



INFLUENCE OF NEW PUBLIC MANAGEMENT ON E-PERFORMANCE MANAGEMENT IN SRI LANKA'S PUBLIC SECTOR

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The success of any country is largely determined by the performance of its human resources. Nevertheless, Sri Lanka has shown a substantial performance decline where there is a growing gap between the expectations of citizens and the resources available for public services as the society is concerned that the public sector does not function effectively. The public sector faces challenges in increasing its effectiveness and the demand for better service quality in many developing countries such as Sri Lanka. This shift of focus towards continuous improvement and the considerable development in communication and information technologies over the years have all in combination created a need to understand the interaction of people and technology in organized public sector entities. As the electronically enabled performance management functionality enables accurate data analytics mostly with the use of HR analytics, it would result in improvements in the public sector performance. Thus, this concept paper aims to explore how far the New Public Management influence electronically enables performance management practices in the public sector in Sri Lanka while exploring whether electronically enabled performance appraisal practices are perceived as efficient by the HR professionals of the public sector in Sri Lanka. A qualitative methodology with the case study approach will be deployed with NVivo analysis to be adopted for thematic analysis to answer the research question. The study will adopt multiple case studies within the public sector of Sri Lanka. This study will select the unit of analysis as the organization, with purposive judgmental sampling strategy, where several public organizations would be chosen to explore its implementation of NPM where there is evidence of organizational activities and practices focused on performance improvements in public policies on process reengineering with e enabled Performance Management Practices in the Sri Lankan Public sector as implications. The implications would enable the New Public Management to be implemented smoothly, making the public sector more efficient through strengthened high-tech data driven technology-based public sector performance management.

Keywords: new public management, e enabled performance management practices, public sector in Sri Lanka.

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INTRODUCTION

In the contemporary knowledge based economic environment with the changing global context, we live in a volatile, uncertain as well as a chaotic world. The best example for this phenomenon is the present Sri Lankan context, where the political and economic conditions have deteriorated drastically which has in turn impacted on the performance of many organizations not only in the private sector but also in the public sector.

The success of any country is largely determined by the performance of its human resources. Nevertheless, Sri Lanka has shown a substantial performance decline, where in the recent past, the country had to declare even bankruptcy.

There is a growing gap between the expectations of citizens and the resources available for public services as the society is concerned that the public sector does not function effectively.

In addition, significant losses over the past years have incurred in the public sector up until now, and as a nation had to declare bankruptcy. For example, from 2006 to 2010, many public sector corporations recorded heavy losses: Ceylon Electricity Board (CEB) Rs. 109,855 million, Ceylon Petroleum Corporation (CPC) Rs. 12,052 million, Sri Lanka Transport Board (SLTB) Rs. 21,766 million and Sri Lanka Railways (SLR) Rs. 28,633 million. In Sri Lanka, both government expenditure and the public sector have increased despite the privatisation of some public ventures and this has resulted in a high budget deficit (Herath, 2013). Even in 2017, the Treasury Secretary Dr. R.H.S. Samarasinghe (2017), highlighting the issues in the public sector, said "it is observed that the majority of the institutions have not been able to achieve the expected targets within the relevant financial year. As a result, there is a discontent about public service delivery among people at present". This emphasizes that Sri Lanka is faced with a poor and inefficient public service which has prevailed up to now with the declaration of the Bankruptcy in Sri Lanka as a nation in the recent past. This is clearly seen through the many issues plaguing the public such as heavy public sector losses, customer dissatisfaction, increase in public expenditure, poor resource utilization and corruption.

The public sector faces challenges in increasing its effectiveness and the demand for better service quality in many developing countries such as Sri Lanka. In addition, it is faced with the intangible nature of public service and the complexity in inputs and outputs (Joyce, 1999; Kong 2007). Furthermore, the public sector will continue to experience change in the way it delivers services, depending on social, political and economic factors.

This increase in competitive tendencies, the development of the concept of quality, the shift of focus towards continuous improvement and the considerable development in communication and information technologies over the years (Taticchi, Tonelli & Cagnazzo, 2010) have all created a need to understand the interaction of people and technology in organized public sector entities.

With e enabled HRM, as HR analytics can be broadly seen as the interpretation of Human Resource Management data patterns that aid decision-making and performance improvement where electronically enabled HR analytics is defined as the process of measuring the impact of HR metrics, such as time to hire and retention rate, on business performance. The electronically enabled performance management functionality enables accurate data analytics mostly with the use of HR analytics, with the growing technological advancements, which may result in improvements in the public sector performance. This might enable the New Public Management to be implemented smoothly, on the development, planning and administration of the public sector employee performance management due to ease of data manipulation along with ease on updates, classifications



and analysis, making the public sector more efficient through strengthened high-tech data driven technology-based public sector performance management.

Thus, this concept paper aims to explore how far the New Public Management influence electronically enables performance management practices in the public sector in Sri Lanka?

Research questions

How far does the New Public Management influence electronically enable performance management practices in public sector in Sri Lanka?

Are electronically enabled performance appraisal practices perceived as efficient by the HR professionals of the public sector in Sri Lanka?

Research objectives

To study the influence of New Public Management on electronically enabled performance management practices in the public sector in Sri Lanka.

To study whether electronically enabled performance appraisal practices are perceived as efficient by the HR professionals of the public sector in Sri Lanka.

