

The Effect of New Public Management Implementation on Public Sector Managerial Performance with Leadership Style and Motivation as Moderation Variables (Makassar City Government Case Study)

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Abstract:- This research was conducted to analyze the effect of the implementation of new public management on the managerial performance of the public sector with leadership style and motivation as moderating variables in the Makassar City government. This research is a research with a quantitative approach. The population in this study were all structural officials of the Makassar city government. The sampling method used purposive sampling method. The sample used in this study is structural echelon II.b, III.a, and III.b officials who work in the Makassar City government. The statistical method used to test the hypothesis is multiple linear regression analysis. The results show that the implementation of new public management has an effect on the managerial performance of the public sector. Leadership style and motivation can strengthen the influence of new public management on the managerial performance of the public sector.

Keywords: Implementation of New Public Management, Leadership Style, Motivation, Managerial Performance.

I. INTRODUCTION

As a public sector organization, local governments must have performance oriented to the interests of the community and the government to always be responsive to their environment, by trying to provide the best service in a transparent and quality manner and with a good division of tasks within the government. The performance of the public sector is largely influenced by the performance of the apparatus or managerial. According to Bastian (2009) performance is a description of the implementation of an activity/ program/ policy in realizing the goals, mission, and vision of the organization.

Managerial performance is needed to assess the achievements of a manager and the organization he leads. Therefore, in order for good government to become a reality and can be realized, it is necessary to improve the quality of managerial performance implementation, government agencies make managerial performance determinations in stages with the aim of realizing a good achievement, through setting managerial performance targets, and managerial performance indicators that describe its achievements in the form of success and benefits.

In current government agencies the need for changes in public sector management is a demand from the wider community who wants the public sector to produce quality products by applying the concept of public management that is oriented to public services. New Publik Management (NPM). According to Rawdhyfa (2018) NPM is an appropriate concept to be applied, because it focuses on performance-oriented public sector management (public services); debureaucratization; results-based accountability; the breakdown of the public bureaucracy into work units; cost and efficiency cuts; as well as the freedom of managers to manage the organization in a healthy competition and a better direction.

To get good results, the leaders of government agencies must be serious, optimal and serious in applying the concept so that they can improve and improve the performance of public services. In the context of NPM, performance appraisal should be seen as a continuous effort to improve the performance of public organizations. According to Keban (2014: 209), the basis of performance appraisal is not solely on the process taken, treatment to subordinates or to the community and how accountability runs within the organization but more broadly with regard to service quality, linkages with the organization's vision and mission, conformity what public organizations do with the needs of society and to what extent a public organization has learned to solve problems and improve the situation it faces, including planning its future.

A good organization cannot be separated from the role of a leader who deserves to be loved, trusted, followed, able to guide and meet the criteria of a leader who is able to provide a representation of the heart, then this will affect the magnitude of organizational commitment and employee performance. On the other hand, motivation is also very influential on employee performance. Siagian (2004:164) explains that employee motivation is influenced by hygiene factors and motivators. According to Herzberg (1968) there are two factors that motivate a person to seek satisfaction and distance themselves from dissatisfaction. The two factors are hygiene factors and motivation factors.

According to Herzberg (1966), what are classified as motivational factors include one's work, success achieved, opportunities for growth, advancement in career and

recognition from others. While hygiene or maintenance factors include, among others, a person's status in the organization, an individual's relationship with his superior, a person's relationship with his co-workers, supervisory techniques applied by supervisors, organizational policies, administrative systems in the organization, working conditions and reward systems applicable.

The Makassar City Government is currently working to implement NPM optimally, although it is not easy for the Makassar City government to gradually implement one by one of the characteristics of NPM as the demands of the wider community who want the public sector to produce quality products by applying the concept of public management that is oriented towards public service.

This research was conducted to see and prove the effect of NPM implementation in improving managerial performance through leadership style and motivation. While the practical benefits of this research can contribute to the implementation of NPM in improving the managerial performance of the public sector through improvement and improvement of leadership style and motivation. Theoretical benefits can enrich research results and be used as a reference for academics as a means of developing government accounting knowledge, especially regarding the implementation of NPM in order to improve public sector managerial performance through leadership style and motivation.

