**The Suitability of Private Sector Management Techniques for Public Services: An Examination of the NHS**

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**Introduction**

The debate surrounding the applicability of private sector management techniques to public services has been invigorated by the Griffiths Report of 1983, which posited that the differences between NHS management and business management are starker than previously considered. This essay will examine the assertion that although the NHS and public services do not aim for profit maximization, they share universal principles of efficiency, accountability and service quality. Given the study of theoretical perspectives and real-world applications of the NHS, it is contended in this paper that the private sector techniques can be effectively modified appropriately for the public sector services to increase their quality of services while still upholding the public sector's unique values and social objectives.

The Griffiths Report's statement that the NHS managers have the same management style as in business initiated a paradigm shift in public service management as there was a view that both principles of corporate efficiency and quality services could be transferred in the public sector to address the issue of service quality and economy. This started a debate that lasted several decades concerning the role of the private sector management methods in the administration. It implies that it disagrees with the storyline that public sector operations have always occupied a distinctly separate universe because of their non-commercial nature. On the one hand, the goals of providing free, comprehensive, and accessible healthcare services call for a wise balance of blending the efficiency of business models and the public service ethic at the heart of public healthcare. This essay scrutinizes management tactics blending in different sectors, appraising the complications of translating business skills to the NHS devoted to the public's wellbeing.

**Theoretical Background**

The public and private sectors operate under fundamentally different paradigms: the public sector is driven by public good and equity, whereas the private sector is driven by profit maximization and shareholder value. Private sector management techniques, characterized by strategic planning, performance metrics, and customer service orientation, are designed to optimize efficiency and responsiveness in a competitive market (Goodair, 2022). The management framework of the private sector's strategy may be clarified so that managerial efficiency, innocence and positive customer experience are its priority points. Therefore, whereas private services orient their mission toward economic gains based on market indicators, public services are entrusted with the care of social welfare possible in the broader context of the accepted socio-economic measures that go beyond the pure criterion of profitability (Alonso, 2022).

Consequently, the big question is how to channel these different pursuits in the right direction. As the private sector creates a heavy focus on driven efficiency, reducing cost, and increasing sales, it becomes evident that private management techniques tend to go after these arduous goals of cost minimization and sales (Waugh, 2021). In contrast, the public sector is characterized by the shareholder value paradigm that maximizes profits and financial performance. On the other hand, the public sector is guided by the principle of public service, which ensures equity, accessibility, and accountability above financial metrics (Ensslin, 2022).

This extremity conveys doubts about the societal framework and correlates between private sector models and public sector perception. Despite this, there is a potential symbiosis: strategic planning and performance management of private funds can teach the public sector the virtue of orderly pursuit of social aims, such as lean management for waste reduction, better relationships with people, and satisfaction among the public. CRM can be used. Although public institutes' adoption of these approaches is undoubtedly significant, the major challenge lies in how they are applied to maintain their complexity owing to their multifaceted services with multi-take stakeholders (Shahaab, 2023).

Conflicts of structure and principles that originate in the way private and public business implements are equally applied. In contrast to private sector management's profit and efficiency targets, public sector governance works with social justice principles. The sector is responsible for ensuring people's access to resources is fair (Sasse, 2020). This disparity programmers the inquiry: is it possible to yield a balance of autonomy and public welfare the private sector aspires to on the one hand and public duty on the other hand? In applying missing policies for the private business style, public managers should stand in the middle, taking responsibility for ensuring that threat cost-efficiency upholds the principal goal of the public sector, its commitment to social justice and accountability (Abnett, 2023). For example, public administrators can find helpful ideas and invaluable information when looking at private company performance management systems.

But as vital as these metrics are, the public administrative sector must resist the temptation to quantify human quality. Focusing on efficiency and measurement in the public sector might first avoid losing the capacity to deal with the knotty social problems with clear indicators. Therefore, the goal of the state authorities can be reached only through a complex integration of business management skills with the transformation of such a private sector experience to the public service area that will bring it closer to the basis of the public mission (Meleddu, 2020)..

**Private Sector Techniques in Public Services**

In the public sector, and specifically within the NHS, private sector management techniques have been adopted to foster a culture of continuous improvement. Total Quality Management (TQM) and Lean Six Sigma have been implemented to reduce waste, improve patient care processes, and increase staff engagement (Goodair, 2022). The method of introducing the performance measurement systems is meant to make outcomes measurable and to get rid of the weaknesses. The assimilation of private sector management techniques into the public sector, especially the NHS, has, so far, primarily focused on improving operational efficiency and patient experience. Control standards have been implemented by successfully measuring and managing healthcare performance (Shahaab, 2023).

