motivations of individual actors within the public sector.
- **Contingency theory** initiated by Joan Woodward (1965) and enriched by other researchers such as Paul Lawrence and Jay Lorsch (1967) offers a perspective according to which there does not exist a universal solution in the control of management in the public sector. It postulates that the design of control systems must be adapted to the specific characteristics of each organization. The size, the complexity, the external environment, and the mission of every public institution, affect the way in which the control mechanisms should be structured. This approach stresses the need for flexibility in the design of control devices management to ensure their contextual relevance.
- **New Public Management theory**

The Theory of New Public Management (NPM) by David Osborne and Ted Gaebler (1992) are the major contributors, is emerging as a catalyst for change in public management, by introducing principles borrowed from the private sector. The results-based management, accountability, decentralization of decision-making, competition, and customer satisfaction become the pillars of directors. These principles are intended to modernize the practices of

public management by focusing on operational efficiency and the delivery of high-quality public services. NPM led to a redesign of organizational structures to better meet the changing needs of society.

The integration of these major theories offers a conceptual framework that is robust and comprehensive, allowing to identify the multiple facets of the challenges in the control of management in the public sector. It facilitates the development of tailored approaches, adapted to the particularities of each institution, promoting public management more efficient, transparent, and aligned to the strategic and social objectives.

1.3. The New Public Management: Principles and Contributions

In the literature, the public management has several definitions, where we will present the most relevant. Bertoli (1997), for example, defines the public management as " all of the finishing process, organization, coordination and control of public organizations aiming to develop their general performance and drive their evolution in the respect of their vocation ". It is based on the principle of contingency, which is a key concept in management. This concept refers to the adaptation of the processes and practices of management as a function of a variety of circumstances and challenges. In the public sector, it is crucial to find a balance between modernization efforts and the goal of promoting public action centered on the common good. This must be done while considering the factors that affect the motivation and loyalty of officials and citizens.

The neo-liberal theories created in the labs of reflection during the 1970s where the concept of NPM first emerged. This approach is based on two main aspects: On the one hand, it seeks to increase the productive efficiency of public administrations by reviewing their architecture and operational processes. Its goal is to improve the government's performance in carrying out its duties by implementing private-sector methodologies and tools. On the other hand, this approach also aims to restructure the management of public policies by establishing criteria to assess and measure the performance of public policies. The objective is to promote transparency and accountability in the decision-making process and increase the efficiency and effectiveness of governments to achieve their objectives in the field of public policy. In sum, the new public management seeks to introduce methods of more efficient management in public organizations, while preserving the fundamental values and principles of public service (Giauque, 2003).

In most industrialized countries, public institutions are subject to binding guidelines aimed to motivate them to change their mode of management by integrating practices like those of the private sector. The NPM has therefore emerged as a central idea in the reforms of state institutions (Politt & Bouckaert, 2004). Despite having started at the end of the 1970s, this movement has had a huge impact on the world at large, especially in the countries that were its forerunners. It is still growing today, even in the nations that were most recently associated (Diefenbach, 2009; Dunleavy & al, 2006; Desmarais, 2008; Huron, 2011).

The public choice theories, which emphasize the drawbacks of government intervention and hold that the market can solve social issues, form the foundation of the NPM movement. Depending on the nation, this movement takes on different shapes, but there are fundamental NPM components that are constantly present in public reforms meant to enhance performance (Politt, 2002). According Châtillon and Desmarais (2012), the search performance is an issue common to all the reforms related to the NPM, which consist of three main elements found in each of the reforms:

- **Managerialism:** according to Boyne (2003), Kirkpatrick and al., (2005), and Diefenbach (2009), According to the managerialism trend, cost containment must come before any study on the efficacy of government initiatives. Even though the initial NPM experiences focused on cost management, rationalization of spending is still essential for this current.
- **Accountability:** Barberis (1998) points out that the accountability axis is closely linked to research performance. It involves setting up of organizations which are independent and responsible for their actions and results, to encourage managerial methods and foster a performance-based culture in public institutions, if needed.
- **Contract:** According to Boyne (2003), this approach is reflected by the involvement of public action and working with a variety of actors. This requires that public bodies are involved in various networks of actors, through public-private partnerships.

According to Tullock (1976), the purpose of the theory of public choice is to offer a better understanding of the decision-making processes that govern the creation and distribution of public goods such as regulation, redistribution, and justice. This theory considers the motivations and the specific interests of the participants, whether they are citizens, employees, representatives, political or government officials, as well as systems of constraints, of sanctions

or rewards that have an impact on their action on the individual. The aim is also to study how these actions impact the well-being of society.