II. LITERATURE REVIEW

Behavioral theory of leadership examines the specific behaviors that distinguish a leader from a non-leader. Leadership behavior can be understood as a leader's personality that is realized and applied as a form of leadership activity in relation to managing tasks and relationships with organizational components to achieve organizational goals (Yulk, 2001). According to Behavioral theories of leadership, there are two types of behavior shown by a leader, namely attention to people and attention to tasks.

The Two Factor Theory is also known as Herzberg's motivation theory or hygiene-motivator theory. This theory was developed by Herzberg (1923-2000), This theory relates intrinsic factors to job satisfaction and relates extrinsic factors to job satisfaction. Extrinsic factors include wages, job security, working conditions, status, work procedures, quality of supervision and interpersonal relationships among co-workers, superiors and subordinates. While the intrinsic factors include achievement, recognition, responsibility, progress, the work itself and the possibility to develop.

The umbrella theory in this study is goal setting theory. Locke's (1968), which explains the relationship between the goals set and one's performance on work. The basic concept of this theory is that someone who understands the goals (what the organization expects of him) will affect his work behavior.

New Public Management (NPM) is a decentralized management system with new management tools such as controlling, benchmarking and lean management (Denhardt, 2003). NPM is understood as the possible privatization of government activities. New Public Management is generally seen as an approach in public administration that applies knowledge and experience gained in the world of management and other disciplines to improve efficiency, effectiveness of public service performance in modern bureaucracies.

According to Indrawati (2016) NPM focuses on performance-oriented public sector management, not policy-oriented. The use of the NPM paradigm has resulted in several consequences for the government, including demands for efficiency, cost cutting, and tender competition. NPM provides a drastic change in public sector management from a traditional management system that seems rigid, bureaucratic, and hierarchical to a public sector management model that is flexible and more accommodating to the market. These changes are not just small and simple changes. These changes have changed the role of the government, especially in terms of the relationship between the government and the community.

Managing the public sector with a business sector management style and a good leadership style approach is expected to be more efficient, cost-effective, competitive, flexible and adaptable to the market quickly. Yeh (1996) sees leadership style from two dimensions, the first dimension is people-oriented which is a leadership style that is more motivating, provides opportunities to engage and communicate well with subordinates. While the second dimension is task-oriented which shows the extent to which the leader tries to explain the duties and obligations of individuals or groups such as telling what to do, how, when, and where and who has to do the work. It is hoped that this leadership style can improve performance and can also apply discipline and save the use of resources economically, efficiently and effectively.

Motivation is also very influential on employee performance. Motivation means giving encouragement, giving rise to motives or things that give rise to encouragement or circumstances that give rise to encouragement. It can also be said that motivation is a factor that drives people to act in a certain way. Work motivation is an impulse that arises from the individual to consciously do the work at hand. The awareness in question can be sourced from internal and external factors. Each individual or employee can have a different work motivation. Therefore, in relation to motivation, the problem is how to encourage work enthusiasm so that they want to work hard by giving all their abilities and skills to realize organizational goals.

According to Mahoney (1963) what is meant by managerial performance is the performance of individual members of the organization in managerial activities, including planning, investigation, coordination, evaluation, supervision, staffing, negotiation and representation.

Managerial and staff performance in the decisions, therefore there must be government must be measured, to see the achievement of the targets that have been previously announced.

Performance measurement in government agencies is a management tool used to improve the quality of decision-making and accountability in order to assess the success or failure of implement-performance indicators which are quantitative and qualitative measures that describe the level of achievement of a set of goals and objectives. Value for money is an appreciation of the value of money, this means that every rupiah must be properly valued and used as well as possible (Mahmudi, 2010). Performanceting activities (programs) in accordance measurement with VFM has struck a with predetermined goals and objectives in balance between measuring results and order to realize the government's vision measuring process. In the VFM chain, and mission. The purpose of performance measurement is to motivate employees to achieve organizational goals by complying with predetermined behavioral standards, effectiveness indicators are result oriented, economic and efficiency indicators concentrate on process. Indicators of effectiveness are more qualitative in while the benefit is to make continuous nature, while indicators of economy and improvement efforts to achieve success in the future. Although until now performance measurement still has limitations, efficiency are more quantitative.