Furthermore, Lean Management, an approach initially conceived to eliminate waste from industrial processes, has been adjusted and made applicable in NHS hospitals so that the methods can be more efficient with fewer non-value-added activities being carried out, potentially contributing to enhancing patient care (Ensslin, 2022).. Yet these innovative solutions positively impact waiting times and service accessibility without ignoring the obstacles involved in their implementation. One of the critical issues that might arise in this situation is the commodification of health care by using business techniques, which at the same time may threaten the fundamental principles of the UK National Health Service, that is, universal and equal care (Sasse, 2020).. In addition, the value of measurable outcomes may be wrongfully seen as overcoming the significant aspects of human health that are non-quantifiable, like patient-centeredness and holistic care (Shahaab, 2023). However, although managerial techniques from the private sector can always bring them to public sector improvement, they must be adapted carefully to ensure their matching with the public sector's principles and objectives.

Implementing target sector management approaches in the NHS has been confronted with positive and negative feedback. On the one side, it can be asserted that methods including continuous improvement and patient pathway optimization have shown promise in increasing the effectiveness and patient-centeredness of health delivery (Alonso, 2022).. Nevertheless, implementing these precautions is a stringent process that calls for a delicate touch to maintain the vital balance between efficient operation and the intrinsic worth of public health care.

The trend of market-based solutions in an environment where they are not prevailing in the NHS is bound to come up for review. Although competition can be a source of innovation and cost reduction, apart from being a universal right, it goes beyond just that. This is in addition to applying private management methods, which often involve cultural modifications within public organizations (Waugh, 2021). The transition from traditional public administration with a bureaucratic approach to one resembling business might be provocative for many NHS workers and cause opposition. To achieve this, a combination of private sector efficiency and public service ethos will be maintained, ensuring that public life is not undermined but stays responsive to rapidly changing social demands and mindsets.

**Challenges and Critiques**

Applying these techniques uncritically can lead to challenges. The public sector's focus on equity and universal access could be different from the efficiency-driven private sector model. Furthermore, the diversity and complexity of public sector services, along with their non-excludable and non-rival nature, need more than simple market-based solutions (Prosser, 2023).. Despite the tradeoff between the affordability of public services and quality, some critical issues still arise, such as 'commodification', undermining the public sector ethos, and the risk of creating a two-tier living system (Sasse, 2020)..

The criticism of transferring typical private sector management methodologies into public health services, such as the National Health Service, commonly originates from doubt regarding the core principles' allocations and effects, uncovering some leading differences between the two sectors. Critics affirm that running a business in a profit-making direction would automatically create conflict with the NHS's duty to safeguard patients from falling behind due to forfeiture of effectiveness. The critical issue to be argued is the phrase 'marketization' within NHS, which some people consider as the negative factor that may give rise to service disruption and discrepancy among healthcare clients.

Behind that, the private sector tends to serve the individual's demand, which is usually focused on consumer satisfaction rather than the public mandate of standard services. Such an approach might give rise to a "postcode lottery," the quality of care effectively depends on in which area of the country you are located rather than the fundamental principle of the equitable service of the NHS (Sasse, 2020).. On the other hand, skepticism argues that large-scale importation of commodified management techniques into public healthcare may drive target chasing to the level where staff attention will be more diverted towards administrative compliance than patient care (Alonso, 2022).. A methodical embracing of such techniques should thus come with due care, guided by their adaptation to the highly diverse and multidimensional spectrum of the public services sector, where both efficiency and equity in service delivery are appreciated equally as success complements.

Emitting private sector management approaches into NHS is a multifaceted phenomenon with many challenges. It is often alleged that market forces can drive public services away from social values that form that basis and instead turn them into economic value-seeking enterprises. Within the NHS, this becomes a situation where the characteristics of a care system are more defined by market efficiency than the quality of care that patients receive (Prosser, 2023).. In addition, it is plain to see that the performance targets and the responsibility for cost-cutting belong to accountability, which also contributes to the problem of bureaucracy since medical staff spend an unreasonable amount of time trying to find access to administrative barriers on office work rather than in the treatment of the patients (Sasse, 2020)..

An additional criticism relates to the idea of "New Public Management" that is seeking to emulate private sector efficiency but at the same time can result in a transactional attitude towards health care, turning it into a mere business transaction without the necessary relationship between a practitioner and a patient or rather a holistic concern for health. This change consequently leads to the reduced importance of teamwork as one of the critical driving forces for the integrated delivery community healthcare system (Meleddu, 2020).. The outcome is a surrounding that can encourage unnecessary contradictory practices for effective healthcare delivery. This means private sector management techniques must be adapted to the unique needs of delivering public services, bearing in mind possible necessary cautions and warnings of the maladaptation in the service performance that could emerge through the one-size-fits-all approach (Waugh, 2021).

**Case Studies and Evidence**

Empirical evidence from NHS trusts that have adopted private sector techniques shows both successes and failures. While some trusts have reported improvements in patient wait times and satisfaction, others have encountered resistance from staff and concerns about the impact on service quality. For instance, using Private Finance Initiatives (PFIs) has been contentious, with debates about cost-effectiveness and long-term value for money.