According to the research carried out by Hood (1995), Seven essential concepts make up the philosophy of NPM, which is centered on innovative public management based on long-term strategies and mobilizing the many actors and stakeholders of the civil society: first, it advocates the organization of the public strategic units. Secondly, it promotes the introduction of competition not only between the public institutions, but also between public and private institutions. The approach recommends a more disciplined and wise use of resources while aggressively pursuing alternatives to lower-cost production. It also encourages a greater use of management skills established in the private sector. The NPM places great emphasis on the notion of delegating decision-making responsibility to managers. In addition, this trend seeks to advance the measurement of outcomes and adopt more precise and quantifiable performance standards.

Many authors, including Laufer and Burlaud (1983), Hood (1991), Pollitt and Bouckaert (2000) and Gruening (2001), assert that the NPM philosophy focuses on the effectiveness, the efficiency and the quality of the services rendered by the introduction of new methods of management. One of these practices is investment, which requires that the public debt is allocated to capital expenditure. **Table N°2** presents the main differences between the Weberian and NPM administrations.

Table N°2: Weberian and NPM administrations

Type	Weberian Administration	NPM Administration
Objective	Respect the rules and procedures	Achieve goals, satisfy the customer
Organization	Centralized (functional hierarchy, pyramidal structure)	Decentralized (delegation of skills, network structuring, governance)
Sharing of responsibilities between politicians/administrators	Confused	Clear
Recruitment	Competition	Contract
Execution of tasks	Division, partitioning, specialization	Autonomy
Control	Monitoring indicators	Performance indicators
Type of budget	Means-oriented	Goal-oriented

Source : Amar and Berthier (2007), « Le nouveau management public » quoted by (Zaoudi A., 2021)

The modern environment, marked by industry globalization, financial and physical integration, and technological advancement, is too rigid for the Weberian approach. There is a real risk that the impersonal regulations will hinder the accomplishment of administrative activities. (Merton, 1957). Moreover, the concept of decentralization introduced by NPM enables organizations to become more independent, more flexible, and more reactive, unlike the Weberian bureaucratic model. With NPM, the sharing of responsibilities is clear. In a Weberian model, functions, policies, and administrative are often linked, the decisions made by the politicians may not be implemented without the expertise of bureaucrats. If this model is not necessarily problematic, the transition to an administration based on the NPM provides a better division between the two spheres. In this model, the government sets targets, while the bureaucrats and agencies (to whom responsibilities have been delegated in many countries) are responsible for their realization.

2. The New Public Management in Morocco: The management control at the level of a strategic piloting instrument

2.1. The New Public Management in Morocco: A Commitment in favor of structural reforms

Public organizations around the world have been subject to increasing pressure for better performance management, particularly since the introduction of the reforms of NPM towards the end of the 1980s. Governments have demanded more transparency and accountability in their use of public funds, which has guided the public bodies to adopt the practices of performance management in the private sector as a potential way to improve and demonstrate their own performance and their responsibilities. This evolution has been marked by the specification of strategic goals, which represent the reference to the setting of performance objectives to be published, to which public bodies are accountable for. It should be noted that since their foundation, public administrations and institutions have undergone transformations and modernizations.

The modernization of the Public Establishments and Enterprises in Morocco is a process aimed at the creation of modern organizations that contribute to the economic growth of the country, improve their efficiency, effectiveness, transparency, neutrality and promote good governance. To meet the expectations of citizens and to adapt the social and economic institutions of the country to environmental changes, the Moroccan government has undertaken structural reforms. This process of modernization was launched following directives of his majesty King Mohammed VI and the government's plan to meet the growing expectations of citizens, modernize the operations of the State and to adapt to globalization, competitiveness and minimize administrative costs to release more financial resources for public investments (pan-African Conference of ministers CAFRAD, December 2001) to facilitate the joint work.

According to the research of Mahir M. and Cherkaoui, M. (2017), NPM has emerged to solve the complex challenges that have hampered the management of public administrations in all aspects of their missions. Recently, the Moroccan context shown a willingness to adopt the principles of NPM, which is interested in the functioning of public organizations. To achieve this objective, the government has undertaken structural reforms to improve the performance of the public administration. These reforms aim to improve the quality of services offered by the public administration and its transformation into an administration focused on citizens.