Economics is regional expenditure should be used carefully and regional because the performance data does not finance must be used optimally without directly imply the process that occurs, also some outcomes cannot be measured directly and the information obtained is not complete information. However, performance measurement can still reflect the good or bad management of the organization concerned. Organizational managers need to know whether the wasting (saving), the formula (Mahsun, 2006; 186):

$$Economic = \frac{Expenditure Actual}{Expenditure budget} \times 100 \%$$

Efficiency or productivity is if a certain target can be achieved by using the lowest possible resources and costs services they provide are appropriate in (spending well) when compared to the terms of quantity, level of quality, or predetermined prices. This is a manifestation of the manager's responsibility to relative performance of similar businesses or between periods of time, the formula is (Mahsun, 2006; 186) stakeholders, because the manager is responsible not only for providing physical services, but also for good business

$$Efficiency = \frac{Actual costs to earn revenue}{Revenue Realization} \times 100 \%$$

Over the past few years, NPM has made a positive contribution to improving the performance of the public sector through a performance measurement mechanism that is oriented towards measuring economy, efficiency, and effectiveness (Value For Money) although its implementation is not free from obstacles and problems. Through the value Effectiveness refers to the success of an organization in achieving its goals, namely a job can be completed on time within the available budget limits or called spending wisely.

According to Mahmudi (2010) to achieve the effectiveness of an organization must be efficient, because if cost effectiveness has been met, then any costs incurred will not be in vain, the formula (Mahsun, 2006; 186): for money approach, information will be available as consideration for making

$$Effectiveness = \frac{Revenue Realization}{Budget revenue} \times 100 \%$$

Previous research

Research on the effect of NPM on managerial performance was chosen because it is unique and not many studies have been done before. Therefore, based on theory and several previous studies, this study was conducted to test and develop new research related to the effect of NPM implementation on managerial performance by using research locations in Makassar City. This research is guided and refers to previous research including the following.

1. Hambleton (2003) found that NPM and leadership influence the performance of public sector officers in the United States.
2. Martinaitis and Nakrosis (2009) found that the implementation of NPM did not go well because of the bureaucratic culture that was still very dominant in Lithuania.
3. Indrawati (2016) found that NPM affects public sector managerial performance, but leadership style has no effect on the relationship between NPM and public sector managerial performance in Cimahi City, Indonesia.
4. Hersona and Sidharta (2017) found that motivation had an effect on employee performance at the Manpower and Transmigration Office of Karawang Regency.
5. Indrawati (2017) shows that organizational culture has no effect on the relationship between NPM and public sector managerial performance in Cimahi City, Indonesia.
6. Makur and Mattoasi. (2018) shows that the performance measurement model used can be designed properly so that the government's performance is not only how to spend money in one fiscal year, but also can assess and report on non-financial aspects based on the performance targets that have been set. In public sector organizations, the performance targets that have been set, namely achieving the input, process, output, outcome stages for the short term and the performance targets for benefits and impacts for the long term are also in line with the performance measurement model used in Indonesia using the Government Agency Performance

Accountability Report (LAKIP).) which was determined based on Inpress No. 7 of 1999.

7. Razak et al. (2018) found the effect of leadership style, motivation and work discipline on employee performance. Partially, only work discipline has a positive effect on employee performance, while leadership style and motivation have no effect on employee performance, but has a positive effect on employee performance. Work discipline has the greatest influence on employee performance.
8. Setiyono (2019) shows that NPM is able to provide optimal major changes in service provision, such as transparency, simplicity, flexibility, effectiveness, efficiency, and accountability to get excellent service in Indonesia.
9. Akparep et al. (2019) found that leadership style has a strong relationship with organizational performance in the Tuma Kavi Development Association, Tamale, Northern Region of Ghana.
10. Hamid, et al. (2020) show that intelligence, leadership, and quality of human resources have a positive influence on NPM. The direct relationship also shows the importance of constructs on performance, except for intelligence which has no direct impact on the performance of government employees in Makassar Indonesia
11. Soleiman and Thalib (2020) found that motivation did not moderate the relationship between budget participation and managerial performance at the Ende District Government Work Unit.

