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Problem and Solution in managing Higher Education:
From Bureaucracy Management to New Public Management

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Abstract

In September 2017, Chinese authorities released a selected list of universities and colleges, which will participate in the state construction plan of world-class universities and first-class disciplines. The plan, published in 2015, also known as the “Double-First Class” initiative, aims to ultimately build a number of world class universities and disciplines by the end of 2050, in an effort to make China an international higher education power. Although only 137 universities and colleges were on the list, it is regarded as an opportunity for all the higher education institutions of China to develop in the future.

Bureaucracy management of Weber is widely used in Chinese universities currently. Most colleges and universities in our country are the organizations with bureaucratic structure. Historically, the bureaucracy used to bring changes to universities, as it helped to form a professional administrative team, build a layered administrative system, and construct a stable operation order. However, the theoretical assumptions of bureaucracy conflict with the characteristics of higher education institutions to some extent: (1) The unitary system of bureaucracy management is in conflict with the binary structure of university, (2) The fixed and accuracy of rule management is in conflict with the uncertainty of teaching activity and scientific research in university, (3) The orientation of pluralistic values of university are contrary to the impersonality of bureaucracy management, (4) The demand of university for decentralized management is in conflict with bureaucratic centralized management. Given that, when we look around, there are so many contemporary issues and problems in higher education management, including the generalization of administrative power and weakening of academic power, the goal displacement, restricted academic freedom, and reduced management efficiency. Therefore, bureaucratic theory is not suitable in higher education management and the current situation of university and college needs to be changed.

While, new public management provides a solution for university management

problems. Theoretically, the value rationality orientation of new public management provides a new way for colleges and universities to change the pursuit of efficiency on the factual level and balance the administrative power and the academic power. It is also conducive to strengthening the ethical values of democracy and fairness in managing higher education institutions. In addition, the individualism tendency of new public management is helpful to constructing the incentive mechanism for personnel management in Chinese universities and offers a new perspective for the realization of academic freedom. Furthermore, the empirical positivism trend in new public management has brought about innovations in university management methods. In practice, some western countries have successfully applied the new public management theories to manage higher education.

Although new public management has the positive effect on the utilization of external forces to resolve the management issues of higher education, there are defects in theories that cannot be ignored. Therefore, from my perspective, in order to resolve these current problems, applying new public management theories to manage higher education, it is necessary to follow some principles, including principles of balance, principles of equality and coordination, principles of fairness and justice, principles of effectiveness, and principles of humanity.

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1 Bureaucracy management and higher education

1.1 Three assumptions of bureaucracy management

The bureaucracy is the one of greatest management paradigm since the 20th century. Beetham(1989) argued that the research on the bureaucracy was from three main disciplines, including organizational sociology, public administration, and political economics. The organizational sociology mainly focuses on studying the feature, type, structure, function, dynamic operation and cultural comparison of bureaucratic organization. The public administration tends to discuss the particularity of government bureaucracy, focusing on its value, technology, and practical operation. The political economics emphasizes the analysis of the bureaucracy from the perspective of economics, which not only concentrates on the fund operation mode of bureaucratic organization and its impact, but also exploring the social cooperation mode of the bureaucracy corresponding to the market.

In bureaucratic model of Weber, the rule based on legitimacy has a fundamental role, which restricts the authority and action. While, the power based on formal rules governs the actions within the organization, which is the direct driving force for the cooperation among the actors in the organization(Becker *et al.*, 2016). Action is only in a passive state that is bound by rules and dominated by formal power. From an internal logic point of view, the rational bureaucracy model with high efficiency characteristics proposed by Weber according to the “Rule-Authority-Action” analysis framework is based on the following basic assumptions.

(i) The complete rationality assumes that there is always a certain degree of autonomy of actors when exercising power and performing tasks in the organization. This autonomy would bring unpredictability of actions, which could inevitably make the internal control be weakened, decreasing the organizational efficiency in turn(Laiz and Schlichte, 2016). However, both autonomy and unpredictability can be excluded by various pre-designed and clear rules of rationality. With the increasing complexity of organizational tasks, this would inevitably lead to an increase in rational rules. Then the

autonomy of action in the organization would be fully controlled when the rational rules comprehensively increase. Therefore, the actions are under the regulation of completely rationality, thereby acquiring operational efficiency of the organization.

(ii) The unitary authority assumes that the power in an organization is given its sole legitimacy by institutional rules. Actors always fully obey the control of formal authority (Jo and Rothenberg, 2014). The actions of actors can be unified and the unexpected can be addressed and coordinated, through the managerial hierarchy which controlled by the unitary system, so as to improve the operational efficiency of the organization.

(iii) The assumption of neutrality indicates that the actors can act with impersonality following the pre-designed rational rule and the unitary power system (Triantafillou, 2015). The neutral actor assumption can ensure that each member of the organization acquires maximum efficiency.

