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THE NEW PRACTICES OF THE PUBLIC MANAGEMENT IN MOROCCO: THE USE OF THE INTERNAL AUDIT

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Abstract

In today's world, many governments are interested in modernizing their public service, leading them to introduce new techniques and tools of management inspired by the business sector. This new field is called the new public management. The quality and the efficiency of public services constitutes a priority for each of us. Many countries have tried this new theory; the results were different from one system to another. The use of the new public management covers different sectors through the introduction of several new functions. The internal audit is among the functions that has proven good results. This article aims to investigate how internal audits accomplish their role in improving the management.

Keywords: NPM, Internal Auditing, Public service, Administration, Morocco

Résumé

Nombreux sont les pays qui tendent à moderniser le service public. Ce mouvement connu sous le nom de la nouvelle gestion publique s'impose comme une solution pertinente aux maux de l'administration. Il concourt à édifier un style de management inspiré des méthodes utilisées dans le monde de l'entreprise et qui ont fait preuve d'efficacité. Parmi les outils répandus on évoque ; l'audit interne. A travers cet article nous essaierons de répondre à la problématique

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suivante : l'audit interne au sein de l'administration publique accomplit-il ses missions pourvues ? Nous proposons de mener une enquête exploratoire auprès des responsables d'audit interne au sein des administrations qui ont implémentés cet outil de gestion.

Mots clés: NGP, Audit interne, service public, Administration, Maroc

INTRODUCTION

The Moroccan government has been making efforts to modernize its public services through the use of new methods. The new public management seems to be the most appropriate solution. Making its appearance in the late 1990's, the new public management aspires to manage public services as private companies are managed (Santo &Verrier, 1993).The transfer of the tools needs to be adapted to the specificities of the public sector. The Moroccan government has engaged in numerous reforms in several sectors and public establishments. These reforms have allowed moving from a Weberian organization to a more adaptable one that can satisfy the requirements of all users (internal and external). In fact, many users have expressed their dissatisfaction with the quality of the public services (*A study that was led by the economic social environmental council in 2013. The main objective is to measure the satisfaction of citizens toward the public services that several establishment offer to them. The study was realized on a sample of 3000 Moroccan citizens (resident and none) and 1000 company*). The government has tackled the reforms in order to improve the performance of the public sector. These actions concerned the adoption of results based management, increased decentralization and the development of the NTIC…. This article proposes to study the aspects of the new management while focusing on the practice of internal auditing within the government-as a tool approach inspired from the NPM.

The new management public

The new management public emerged in the countries affiliated to the OECD after the effectiveness of the State and public establishment was called into question at the end of the 1990's.

For that purpose, Great Britain introduced the privatization of public organizations. At the same time, the French started using the Planning Programming Budget System which was first implemented in the USA. The adoption of the NPM required a redefining of the values of the public sector (Hood, 1991).

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Concerning public management

Public management has captured the interest of several authors. Indeed, many of them have dedicated their research and articles to this field (Burlaud&Laufer, 1980) (Bartoli, 2005) (Chevalier, 2009). The definition of public service varies as following: any activity of a community to satisfy a need for general interest (De Laubadére, Venezia, &Gaudemet, 1996). A public sector known for its low profitability and dependence on political decisions (Santo &Verrier, 1993).The public management need to move ahead a modern management (Alécian&Foucher, 2002). A management that could take into consideration the new challenges faced by governments. The new public management has revolutionized the role of the state, and new strategies able to accompany the new needs have been set forth. Public management is complex; it involves several actors (political, social, economic, environmental …) and includes four domains: demographic, dynamic, democratic and digital (Hindriks, 2012).