Conceptual Framework and Hypotheses

Based on the theoretical basis and several previous studies that have previously been explained, this research produces a conceptual framework. This research framework aims to explain the relationship between the dependent variable and the independent variable as well as the effect of the moderating variable. The dependent variable used is the managerial performance of the public sector, while the independent variable is the implementation of new public management. The moderating variables used in this study include leadership style and motivation. The relationship between these variables will be stated in the framework described as follows.

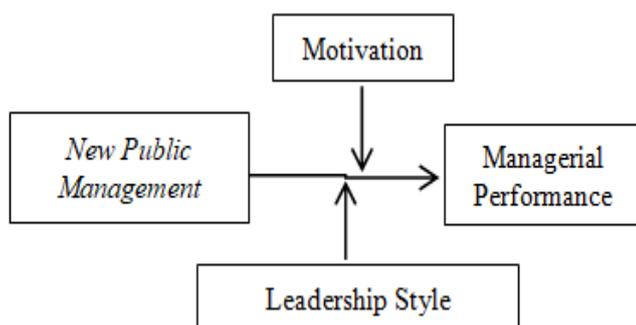


Fig 1 : Conceptual Framework

Based on the picture above, the hypotheses that can be put forward in this study are as follows.

- H1: New public management has a positive effect on the managerial performance of the public sector.
 H2: Leadership style strengthens the relationship between new public management and public sector managerial performance.
 H3: Motivation strengthens the relationship between new public management and public sector managerial performance.

III. RESEARCH METHODS

This research is an empirical study using hypothesis testing that examines the effect of new public management on improving public sector managerial performance with leadership style and motivation as moderating variables in the Makassar City government. The formulated hypothesis was tested through field data collection using a research instrument in the form of a questionnaire.

The location of the research was carried out in the scope of the local government of Makassar City, namely in all SKPD Makassar City. The population in this study were officials and leaders in Makassar City. With the number of structural officials in Makassar City as many as 1,668 people.

Given the very large population, the sampling technique used in this research is non-probability sampling with purposive sampling technique. The criteria for selecting the sample in this study are:

1. Civil Servants in Makassar City.
2. Echelon II.b officials at the regional level, namely the Head of Service and Head of the Agency.
3. Echelon III.a officials at the regional level, namely the Head of Section and Head of District, Secretary of the Agency and Secretary of the Service
4. Echelon III.b officials at the regional level, namely the Head of Division and the District Secretary.

The type of data used in this research is quantitative data, namely data presented in the form of numbers, which indicate the value of the variable it represents. Data was collected through a survey by distributing questionnaires which were distributed directly by the researcher to the respondents. This questionnaire uses a closed question model. The closed form is a question that has been accompanied by an alternative answer before, so that the respondent can choose one of the alternative answers.

The instrument used to measure leadership style consists of seven questions, eleven questions for motivation, seven new public management questions and fifteen questions for public sector managerial performance.

The questionnaire is filled out or answered by the respondent and the answer will be measured using a five-point Likert Scale, starting from 5 for strongly agree (SS) and 1 for strongly disagree (STS). The type of question in

the questionnaire is closed, the respondent puts a tick mark (√) on the available answer choices.

The statement items of this research questionnaire were taken from Hood, C (1991), Yeh (1996), Sirait, E.D. (2013), and Saputra. J (2015). Questionnaires were distributed to the structural leaders/ officials of Makassar City who were the research sample and were retrieved directly from the respondents

The data analysis technique was carried out by initial testing, namely validity and reliability tests using the SPSS (Statistical Product and Service Solution) program. Before performing regression testing, there are several assumptions that must be met so that the data to be included in the regression model has met the terms and conditions in the regression. This aims to avoid biased results. There are three classical assumption tests used in this study, namely normality, multicollinearity test and heteroscedasticity test.