These three assumptions indicate the basic view of Weber in constructing a rational bureaucratic framework. Firstly, the functional objective of the rational bureaucratic model is to achieve high efficiency of the organization. In addition, the actions in the organization are characterized by autonomy, flexibility, strategy, unpredictability and pluralism, which constitute the great threat to the efficient operation. Finally, it is essential for an organization to rule out the threats of autonomy and unpredictability in actions through applying the rational rules and unitary power, in order to acquire high efficiency. Moreover, it is also necessary for organization to establish the procedure of routine task processing, to train and foster the impersonal neutral actors.

1.2 The practice of bureaucracy management in higher education

At the beginning of the 20th century, as bureaucracy management of Weber met the demand of the increasingly large organizations for efficiency and order in managerial activity, bureaucratic organization became popular. After the mid-20th century, with the

expansion of university and the complexity of organizational structure, the traditional university management model has become unsuitable. Therefore, bureaucracy management began to be introduced to Chinese universities, which triggered a huge change in managing higher education.

1.2.1 Forming a professional administrative team

There were only two types of member in early universities, namely teacher group and student group. All personnel in the university were engaged in academic affairs, including teaching activity and scientific research. The managerial affairs of university were usually carried out by teachers or students. In the Middle Ages, universities were classified as two types-teacher managerial university, represented by the University of Paris, and student managerial university, represented by the University of Bologna-according to who exercised management power. After the application of bureaucratic structure in universities, the management of administrative affairs has become increasingly specialized(Fumasoli and Stensaker, 2013). The expertise and skill of administrative affairs increased. Non-professionals were replaced by these professional administrators, who were experts in administrative field. The distinguishing feature of university bureaucratic management was that teachers and students were no longer responsible for managerial affairs, while a professional administrative team was dedicated to manager the university organization(Brennan, 2010). With the development of higher education, university organization are also constantly expanding their administrative team and managerial field to enhance their specialized capabilities and professional reputation.

1.2.2 Building a layered administrative system

The universities establish a multi-level administrative system applying the hierarchical management. The internal of the higher education institutions is managed via unified command through the huge and complex layered mechanism. Within the university organization of China, a three-level or more-level administrative system, including School-Faculty-Department mode, School-Department mode, and Division Level-

Sector Level mode, is constructed. In the School-Faculty-Department model, the principal and vice principal are established at the school level. An administrative management system, such as the dean, deputy dean, and office are set up at the faculty level. At the department level, the department head is responsible for all administrative affairs and is directly given order from the dean(Chen, 2014). This layered administrative system allows colleges and universities to implement the national requirements and improve the performance of policy implementation.

1.2.3 Constructing a stable operation order

Regulation management is one of the important features of bureaucracy, which helps to construct a stable operation order in managing higher education. On the one hand, the business content, work procedure, job norm of each position of university organization are clearly defined in the form of regulations, so do the responsibility of the various departments, and the relationship across different departments in the higher education system(Clark, 1972). Regulation management allows all the work of university can be done based on formal rules, so as to operate in a stable order. On the other hand, formal rules and other controls can reconcile the tension between administrators and the managed of university and have a clear supportive effect on the authority of leader. Since the rule is made for the position and not for any individual, it actually implies a sense of equality and fairness(Stensaker, 2018). Once the faculty is punished for some reason or is angry that some need has not been satisfied, the regulations can protect the relevant management personnel. It also contributes to keep consistency and coordination, improving management efficiency.

2 Current issues of bureaucracy management in higher education

The bureaucracy is important for management operation in the higher education institutions of China, which makes the university organization specification, clarity and efficiency. However, the bureaucracy theory of Weber is originated from the management practice of the military, enterprise and government organization(Meyer and Blau, 2001). While, higher education institution, as the academic organization, is

based on knowledge production and dissemination. The theoretical assumptions of bureaucracy conflict with the features of university organization to some extent. Therefore, bureaucratic theory is inappropriate in higher education management and call for change.

2.1 The generalization of administrative power and weakening of academic power

In an organization, the establishment of various positions constitute the managerial hierarchy(Lee and Edmondson, 2017), which is similar to the scalar chain proposed by Fayol. That is to say, there is a clear chain of command from the highest level to the lowest level within an organization. Through the chain, the information of the organization could transfer from the top to the bottom and feedback from the bottom to the top. However, this managerial hierarchy is based on the assumption of unitary system(Jo and Rothenberg, 2014). The authority in an organization is given its sole legitimacy by institutional rules. Actors always fully obey the control of formal power. The action of actors can be unified and the unexpected can be addressed and coordinated, through the managerial hierarchy which controlled by the unitary system, so as to improve the operational efficiency of the organization.