The new public management

New public management aims to introduce new management tools to the public sector. In fact, the theory of new public management is based on the use of tools developed for the first time in private companies (Hood, 1991).The theory of public management is mainly supported by the neo liberal approach, audience theory, (Ostrom & Ostrom, 1971) and the positive agency theory (Jensen &Meckling, 1976). It was first used by countries like Great Britain, New Zealand, France and Australia, while other countries took up the process of modernization later on . New public management is not a question of simply transferring methods from the private sector to the public one, but rather is more about taking into consideration the complexity (Morin, 2014) of the public context. We cannot implement a new style of management without thinking about conducting a change. In fact, every change needs to be carried out correctly; by learning new techniques, new functions and new organizations. The Palo Alto school has contributed a lot to the comprehension and the explication of the change process. Bartoli,in her research on public organizations , defined public management as being all the processes of finalization, organization, animation and control of the public organizations that have for objectives the development of the general performance while respecting the vocation (Bartoli, 2005). Moreover, the new management public aims to limit the legal rationality of the public sector and substitute a legal rationality with a managerial trend (Chevalier &Lochak, 1982). We add also the fact that the tools used by the new public management should be combined with contingency theory (Lawrence &Lorsh, 1989). These new tools of management need to be adaptable to the context and particularities of the public field.

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Among the tools transposed from the private sector is the internal audit. Widely used in the public sector; the internal audit proposes a new form of control. Internal auditing is a part of the implementation of a new culture; a culture oriented towards the measurements of results and performance.

INTERNAL AUDITING: FROM YESTERDAY TO TODAY

The emergence of internal auditing

The financial crisis of 1929 left its mark on the economy of the United States of America. Ever since this time, American companies have sought to ensure their financial strength through the certification of their financial statements. The service of certification provided by external auditing firms reflects a true and fair view of the accounts. The same external auditors are requested internally by firms to help them in the presentation of their accounts. That's when internal auditing makes its appearance. Internal audits help the organization achieve its objectives by evaluation through a systematic and methodical approach of risk management processes, control, and corporate governance, by making proposals to enhance their efficiency (Renard, 2002). In common**,** internal auditing is equated to draw up an inventory and determine the weakness. Internal auditing is not a simple inventory; it studies not only financial statements but also the evolution of the system (Harakat, 2010). Internal auditing evaluates in advance the potential risks which clashed organizations, it is ensured by mixing personal from academic to professional (Renard, 2013). As a result, internal auditing enables organizations to achieve their goals by detecting dysfunctions and making the necessary recommendations (Bertin, 2007).The internal audit is a new and universal function institutionalized by the IIA (Institute of Internal Auditors) and IFACI (French Institute of Audit and Internal Control). Both institutes have worked to promote the practice of internal auditing and to set the best practices through the publication of an international framework of professional practices (CRIPP), standards, manuals and internal audit guides. Major financial scandals (Enron, Worldcom, Parmalat ...) have helped to promote the internal audit function. In fact, internal auditing informs the shareholders of the financial health of their companies under the new regulations (Sarbannes Oxley law…) (Colatrella, 2003). The internal audit strengthens the mastery of all the organization activities.

Internal auditing: Transposing to the Moroccan public sector

The internal audit rose in the private sector structures. It has been adopted by many public administrations and ministries due to its effectiveness and utility. Public administration should modernize its organizations and management. In 1993, the internal audit was introduced in

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Moroccan public companies following a royal letter to the Prime Minister. Internal auditing took magnitude within public organizations; in fact the growing strength of the concept of governance and the development in 2008 of the Moroccan Code of Practice for corporate governance and public institutions have contributed a lot in the development and the implementation of the concept. Rules and texts have accorded importance for the process of internal auditing. For that, the decree of 2013 granted the audit of public contracts above 5 million dirhams. Law 69.00 regarding financial state control over public institutions has provided a general framework for the internal audit. In addition, international donors require assurance on compliance and regularity. The internal audit presents a function of assistance to the management; it's in charge of providing a mastery of activities becoming more and more complex.

More and more establishment and institutions are implementing this functions in their hierarchy. The publics managers aim to have the ability of controlling their process, detecting problems and trying to find corrects solutions to ameliorate their cycles. The internal audit is one the techniques used to be all the time controlled and to look for better solutions and to remedy the weaknesses.

CONCLUSION

To sum up, the reforming of the public sector is a priority for each country. A public sector with an important number of users, in charge of many strategic sectors and with significant allocated budget. The management of the public sector needs to be reviewed and improved to be more efficient and to be as high as the expectations of the citizens. The introduction of new techniques and functions seems to be a relevant way to make change into the public sector. However, these tools should take into consideration the particularities of the public culture. The transposition of functions needs to be done gradually without omitting the need of adapting this tools to their new context.

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