Regression analysis in this study is divided into simple regression analysis and multiple linear regression analysis. Simple regression analysis was used to test the effect of NPM implementation on public sector managerial performance, and multiple linear regression analysis to examine the effect of NPM implementation on public sector managerial performance through leadership style and motivation as moderating variables. , F test, and Coefficient of Determination (R2).

IV. RESEARCH RESULTS AND DISCUSSION

The data in this study were obtained by distributing questionnaires to respondents by visiting the sampling locations directly, namely in all Regional Work Units (SKPD) of Makassar City. Respondents are officials of echelon II.b, III.a and III.b stakeholders in Makassar City Government. The number of samples in this study were 246 respondents. The returned questionnaires were 214 questionnaires that had been completely filled out, and there were 32 questionnaires that were defective or did not return/lost Based on data obtained from respondents, information was obtained regarding gender, age, education level and position of the respondent

Table 1. Gender of Respondents

No	Gender	Amount	Percentage
1.	Male	165	77,1 %
2.	Famele	49	22,9 %
	<u>Amount</u>	<u>214</u>	<u>100%</u>

Based on table 1, it can be seen that from a total of 214 respondents, 165 respondents or 77.1% of them were dominated by male respondents while 49 respondents or 22.9% were female respondents.

Table 2. Age of Respondents

No.	Age	Amount	Percentage
1.	31-40 Years	22	10,3%
2.	> 41 Years	192	89,7%
	<u>Amount</u>	<u>214</u>	<u>100%</u>

Based on Table 2, it can be seen that the respondents were dominated by echelon officials aged > 41 years as many as 192 respondents or 89.7%, and respondents aged 31-40 years as many as 22 people or 10.3%.

Table 3. Respondents Education Level

No.	Level of education	Amount	Percentage
2.	S1	67	31,3 %
3.	S2	138	64,5 %
4.	S3	9	4,2 %
	<u>Amount</u>	<u>214</u>	<u>100%</u>

Based on Table 3, it can be seen that respondents are dominated by officials with a master's education level of 138 respondents or 64.5%, officials with an undergraduate education level of 67 respondents or 31.3% and officials with a doctoral education level of 9 respondents or 4. 2%.

Table 4. Position of Respondents

No.	Position	Amount	Percentage
1.	Head of Agency	5	2,3%
2.	Head of Department	15	7%
3.	Head of Inspectorate	1	0,5%
4.	Head of Satpol PP	1	0,5%
5.	Subdistrict head	14	6,5%
6.	Assistant Inspector	4	1,9%
7.	Head of Division	12	5,6%
8.	Agency Secretary	7	3,3%
9.	Office Secretary	23	10,7%
10.	Secretary Inspectorate	1	0,5%
11.	Secretary of Satpol PP	1	0,5%
12.	Head of Division	116	54,2%
13.	District Secretary	14	6,5%
	<u>Amount</u>	<u>214</u>	<u>100%</u>

Based on Table 4, it can be seen that the respondents are dominated by officials with the position of head of the field as many as 116 respondents or 54.2%, the rest is the position of office secretary 10.7%, head of service as much as 7%, sub-district head 6.5%, secretary sub-district 6.5%, head of section 5.6%, secretary of the agency 3.3%, assistant inspector 1.9% and head of inspectorate, head of satpol PP, secretary of the inspectorate and secretary of Satpol PP 0.5% each

Data Quality Test

Good data is data that is normally distributed. The normality test aims to test the presence of confounding variables or residual variables in the regression model. The normality test of the data in this study was carried out using graph analysis. Decision making with graphical analysis can be done in two ways, namely through histogram graphs and normal probability plots and reinforced by the Kolmogrov-Smirnov test. The data obtained from the respondents were first tested for normality. The following is the normality test in table 5.