However, the university is a special organization with the binary structure, which differs from company and government(Meek, 1991). In higher education institution, the administrative position is not the only source of authority, and academic influence also produces power, which is called academic authority. Academic power is in the hands of teachers and academics. Academic authority, which means voluntary compliance, is different from institutionalized administrative power. Whether the dominator and the dominated are consistent in goal has an impact on academic power.

Given that, the unitary system of bureaucratic management is in conflict with the binary structure of university. In fact, the academic staff, even the most ordinary teachers, are more capable, experienced and professional than administrators in their field of knowledge. Teachers, as knowledge-based personnel, expect to be managed by the

professional academic norms in their own field. Their decision-making and actions are based on the professional knowledge acquired during the long-term education process. While, the hierarchical management of organization requires that all actions of teachers are subject to the control from the administrative system. The judgement of teachers only based on rules and regulations of the university would inevitably lead to a fierce conflict between the “professional orientation” of teachers and the "discipline and control principle" of the bureaucracy management.

2.2 Goal displacement

The Weberian bureaucracy assumes that the rights and responsibility of each member are clearly defined by the legal system, from the formation of the organization, the division of labor, the establishment of position, the selection of member, to the operation of the organization. These formal rules and other controls are negotiated and agreed by the members, or proposed by the upper levels, and then accepted by their members after compressively considering(Martin, Lopez and Hodson, 2013). Therefore, all rules and regulations of the organization are rational. Without exception, all members of the organization, from the top leader to the general staff, act in accordance with these formal rules, which are constructed based on mutual recognition, rather than individual action, or personal preference.

However, the teaching activity and scientific research, as the two basic activities of university, the process and effect of which are uncertainty. In terms of teaching activity, the teaching process is in particularity and the teaching effect is in lag. In addition, except imparting knowledge to students, teachers also have a fundamental, essential, long-term and potential impact on the growth of students, which would take several years or even longer to be found. Therefore, it is difficult to accurately quantify the teaching effect. From the perspective of knowledge exploration, it is not easy to discover new information which is unpredictable and uncontrollable. Moreover, some new discoveries often take a long time to be recognized. Therefore, it is difficult to objectively and timely evaluate the performance of academic staff of university.

Given that, the fixed and accuracy of rule management is in conflict with the uncertainty of teaching activity and scientific research in university. These strict formal rules and other controls are applied in higher education institutions of China to manager academic affairs, requiring all faculty and staff to comply with. The performance evaluation of teachers and researchers in almost all Chinese universities is based on quantitative indicators. The number of papers and research projects, the amount of funding they have received, and the number of teaching hours have become the main criterion measuring the performance of academic staff. The simple and uniform assessment system makes teachers have an opportunistic tendency in teaching activity and scientific research. As long as it is not too outrageous, the serious attitude and the sloppy attitude in teaching get the same pay. Scientific research is an exploring activity, which is normal to temporarily fail to output. However, failure is not allowed in strict rule management, which indicates that no result, no remuneration. Therefore, the teaching activity and scientific research of the university have lost their original meaning and become an approach to meet the assessment criterion. Strict rules and regulations may not be able to promote reasonable decision-making(Ibsen, 2016). When the bureaucracy is fixed into an organizational structure through rules, people are concerned about various specific rules and procedures, and put aside the original intention of establishing these rules. So that the members of the organization follow the rules in order to comply with the rules. They regard the compliance as the purpose. At the beginning, setting assessment criterion is to promote teaching activity and scientific research. The improvement of teaching activity and scientific research is the purpose, and assessment criterion is just the approach to achieve the goal. Therefore, it has resulted in the goal displacement in higher education management of China(Zhou, Ai and Lian, 2012). These rules were just approach, but now they are regarded as the ultimate objective.

2.3 Restricted academic freedom

Ashby(1973) argued that in terms of the coordination of tradition and innovation, the future of the university depended on the values of thousands of individual teachers,

rather than the council members and principals of the university. The thought and creation of the university can only penetrate upward through the bottom-up approach but cannot be implemented downward through the top-down administrative order. In terms of disciplines, the university has various disciplines, and each discipline is a collection of expertise with its own discipline culture. According to the unique rational task, each subject has a knowledge tradition—that is, a category of thought—and a corresponding code of conduct(Clark, 1972), which results in different values and beliefs.

The bureaucratic theory is based on the assumption of neutrality(Triantafillou, 2015), which indicates that the actors can act with impersonality following the pre-designed rational rule and the unitary power system. The neutral actor assumption ensures that each member of the organization acquires maximum efficiency. Therefore, the orientation of pluralistic values of university is contrary to the impersonality of bureaucracy management. The impersonality orientation of management in higher education requires all faculty and staff to act without personal emotional factors, involving compassion, affection, kindness, gratitude and etc., as they are not rational, violating to the rationality principle. The more thoroughly excludes personal factors, the more rational the bureaucracy management(Laiz and Schlichte, 2016). The impersonal management necessitates that the decision-making of faculty has to be good for the benefit of organization, and their actions have to succumb to the authority, order, discipline, and regulations of the hierarchical control within the organization. Facing the pressure of rationality of bureaucracy, the faculty and staff cannot actually make any individual rational decision.