Empirical analyses of congressional budgets concerning NHS regarding privatization of management techniques convey an uneven tale. In some NHS trusts, business strategies they have used have made it possible to enhance the quality of patient care and increase the efficiency of service delivery. This could be because Six Sigma and Lean methodologies have been connected with improvements that decrease mistakes and handling costs. Yet not all adaptations have ended with a positive result. For instance, adopting the NHS within the internal market was projected to result in competition and promote service quality. Still, there are cases where this action has led to unnecessary and over-the-top duplication of services (Alonso, 2022)..

First of all, although PFI funding seems a worthwhile initiative nowadays, it may cause additional expenses and problems regarding future accountability. These case studies bring up the fact that special techniques developed by the private sector for delivering public services need to be adapted to conditions specific to the services and the context of any particular approach. Thus, it is imperative to tailor the framework so that the public sector characteristics are incorporated and taken into account, considering the case-specific issues of the service users and the multiple facets of the desired outcomes (Prosser, 2023)..

However, the inspection of the NHS's case studies, where private sector management strategies are used, takes on a mixed picture that consists of both positive sides of management and unanticipated effects. As an illustration, the technology found in the private sector's preferential treatment of information systems was borrowed. It comprises electronic health records (EHRs) that improve the efficiency of patient treatment and the whole administrative process. It was found that although these systems have expanded data availability and facilitated the management of patient records, some barriers are associated with their initial implementation, such as the privacy of the patients and the interoperability of systems. Alongside this, the NHS introduced the standard procurement practices it learnt from the private sector (which is supposed to be efficient) to reduce its expenses (Waugh, 2021).

In some cases, however, procurement has become more complicated instead of making the processes more straightforward and transparent. These situations show that without considering the unique features of the project to be applied, putting business techniques into public service will fail. Thus, every case study does not serve the purpose of a mere history book as it also brings the lesson of the ability to cut business strategies into the public institution finely and to maintain the adjustment of such strategies into the processes of creating the public benefit rather than undermining it (Sasse, 2020).

**Navigating the Middle Path**

A balanced approach integrating private sector techniques within the public sector's value framework may offer a way forward. This involves adapting these techniques to support the public sector's broader social objectives, such as improving public health outcomes and ensuring equitable access to services. The New Public Governance concept emphasizes cooperation and collaboration among multiple sectors and can be seen as a framework. At the same time, techniques that are currently context-specific can be decontextualized.

The strict maintenance of a middle path, which uses the private sector to administer operational efficiency and the public sector values, maybe the one-size-fits-all model for public services. This encompasses not only the cultivation of each sector's best practices but also the infusion of public funds into private sectors (Waugh, 2021). As an illustration, the NHS can practice business intelligence in the application of effective management so as to boost the productivity of health handling while keeping universal health coverage as the utmost priority. 'New Public Governance' (NPG) can be used as a basis for integration as it assumes the cooperation of all the actors demanding and producing services, flexibility, and co-production (Prosser, 2023).

Under this texture, the NHS can recognize the private entity masters through strategic outsourcing, where the external specialist is utilized for the noncore duty, so this happens, and the main aim of the organization can be taken towards patient care. In a similar way, NPG promotes the innovative design of health services, integrating the input of patients themselves and of community members to allow the design of services that best reflect the concerns and values of society. There lies real potential in this middle path, which would not limit the ability of the NHS to modernize and enhance while respecting its tradition of being fair and publicly accountable (Meleddu, 2020)..

The middle path establishes a hybrid model that utilizes the strengths of private sector executives to continue promoting public sector values. For the NHS, it could be the mixed approach of using the relationship between business acumen and operational management could be responsible for the productivity increase as a result of more effective services to people (Alonso, 2022).. This can be realized in a practical way by identifying the non-core functions that are not part of the NHS's main roles and being outsourced by private companies, which can leave NHS staff with enough time to concentrate on their core roles of patient care and service delivery. It also entails cultivating a healthy environment where innovations are reflected but do not overthrow the ethos of public service (Meleddu, 2020).

**Conclusion**

Applying private sector management techniques to public services such as the NHS can enhance performance and service delivery. While the efficacy of such a program is subject to several internal and external factors, it is only with utmost caution regarding the public sector's mission, values, and standards that public officials may be held accountable for. These skills need to be applied tactfully and attentively, and they are the ones that finally determine the access to public interest. The hybridization of private sector management techniques used in the NHS and public services is undoubtedly quite a complex process, but it comes with indisputable success potential. The debate is carried out with Griffith’s report even today.

A large amount of facts on the advantages against disadvantages exist nowadays. Privatization only sometimes wins out for state services like the NHS; effectiveness is only sometimes given. Sometimes, circumstances determine the result. The diverging nature of the goals of the two industry sectors exacerbates the difficulties to be overcome; however, such problems are not impossible to deal with. The degree of fulfilment of this undertaking will be determined by the selected techniques that are appropriate for the public sector and, to some extent, integrate the existing strategic direction. While the NHS struggles with the reality that efficiency and equity are unmistakably linked together, properly using private sector improvement strategies will probably provide a better and quicker responsive system that will remain true to its nature as an institution serving the public.

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