The modernization and improvement of public action are fundamentally impacted by the reform of the public administration, which also records notable examples in the current political public administration. In this same perspective, NPM has been progressively embraced by the Moroccan government to make the organization more democratic and citizen focused. This transformation is evidenced by the implementation of various programs over the years.

In 1998, a management strategy has been put in place to streamline the management process, modernize public management, and promote the environmental transparency. From 2000 to 2004, a plan of economic and social development has been developed, laying the groundwork for the reform of the public administration. This reform included the reorganization of the departments, the strengthening of the administrative staff, the improvement of the human resources management and the development of administrative skills.

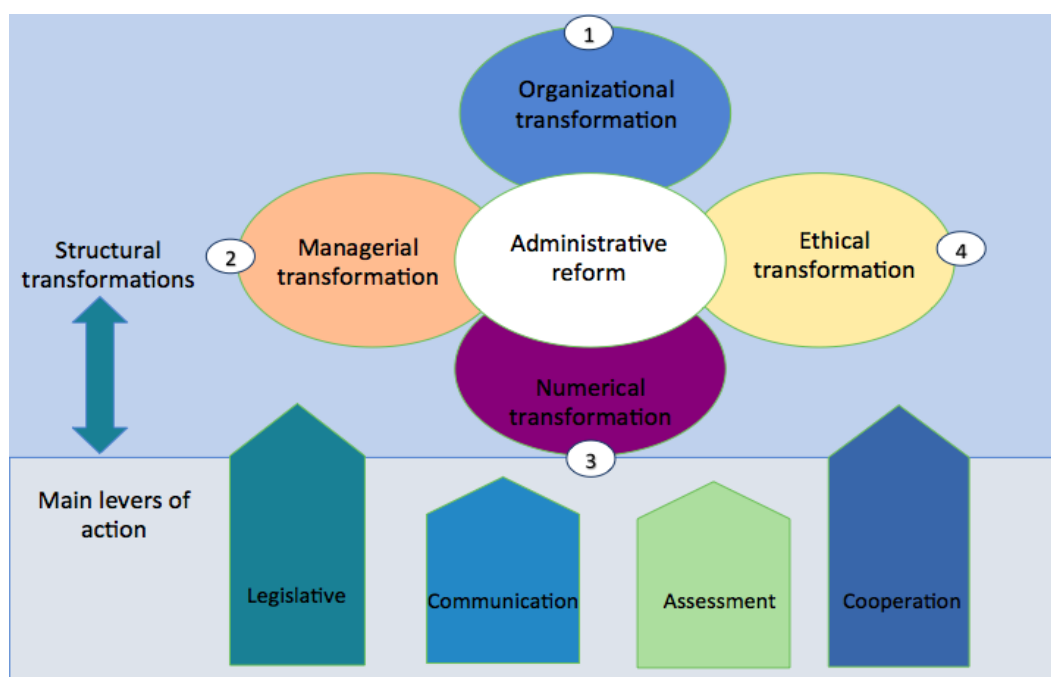
Between 2003 and 2011, a program of reform of the administration has been implemented in partnership with the African Development Bank, the world bank, and the European union. This program included, in addition to the budget reform, a component related to the improvement of the efficiency of the management of human resources. From 2011 to 2015, the Directorate of Training for Administrative and Technical Executives (DFCAT) has developed a strategic plan to provide ongoing training to municipal staff. The objective was to accompany the local elected officials, leaders, and representatives of the local authorities to develop their knowledge and skills in the field of local governance and emerging professional fields, in accordance with the 2011-2015 strategic Plan of the DFCAT.

More recently, the National Plan for the Reform of the Administration 2018-2021 has been implemented to make structural changes to the Public Establishments and Enterprises in Morocco. This plan is based on general guidelines aimed to improve public services and strengthen the trust between the administration and the citizens, in accordance with Mahir M. and Cherkaoui, M. (2017). This reform includes the modernization of the methods and tools of public organizations management, approaches to modern management inspired by the principles of NPM.

It is articulated around four axes of transformations complementary in which each of these axes is declined in the form of sub-projects of number 24 on the set of transformations considered:

- Organizational change, for the transformation of organizational structures to allow the different structures of the central and local levels to implement the public policies in an effective and efficient manner and to provide a quality public service to the user in accordance with the standards of quality.
- Management transformation aim of which was to review the management tools adopted by governments and upgrading.
- Digital transformation who has the aim of integrating new information technology and modern communication and generalize them to better manage the flow of information and to better serve the citizen.
- Transformation of ethics, translated by the principles of morality, good governance, and ethics in the everyday practices within the administration.