University, as a unique professional organization, has its own characteristics. The subjects of university are diverse and complex. Every major, group and unity have their own objectives. During the process of teaching activity, teaching content and objects are different across teachers. Different teachers experience various situation, even the same one could not face the same question in different period. In the university,

everyone can make a decision independently. The professor decides the content and duration of the lecture. The student decides whether to study, and the content and time of learning. The funder decides how to fund and the amount of funding, etc. However, the impersonal management in university requires staff to follow strict rules and regulations, as the impersonality make it impossible for people management to vary from person to person. Therefore, the bureaucracy management of university leaves little space for the academic staff to conduct teaching activity and scientific research with freedom. The free academic atmosphere is damaged, and the innovation capacity is restricted in modern universities of China.

2.4 Reduced management efficiency

Generally, comprehensive and accurate information is needed to make a correct decision(Peng, Li and Kou, 2001). Therefore, there are two modes of decision-making. One is that the original information holder transfers the information to the decision maker, namely information transfer. The other one is that the organization grants the decision-making rights to the information holder, called decision-making rights transfer. Information is classified as special information and general information according to the transfer cost. Trait information is only obtained and fully understood by the insiders, while it is difficult to make sense for the outsiders. In other words, the cost of access to the information is high. The more information is transferred upwards, the more intermediate links it passes by, the higher the cost for sending information. Similarly, the cost of decision-making is added with the decision-making rights passing down and the middle stages increasing.

The feature of the university which distinguishes it from other organizations is its distinctive academic nature. The university is an academic organization with “heavy bottom” on the basis of disciplines. These educational activities such as teaching, scientific research, and social service are carried out by the staff at the bottom level. It can be seen that the decentralized management method is appropriate for higher education due to its characteristics. However, only the top of the pyramid can acquire

enough information to make a correct decision according to the bureaucracy theory(Olsen, 2006). While other members can only accept orders from superiors unconditionally.

Given that, the demand of university for decentralized management is in conflict with bureaucratic centralized management. University is not suitable for centralized management, and the hierarchical structure increases the links that have to be passed by to transmit information, thus the organizational efficiency is reduced. Especially when the internal structure of organization is unreasonable, and the obligation is unclear between different departments, the more levels the managerial hierarchy, the slower the speed of communication. In addition, it is imbalanced for members in the communication of information. The faculty and staff have fewer chances to participate in decision-making, which makes them feel frustrated.

3 New public management and higher education

3.1 The emergence of new public management

New public management is a multi-dimensional phenomenon. Researchers have used different terms to denote a set of administrative doctrines it refers to, including managerialism, neo-managerialism, entrepreneurial government bureaucracy model, market-based public administration, etc. By the late 1990s, academia generally adopted the term of New Public Management(Hughes, 2017).

New public management refers to the theoretical paradigm and practical model developed in the field of contemporary western public management. Applying the theory, methods, tools and models of the private sector and business administration to the public sector to improve the managerial level, work efficiency and service quality of public institutions is the core proposition of new public management(Denhardt, 1981). The characteristics of the new public management are as following. ① New public management emphasizes on professional management, so as to make the managers in the public sector grow up into professional managers. ② New public

management focuses on output or result control. ③ New public management adopts the clear performance standards, focusing on performance evaluation. It regards citizens as consumers, emphasizing on service and customer orientation. ④ New public management calls for decentralized power and simplified structure in the public sector. ⑤ The competition mechanism is introduced into new public management to encourage competition between the public sector and the private sector, and the competition among different public departments. In addition, the market adjustment mechanism is used to optimize government management(Levy, 2010).

New public management emerged with the transition of modern society from industrial society to post-industrial society and information society. Its emergence proves that the traditional bureaucratic management is an outdated, rigid and inefficient public management model. The traditional management model that underlines hierarchy, centralized authority, and tight control has been unable to meet the new demands of the public sectors, especially government institutions in various countries in the era of globalization, informatization, and knowledge economy(Chen, 2006). In this context, the government reform guided by new public management theories first emerged in the United Kingdom, the United States, Australia, and New Zealand in the mid-to-late 1970s, and then gradually spread across the Western world and some other non-Western countries.

3.2 Theoretical applicability of new public management in higher education

The theoretical basis of traditional public administration is the politics-administration dichotomy of Woodrow Wilson and the bureaucratic organization theory of Max Weber. While the new public management is mainly based on public choice theory, new institutional economics theory and the theories and methods of private sector management, which is different from traditional public administration. In addition, unlike the traditional administrative model that restricts public administration management methods to political rules, the new public management values economic rules(Hughes, 1998). Theoretically, these basic concepts of new public management

can help to resolve the management problems in the universities and colleges of China.