LITERATURE REVIEW

The New Public Management (NPM) concept was introduced by Hood (1991) and the concept frequently addresses the adaptation of the private sector management style in the public sector organisations (Aucoin, 1995; Barzelay, 2001; Dunleavy & Hood, 1994). NPM philosophy (Harel and Tsafir, 2002; Savoie, 2006) emphasises on the need to identify the similarities among the public and private sectors based on institutional theory (DiMaggio and Powell, 1991) which claims that public sector organizations adopt similar Human Resource Management practices to those of the private sector in order to gain legitimacy with regard to the demands for increasing cost-effectiveness (Vanhala & Stavrou, 2013). The institutional theory attends to deeper and more resilient aspects of social structure. It deals with the process by which structures, schemas, rules, norms and routines come into existence as authoritative guideposts for social action. It explores how they are created, diffused, adopted and adapted over time and space and how they fall into disuse. Although the ostensible subject is stability and order in social life, consensus and conformity, students of institutions can't but attend to; they must turn also to conflict and change in social structures, as Richard commented in 2004. If an individual performance management system is working well, it enhances organizational performance (Holbeche, 2003), restricts obstructive behaviours and supports desired behaviours (Reid and Hubbell, 2005).

In terms of addressing the above issues in the Sri Lankan context, the NPM concept emphasises on the view that public sector organizations can be managed in a similar way to the way private sector organizations are managed, which involves a number of reforms implemented in achieving the goals of an efficient public sector management (Blekkie, Enders & Lepori, 2011; Andrews & Van de Walle, 2013). To have a better public sector governance, the issues with higher public sector management costs were addressed with the New Public Management (NPM).

In an era which is strategically focused on data analytics and artificial intelligence with big data and so on, the professional standing of employee performance management is enhanced by the effective use of information systems used for Human Resource Management which is mainly enabled with information systems enabled HR dashboards and HR data analytics for effective decision making (Davis, 1989; Venkatesh, 2000; Venkatesh & Bala, 2008; Venkatesh, Thong, & Xu, 2016; Perera & Abeysekara, 2019). Electronically enabled performance management with human resource information systems enables faster decision making on the development, planning and administration of the human resource/capital management due to ease of data manipulation along with ease on



updates, classifications and analysis, making the human capital management to strengthen an organization's character (Venkatesh, Thong, & Xu, 2012; Venkatesh, Thong, & Xu, 2016; Perera & Abeyssekara, 2019). Thus, e enabled HR analytics allow HR professionals to make informed decisions and create strategies that will benefit employees and support organizational goals. In the Sri Lankan context, with the blessing of the financial muscle to invest in IT enabled infrastructure to facilitate the integration of all the input functions for the performance management decisions, specifically using e enabled HRIS to make these salient decisions utilised with the strategic use of public sector employees as per Siriwardene & Dharmasiri (2012). This may then can be used to drive high performance in line with the NPM concepts in the public sector in the Sri Lankan context.

METHODOLOGY

Considering the nature of this study and to answer the relevant research questions, a qualitative methodology with the case study approach was deployed to answer the research question because it allows a holistic and in-depth analysis of a complex phenomenon in its real-life context (Yin, 2014). Case study approach was selected over other methods, such as surveys or mixed methods as the study will adopt multiple case studies within the public sector of Sri Lanka as they are more relevant to an exploratory approach (Lesabe & Nkosi, 2007). Therefore, this method is precisely suitable for exploring NPM, which is complex and context dependent by its nature (Odhiambo-Otieno, 2005), and the case study approach would help to generate valuable insight. This would permit the identification of subjective meanings and experiences of participants, and the general criteria for using a case study are that it provides better understanding of how implementation of NPM is facilitated by HR practices mainly linked with performance management and performance appraisal practices in it. The data collection technique selected would be semi structured interviews in getting more in-depth information for a thematic analysis to be conducted in facilitating the case study method.

This study will select the unit of analysis as the organization, where several public organizations would be chosen to explore its implementation of NPM where there is evidence of organizational activities and practices focused on performance improvements with e enabled performance management practices. Therefore, this study uses a purposive judgemental sampling strategy (Patton, 1990) to include an in-depth study of cases that have adopted NPM in terms of E enabled performance management practices into some extent even, given the span of the public government organizations in the Sri Lankan context.

The Information and Communication Technology Agency of Sri Lanka (ICTA) and hSenid Joint Venture comprising hSenid Business Solutions (Pvt.) Ltd., Respere Lanka Pvt. Ltd. and WSO2 Inc. had embarked on a software development of the eLocal Government (eLG) project in Sri Lanka. In supporting this objective, ICTA has completed a government process re-engineering (GPR) and a system study and prioritized five critical processes. As this software being developed, it was expected to run at the pilot sites. Thus, taking those pilot sites, this study will select Negombo Municipal Council, Homagama Pradeshiya Sabha and Seethawaka Urban Council as a purposive judgmental sample, representing e enabled performance management practices in the public sector organizations in Sri Lanka. A thematic analysis will be conducted using the software NVivo for the analysis and interpretation of the results of the study.

In terms of the implications expected from the findings, it can be emphasised that results can be used to influence in developing a fair and efficient performance management policy creation for a New Public Management related government process re-engineering in terms of implementing e-performance management system in the Sri Lanka's public sector. Further practical applications in the Sri Lanka's public sector from the study could be seen as improved performance appraisal and improved performance in Sri Lanka's public sector in line with the New Public Management principles being adopted in Sri Lankan public sector to remove inefficacies. The implications would thus enable the New Public Management to be implemented smoothly, making the public sector more efficient through strengthened high-tech data driven technology-based public sector performance management.



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