Figure N°3: National Administration Reform Plan



Source: Document of the National Plan for the Reform of the administration of the ministry of administrative reform and public service 2018/2021

These transformations affect different areas, including the organization, management, scanning and ethics. The ultimate objective is to reach a public management, high-performance and

strengthen the management control to meet the expectations of the users and facilitate genuine citizen participation in the governance of the public administration.

In parallel, a gradual approach was adopted for the implementation of the organic law relating to the LOLF, considering the skills of the managers. This strategy aims to ensure a smooth transition to the new provisions of the LOLF, by promoting a better understanding of the budgetary rules and NPM model. Since January 1, 2016, the LOLF is in effect, based on the pillars of the effectiveness, efficiency, and quality of public services. It aims to improve the performance of the public administration by replacing the management focused on the means by performance management. This transition enables the implementation of public policies and sectoral strategies of the reform plan, Moroccan, while strengthening the roles of key players such as the legislative and the executive, for a more efficient management, based on the principles of effectiveness, transparency, quality of services to citizens and soundness of public finances.

The economic reforms of recent years are part of an initiative to improve governance (Zaoudi A. 2021). This transition to this new mode of public management is a priority for the government to the ministry of Administration Reform and Public Service. This last, puts in place several development projects aimed at simplifying procedures and to transform the administrative services in electronic version. In the framework of the public administration reform in Morocco, this revolution in the functioning of the administration's goal was to increase transparency as well as good practices of public governance. The purpose of this reform is to modernize public management and focus on the results, the contracts and multi-year planning. By centering the manager and the citizen in the activities of Public Establishments and Enterprises, the goal is to modernize, streamline, optimize, and simplify the processes of public management. It also aims to ensure the financial security, and budget, as well as informing the citizens about the purposes, the associated costs, and outcomes of actions of public management.

This new management of the public sector in Morocco is based on the principles of performance management and results borrowed from the private sector. It is crucial to update the management practices by establishing methods for assessing the performance of public administrations to meet the new requirements. The guidelines of the LOLF are based on the fundamentals of performance management and results, hence the importance of modernizing

management practices and tools of measurement and evaluation of the performance by introducing the management dashboard. However, when the application of these management models in the public sector, it is important to consider the unique characteristics of the sector as well as the objectives which have been set for the Public Establishments and Enterprises.

And according to an analysis of the Moroccan Public Establishments and Enterprises, they are often considered as rigid that require more of the transversal, pulse, update, and consistency to achieve overall performance. This performance is justified not only by the quality and efficiency of services offered to citizens, but also for the optimal use of available resources. To achieve this goal, it is necessary to implement a process of management control for the main mission of public organizations.

2.2 Control of management is a discipline in development in the public sector

The management control is essential in any organization. It plays a dual role in contributing to the deployment of the strategy and ensuring its application by all members. Enriched by contributions from current behavioral, control of modern management beyond its traditional functions that focus on the manipulation. It is now positioning itself as a global tool management organization. Book (2010), Guy and Rouby (2003), Lorino (2001) and Simons (1994) point out in their work.

Book (2010) defines the organizational controls as the set of instruments used by leaders to ensure the coherence and effectiveness of the decision-making process, the development of action plans to the evaluation of the results. The control of management fits into this framework as an essential tool for:

- Ensure the alignment of the action plans with the overall strategy.
- Assist managers in the decision-making.
- Consolidate the plans and prepare the budget negotiations.
- Establish budgets, accurate, and relevant.
- Set of performance criteria for managers who will be in line with those of management (Book, 2010).

Management control is a relatively new discipline in the public sector, where its adoption has been installed progressively in recent decades. Previously, the control in the public services was

limited to a strict observance of the rules and procedures, which corresponded to a control of type "mechanics" (Burlaud and Simon, 1997; Book and Pesqueux, 1999).

Demeestère (2005) suggests, among the reasons of the management control in the public sector, the constraint of the optimal use of resources, the question of the quality of the service provided and the evaluation of the piloting of this quality, the coordination and coherence of the actions with the objectives pursued, in responding to the need for adaptation of the organization to the changes of the environment, and in the last place, the strengthening of the organizational learning.