3.2.1 Value rationality orientation

Scholars have conducted a profound discussion on the distinction between instrumental rationality and value rationality in the field of management, where the exposition of Weber is the most representative (Hughes, 2018). In the view of Weber, rationality is classified into two types as formal rationality and substantive rationality. He argues that the formal rationality is instrumental rationality, which is based on the principle of scientificity. The formal rationality pursues formality and objectivity and abandons value judgments. The characteristics of formal rationality is the computability of approach and procedure, and the logic of form. In other words, the instrumental rationality is connected with the approach, procedure and method, pursuing the scientificity and effectiveness. While, substantive rationality is regarded as value rationality from the perspective of Weber. He considers that value rationality is based on the principle of value pursuit, which aims at realizing human value. It is related to human belief and virtue, focusing on the legitimacy and rationality. The main difference between instrumental rationality and value rationality is that instrumental rationality excludes value factor, concentrates on actual and factual consideration, pursues scientific normativeness. While, value rationality goes beyond the level of fact, aiming attention at the unity of fact and value, truth and goodness. Therefore, Weber considers that bureaucracy is the product of value-neutral instrumental rationality. While, the new public management pays more attention to the value of behavior itself, to the value dimensions of justice, fairness and rationality, which highlights the value rationality orientation.

In some managerial method of new public management, the consideration of the value factors of public administrative organizations and administrative personnel is included. First of all, the flexible and relaxed regulatory management methods embody the requirements of humanity. The new public management theory rejects the practice of traditional public administration which abides by established rules and regulations,

underestimating performance measurement and evaluation. The promoter of new public management call for loosening these strict administrative regulations. They claim that although any organization have to operate with regulations, too rigid regulations would be counterproductive(Hyndman and Liguori, 2016). They advocate that organization should allow employees to achieve the organizational mission in the most effective way they can find. Organization with a sense of mission has higher morale than those that only stick for the rules. The formers are more flexible and innovative, and thus more efficient. Secondly, decentralized management methods have realized the democratic value of part of the participation of citizens. The new public management theory indicates that the decentralized organization is more flexible, more innovative, and more responsible compared with centralized organization. Decentralized organizations respond and change quickly with new situations and new needs of customers, which is more efficient(Alonso, Clifton and Díaz-Fuentes, 2015). In addition, customer-oriented managerial approach of new public management has also achieved the service value of management to a certain extent.

Therefore, the introduction of new public management into higher education institutions provides a new way for colleges and universities to change the pursuit of efficiency on the factual level. It takes the management issues into account from the multidimensional and ethical perspective, which helps to balance the administrative power and the academic power. It is also conducive to strengthening the ethical values of democracy and fairness in managing higher education institutions and offers a new managerial method for universities with uncertainties in the process and effects of teaching and research activities.

3.2.2 Individualism tendency

New public management is based on the assumption of rational economic man. In fact, the rational homo economicus is a typical individualism rational thinking pattern, which originated from the concern of Adam Smith about human self-interest. He argued that in the economic activities, people would certainly pursue their maximum profit(Meyer,

2016). Given that, new public management theory advocates considering the management issues of public sector from the perspective of personal interests, so as to introduce the competition mechanism into the organization and develop a customer orientation management method. The customer-oriented managerial approach drives the public sector and administrative staff to strive to meet the diverse needs of customers, which focus on their personal interests. At the methodological level, this management method is based on the methodology of individualism, that is, to explain economic behavior and management behavior from an individual perspective.

New public management advocates the market-oriented, customer-driven and result-orientation competitive method, trying to balance the relationship between personal interests and public interests. In other words, by forming a market orientation for public services, allowing needs of customer to drive government management to construct a competition mechanism, so that the organization could develop a result-orientation performance management(Hyndman and Lapsley, 2016). The individualism tendency of these management methods is as following. For one thing, public sector managers analyze the problems based on the personal interests of customers in the market. They believe that in the fierce competition environment, customers are gods. The benefit of public organization can be realized only if meeting the need of the customers, making them satisfied. For another thing, the competition mechanism is established within the organization through the result-oriented performance management method, so that the interests of individuals in the organization can be attained. As the rational economic man, members of organization can maximize their own interests while achieving the organizational goals(Hood and Jackson, 2012). Therefore, the organization maximizes the enthusiasm of employees and stimulates the potential of members through new public management methods, including performance-related pay and deregulation, so as to create higher organizational efficiency and achieve organizational goals. Given that, based on the view of customers or from the perspective of individuals within the public organizations, new public management aims at realizing the maximization of personal interests, which is also the necessary conditions for the achievement of

organizational benefits.

New public management theory regards the members of the organization as the rational homo economicus, who have need of the maximized the achievement of personal interests. This individualism tendency is conducive to constructing the incentive mechanism for personnel management in Chinese universities, which injects new theoretical vitality into development of human resource management in higher education institutions. Furthermore, it provides a new perspective for the realization of academic freedom.

3.2.3 Empirical positivism trend

New public management adopts the scientific and normative positivist methodology. To achieve the management reformation in the public sector, managerial methods of company are widely applied. Since most of the management approaches of enterprise are specific and empirical at the operational level, thereby, the methods applied by the new public management are also necessarily empirical positivist analysis methods. First of all, new public management attaches great importance to managerial experience and practice(Hood and Jackson, 2012). New public management emphasizes that management related theories develops from experience and practice rather than pure theoretical thinking, and the task of management is the reason for its existence. Given that, new public management regards the management tasks, including result, performance, achievement, etc., as continuous development and change. Therefore, management tasks should be refreshed according to the requirements of the era, so that the goal of management can be truly realized. In addition, new public management focuses on the operational methods(Riccucci, 2001). Some successful management methods of the enterprise are applied in managing the public sector as the new public management advocates. These effective managerial approaches include performance-related pay system, project budget, service purchase, user payment, outsourcing contract, goal management, strategic management and other methods of empirical economics on the basis of accuracy, computability, and normativeness.

New public management essentially emphasizes the empirical management methods at the factual and operational levels. The application of these methods to manage higher education has brought about innovations in methods of university management, which are conducive to resolving the current problems of inefficiency in university organizations of China.

3.3 The experience of western universities in applying new public management

When the new public management movement spreading across Western societies such as the United Kingdom, the United States and Sweden, these developed countries began to implement "Government Process Re-engineering" programs(Greve, 2010), which also had a profound impact on the field of higher education. The new path and management system for higher education reform was formed, and the new development mode of universities and colleges was established. However, the effect and process of applying new public management varies across different governance models.

Germany, a country where the government has dominated operation of higher education institutions in the past, emphasized deregulation in the new public management movement, giving universities greater freedom(Zhu and Yuan, 2018). Firstly, an effective mechanism of checks and balances is formed among the principal committee, the council, and the College Board. In addition, the democratic participation of various groups (involving professors, non-professional academic staff, other technical and administrative staff, student representatives) in colleges and universities is emphasized. While, the majority of the seats are given to the professor group, according to the tradition of "professors govern university". Furthermore, the college council fills in the supervisory vacancy after the government giving up the specific management of higher education institutions, allowing colleges and universities to directly expose to the supervision of society and better respond to the social needs.

In the past, the universities of the UK enjoyed high degree of autonomy. But now, though the new public management movement, the UK government strengthens its

accountability for output of university through evaluating teaching activities and scientific research, and also enhances the quality control and external supervision of higher education institutions by education legislation(Berdahl, 1990).

The United States introduced market competition mechanism to managing higher education institutions earlier. After the 1980s, American colleges and universities reformed extensively to respond to the social demand for high performance management, developing an open market-oriented operation mode, and constructing the educational concept of "student is customer"(Rabovsky, 2012). At the national level, the third-party institutions have been set up to monitor the educational quality. Furthermore, the benign situation of competition between the public universities and the private ones is formed with the help of legislation.

Generally, new public management movement has caused profound transformation to the management model of higher education in Western countries. The relationship between the government, the society and the higher education institutions has changed, so that the universities in various countries have been given more freedom from different aspects, further moving toward autonomy. From the perspectives of practice, it is proved that new public management can provide a new angle for managing the Chinese universities and colleges and can offer the theoretical support for the solution to current managerial problems in higher education of China.

4 The principles of applying new public management in managing higher education

The new public management, the guidance of reform in the public sectors, plays a significant role in the transformation of the managerial power structure in the public institutions of China. The new public management has the positive effect on the utilization of external forces to resolve the management issues of higher education. However, there are also some defects of theories that cannot be ignored. Therefore, in order to resolve the current problems in managing universities, it is necessary to follow some principles when applying the new public management theories to higher

education management.

4.1 Principle of Balance

From the perspective of new public management, the higher education institution is not a fixed "fortress" that only stays in a certain area, nor is it a self-enclosed "ivory tower" that isolates from the outside world. In fact, the university is a place where multiple power subjects co-exist and interact with each other, an organism that exchanges information and energy with outsiders. The authority system within the university is open, which allows to communicate with the external organizations. Applying the concept of market demand-oriented of new public management to higher education management, the university should attempt to satisfy and coordinate the common expectations and the respective expectations of power subjects and stakeholders, so as to meet a wide range of social requirements(Denhardt and Denhardt, 2015), rather than just focusing on administrative power control and the academic research improvement. The management model of customer-oriented allows university to standardize the coordination system of power operation, perfect the internal management mechanism, improve the quality of teaching content and service, according to the feedback information, and the successful management methods and experience from the private sector.