Organizations put in place a management control system to meet a variety of goals, typically defined in terms of their strategy and communicated to all levels of the hierarchy. The objectives pursued by public and private enterprises differ. Demeestère (2005) points out that the private companies are interested in the power relations between individuals in a same value chain, while public organizations focus on the relationships between the stakeholders involved in a same public policy.

To achieve its goals, the organization must develop a strategic plan of action involving the different chosen actions. This plan should be organized in the form of strategic projects, defining the objectives, the means, the completion date, the responsible and the steering system to be able to measure and assess the degree of achievement of the results achieved against the objectives set for all by appealing to the instruments of management control.

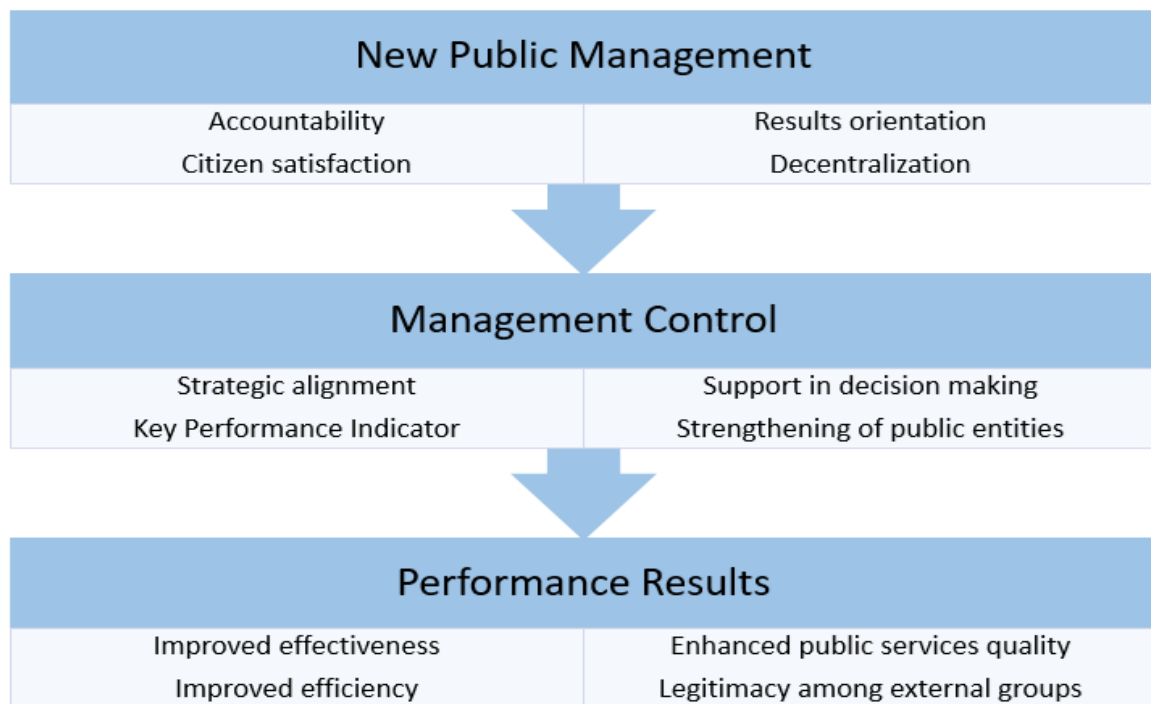
2.3. The evolution of management control to a strategic approach influenced by the New Public Management

As we have already mentioned before, NPM is a management philosophy that aims to transpose the practical and common methods of the private sector in the public sector, to improve effectiveness, efficiency, and accountability. Its evolution has led to a transformation of the control of management, from a simple tool of budgetary surveillance in a strategic instrument of control.

The conceptual model below illustrates the relationships between the principles of New Public Management (NPM), management control practices, and performance results in Moroccan public establishments. This model shows how the adoption of NPM principles influences the

evolution of management control practices, which in turn impact the overall performance of public establishments.

Figure N°4: Conceptual Model of Interactions between New Public Management, Management Control Practices and the Performance of Public Establishments



Source: Authors

The diagram highlights the interconnections between these key elements and shows how performance-based management can lead to better governance and tangible results in the public sector.

The NPM Principles directly influence Management Control Practices, introducing more modern and effective management methods and tools. Management Control Practices then directly influence Performance Results, thereby improving the effectiveness, efficiency and quality of public services. By adopting these principles and practices, Moroccan public establishments can better meet the expectations of citizens and improve their overall performance.