However, with the increase of information and energy exchange activities between universities and external parties, the introduction of competition mechanism may bring about the continuous expansion of market power within higher education institutions. When everyone in colleges and universities only pursues interests, concentrating on the concept of "Interest First", some legitimate needs of other power subjects would be ignored by market mechanism and principles. As a result, the current flaws of marketization in China, such as conflict and confrontation, informational asymmetry, and the immaturity of market rules are highlighted. If these disadvantages not properly treated and effectively improved, they would cause the risk of insufficient public service supply, market failure, and change from transformation promoters to hinders.

Therefore, the public sector needs to appropriately allocate some power to third-party agencies, giving full play to the functions of administrative power and academic power, avoiding the interfere from over-marketization, and making the higher education power structure operate in harmony. Given that, once one of the powers operates in a wrong way, the negatively impact would be caused. In order to keep the development of higher education institutions healthy and stable, it is necessary to balance various powers within the universities.

4.2 Principle of Equality and Coordination

The objective of university is to create, transfer, and apply knowledge. There are many groups around, and their development is closely related to the prosperity of the university, thereby, many stakeholders have emerged. Assuming that higher education institutions have strong cohesion and vigorous vitality, they should allow different stakeholders to fully express different viewpoints in the organization. The university should not be a organization in which only one power is dominant but should be a institution where different stakeholders share power and fully participate in decision-making. The decision-making institution of higher education should not only include representatives of the administrative system and the teacher groups, but also have the position for student groups and the public to express their opinions. In addition, there are differences in the types of resources owned by each power subject, rather than the differences in status and hierarchy. When it comes to the macro strategic plan and resource allocation, all power subjects of universities should communicate equally in a friendly and supportive atmosphere and fully express their opinions. Those administrators are no longer high-ranking commanders, but the equal participants shared interests(Denhardt and Denhardt, 2000). In a multi-dimensional interconnected organization, each power subject holds the capital which can restrict other powers. For instance, social power has important authority in terms of incorruptibility and efficiency, teachers and students have an advantage in creating and transferring knowledge. There should be no absolute power group in the higher education institution. Therefore, the highly centralized, exclusive and self-inflating management model of university and

college needs to be replaced by a governance model with multiple participations and equal negotiation in the new public management reform.

In practice, the various departments of the university, such as the Administrative Department and Trade Union, the Teaching Department and General Affairs Department, the different Teaching and Research Groups, and the different grades all need to support each other, cooperate closely, and collaborate actively. As the new situations and new problems are constantly emerging, some issues are difficult to determine which departments should be responsible for. Therefore, the collaboration is required in managing higher education. Regardless of how universities apply market competition mechanism and what competitive relationships exist between various power subjects, destructive competition should be avoided in the process of power distribution.

4.3 Principle of Fairness and Justice

According to the new public management theory, higher education institutions can adopt the market mechanism, which allows universities and market to be closely integrated. Although it speeds up the public sector marketization process, both the risk of irregular power operation, the probability of corruption and refusing to change would be increased. As there is the interest chain between the authority and the market, some highly market-oriented disciplines and departments in higher education often utilize existing administrative authority and resources to obtain more power and influence, trying to pursue and keep maximum benefits and exclude other power subjects. Moreover, the goal, value, belief, and interest are different across the stakeholders which gather in the university. Obviously, the unfair resource possession will inevitably bring about complicated conflicts between groups (Broucker, De Wit and Verhoeven, 2017). In addition, at the initial stage of applying new public management theories to manage university, managerial method may be not normal, the market mechanism may be not sophisticated, and the power may operate in an ineffective and unfair way. Given that, the application of new public management concepts may not help to resolve the

current management problems caused by the bureaucracy, and even may further dampen the enthusiasm and cohesion of university staff and reduce the management efficiency.

Therefore, using market mechanism to deal with the current issues of higher education management, the notion that the authority protect utilitarian should be given up. The university organization should insist the view of long-term development to handle problems and allocate resource. It is necessary for university to comply with the principle of fairness and justice in the operation of power, managing daily affairs reasonably, fully considering the interests of each group, and allocating resources equally. Only in this way can strengthen the cohesion of the staff of university organization and make them work together.

4.4 Principle of Effectiveness

According to the new public management, the managerial experience of enterprises can be properly introduced to higher education institutions, constructing an active participatory management model, allocating the public resources in accordance with market rules. Therefore, it can make the power system of universities fast and efficient.