Here are the main roles of NPM in this transformation of the management control:

- **Strategic Vision:** According to Osborne, D., and Gaebler, T. (1992), NPM has brought a more strategic public management in aligning the objectives of the organizations on a long-term perspective. In this perspective, the control of management, as a management tool, plays an essential role in facilitating the monitoring and adjustment of the shares pursuant to this strategic vision.
- **Performance Orientation:** According to Hood, C. (1991), the control of management had traditionally been a dominant orientation towards the budgetary control. However, the advent of NPM, highlighting the performance, transforms the control of management as an instrument for the measurement, analysis and improvement of the effectiveness and efficiency of public initiatives.
- **Introduction of performance indicators:** The introduction of performance indicators is a key element of NPM, as described by Pollitt, C., & Bouckaert, G. (2011). This approach promotes the use of key performance indicators (KPIs) to enrich the dashboard and to assess the effectiveness of actions in relation to the objectives set. As a result, this heightens the effectiveness of the management control.
- **Decentralization and autonomy:** According to Bouckaert, G., and Peters, B. G. (2002), NPM encourages an increased autonomy of public entities. These entities can manage their resources with greater flexibility while being held accountable for their performance. In this context, the control of management becomes an essential instrument to ensure this responsibility.
- **Stakeholder Participation:** after Brorström, B. (2003), NPM recognizes the importance of stakeholder engagement. The management control adapts to include their feedback and their feedback, thus strengthening the relevance and effectiveness of the actions undertaken.
- **Overall assessment and systemic:** after Kloot, L., & Martin, J. (2000), NPM promotes a holistic approach and seeks to identify and exploit synergies between the different components of an organization. In this context, the control of management is evolving to incorporate this systemic perspective, analyzing the interconnections and potential synergies.

Using the lessons we have learned from this work, we can conclude that NPM has facilitated the evolution of management control, positioning it as a true strategic piloting tool that is vital to leading, adapting, and improving performance in the public sector. It incorporates performance indicators, guarantees public entities' accountability, and uses a holistic viewpoint to analyze interdependencies within public organizations.

These changes reflect the desire to bring public management into line with the evolving needs and rising expectations of the public and other interested parties.

Conclusion

Morocco's development model places a high value on Public Establishments and Enterprises because they provide a wide range of public services to both citizens and businesses. Additionally, they work on the implementation of strategic projects that support the region's socioeconomic development, the closing of regional gaps, international openness, and the encouragement of public and private investment in a variety of fields.

In contrast to the private sector, there is no direct competition for Public Establishments and Enterprises. They must, however, meet the demands of stakeholders and residents, who seek high standards of service and conscientious use of public funds. As a result, this kind of business needs to reassess its management methods and take a modernization approach.

A new era in the management of Public Establishments and Enterprises has been heralded by the integration of the New Public Management principles, which place a strong emphasis on performance, effectiveness, and accountability. The New Public Management has revamped management control as a crucial strategic instrument, concentrating on producing observable and quantifiable outcomes, departing from the previous method of merely creating a budget. Through the incorporation of performance indicators, the adoption of a long-term vision, the reinforcement of accountability while fostering autonomy, and the active involvement of stakeholders, management control has emerged as a key component of this novel managerial style. This development emphasizes how important it is for the Public Establishments and Enterprises to be responsive, flexible, and citizen centered.

This research has highlighted the significant implications of adopting the principles of new public management, both for managerial practices and for scientific understanding. From a managerial point of view, the integration of performance-based management and strategic

control mechanisms improves the accountability and effectiveness of public institutions. Scientifically, this study contributes to the ongoing discourse on public sector reforms by providing empirical evidence from the Moroccan context. Future research should explore the long-term impacts of these reforms on public service delivery and organizational sustainability. Furthermore, it is essential to study the challenges and potential limitations associated with the implementation of the principles of new public management in different cultural and administrative contexts.

Adopting more comprehensive technologies that offer a multifaceted approach is necessary to transform management control. This need is satisfied by the Balanced Scorecard, a holistic instrument that allows people to assess the organization's performance based on four factors: internal processes, learning and innovation, customers, and finances. Therefore, our next post will focus on the alliance between the New Public Management, control of reinforced management, and the potential of the Balanced Scorecard, highlighting potential synergies and the anticipated benefits for Public Establishments and Enterprises in Morocco.

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