However, universities and enterprises are two sorts of social organizations with different nature. For the purpose of profit, the enterprise aims at the economic value. The higher education institution is the academic organization and the non-profit organization, which is engaged in the cause of knowledge creation, and the goals and evaluation criteria are diverse. Some outputs of higher education are intangible, and their effect cannot be seen in the short term. Furthermore, these outputs cannot be reflected by indicators such as profit or stock price. Therefore, college performance cannot be indicated by simple market demand and transaction, nor can it follow the principle of "The highest bidder" in the market like commodities. The performance of university should be comprehensively measured according to the scientific research output, the quality of talent cultivation, and the social impact it brings, etc. Therefore,

no matter how the university power is distributed among the various groups, how the control rights are allocated, how the conflicts of interest are coordinated, and how the university managerial model is selected, it is necessary to take the essential attribute and the academic contribution into consideration(Wu and He, 2009). Currently, Chinese colleges and universities use quantitative indicators such as the number of students, teachers, thesis, funding, and rewards to evaluate performance. In fact, it is not possible to accurately figure out the actual contribution of the university just from these quantitative indicators. It should be combined with flexible evaluation methods such as peer evaluation and alumni evaluation, to fully understand the influence and quality of the higher education institutions.

4.5 Principle of Humanity

The university has always been a place to explore and transfer knowledge. No matter how the society develops, how short the period of knowledge renewal and how the university changes, it should insist on imparting, researching and exploring knowledge as the eternal ideal and pursuit of the higher education. The subjective initiative of intellectual and the exploration in the unknown field should be respected and protected to the greatest extent. At present, the higher education institutions of China have not completely got rid of the situation of political control and may fall into the fog of market competition. Under the dual evaluation pressure of sensational effect and short-term output, some intellectuals cannot concentrate on exploring knowledge, some give up high-risk and long-term projects, choosing those programs that are prone to results, some take risks to acquire so-called "results" via plagiarism. Thus, the spirit of honesty, braveness and diligence in higher education is distorted. Therefore, to apply the new public management theory to manager universities, the principle of humanity, which putting people in the first place, needs to be followed. When to resolve the current issues of higher education, it should focus on teachers. At the same time, we cannot ignore the efforts of administrators and support staff, and fully take their rights and interests into consideration. The modern university should be a place where various groups and societies based on disciplines and professions live together. The rules and regulations

of the higher education should enable the members of the organization to live a better life and realize their value, rather than imposing the shackle on the individuals. Therefore, except the market mechanism, university management reform should also draw on some humanistic characteristics of compatibility, co-prosperity, etc., which is the root of the harmonious and healthy development of higher education.

5 Conclusion

As one of the most significant management theories since the 20th century, bureaucracy, proposed by the German sociologist Max Weber, has been widely adopted by modern social organizations for its advantages of specification, clarity and efficiency. The bureaucratic model is also universally applied in higher education institutions of China. Meyer and Blau(2001) consider that bureaucracy is a type of organization designed to coordinate the work of massive people to complete large-scale administrative tasks. Any organization with administrative tasks needs bureaucracy. Perrow(1977) also argues that the bureaucracy is the most effective structure for common organizations. On account of the conflict between theoretical assumptions of the bureaucracy and the characteristics of higher education institutions to some extent, so the bureaucracy is not suitable to manage universities and colleges. However, as every coin has two sides, there are merits in bureaucracy. Therefore, the applicability of bureaucracy among other organization needs to further explore.

Except these current management problems discussed in this report aroused by bureaucracy, there are other issues in university management of China, involving unreasonable performance evaluation system of college teachers, academic dishonest, cost-benefit concept deficiency, educational resource monopoly, government intervention, limited autonomy, etc. In general, there are two types of management issues of the internal management problem and the external management problem in colleges and universities of China. In this report, the internal management issues of higher education are focused on and analyzed with bureaucratic theory. Therefore, there are other management issues in universities that need to be further studied using

relevant theories.

Although new public management can provide a solution for management problems of university in China, the self-defect in theories should be paid attention. Firstly, new public management regards economic value as the primary value of administrative management, considering that economic indicator is an important criterion for evaluating the administration performance of public sector. It seems that the quantity is the only measurement. The importance that public administration attaches to the society and the management environment is ignored to a certain extent, so do the social equity and social justice(Moore, 1994). Moreover, although emphasizing on performance is conducive to resolving the problems in university management of neglect efficiency and cost, it fails to take the characteristics of academic organization into account. For university management, to create a free and inclusive setting is more important rather than achieving cost and efficiency. In addition, the marketization orientation makes the goal of higher education utilitarian and instrumental. The higher education is regarded as a support for private enterprise growth, individual innovation and national industrial development, ignoring the needs of university as a unique social organization.

Given that, there are so many management problems in colleges and universities, which are not only caused by the bureaucracy. In addition, many theories, not just new public management, can provide solutions for these current issues of higher education. The reform of higher education management is a long-term project, rather than a simple objective that can be achieved overnight.

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