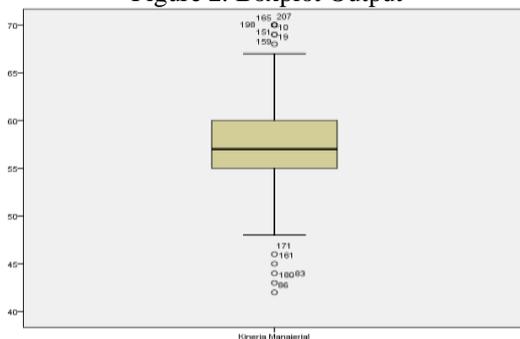
Table 5. Normality Test Before Outlier Test

Model	Kolmogolov-Smirnov		
	Stat	df	Sig
Model 1	0,070	214	0,013
Model 2	0,089	214	0,000
Model 3	0,067	214	0,021

Source: Primary Data Processed (2021)

Table 5. shows that the data used in the study were not normally distributed. This is indicated by the significant value of Kolmogolov Smirnov which is smaller than 0.05. Therefore, an outlier test was carried out to determine the existence of deviant data in the study that could interfere with the data so that it was not normally distributed. The following shows the boxplot output to see which data are indicated outliers.

Figure 2. Boxplot Output



Based on Figure 2. it can be seen that the results of the outlier test have 12 observations that have extreme data. The observations were 10,19, 83, 86, 151, 159, 161, 165, 171, 180, 198, 207. So the 12 observations were not used in the study.

Table 6. Normality Test After Outlier Test

Model	Kolmogolov-Smirnov		
	Stat	df	Sig
Model 1	0,050	202	0,200
Model 2	0,045	202	0,200
Model 3	0,045	202	0,200

Source: Primary Data Processed (2021)

Table 6 shows that the research data were normally distributed after the outlier test and excluded 12 observations that had extreme data. This is indicated by the significant value of Kolmogolov- Smirnov which is greater than 0.05. Therefore, the final sample used in this study was 202.

The results of the validity test for the variables of new public management, leadership style, motivation and managerial performance, with a total of 39 questions, indicate that the four variables are valid, because they have a Pearson correlation value greater than 0.138. Thus, it can be concluded that the statement items have a high level of validity and can be used in processing hypothesis testing data as well as the reliability test results indicate that the Cronbach's alpha value of all research variables meets the reliability standard of 0.60. Thus, it can be concluded that the questionnaires used for the variables of new public management, leadership style, motivation and managerial performance are all declared reliable.

Classic Assumption Test

Model 1: The Effect of New Public Management on Managerial Performance

The results of the normality assumption test of model 1 show that the data used in the study were normally distributed. This is evidenced by the Normal P-P Plot graph and the Histogram Graph and strengthened by the Kolmogorov-Smirnov test.

The results of the multicollinearity test in model 1 show that the data used in the study did not experience multicollinearity. This is indicated by the VIF (Variance Inflation Factor) value not greater than 10 and the tolerance value not less than 0.1

The test results of the heteroscedasticity test of model 1 show that the model used in the regression analysis does not experience heteros- cedasticity (homoscedasticity). This is evidenced in the scatterplot graph, the graph shows that the observations are randomly distributed around the 0 (zero) point.

Model 2: The Influence of New Public Management on Managerial Performance Moderated by Leadership Style.

This model 2 equation has met the normality test. In the Normal P-P graph, the plot and histogram graph show that the observations approach and follow the diagonal line. Reinforced by the results of the kormogolov smirnov test whose value is 0.045 with a significance of 0.200. A significant value greater than 0.05 indicates that the residuals of the regression equation have spread normally.

The results of the multicollinearity assumption test show that the regression equation model 2 has passed the assumption test. Tolerance value where there is no number below 0.1 and the VIF value is not above 10. This indicates that there is no multicollinearity in the regression equation.

The results of the heteroscedasticity test show that the regression equation does not experience heteroscedasticity (homoscedasticity). This can be seen in the observations that spread randomly around the 0 (zero) point on the y-axis.

Model 3: The Effect of New Public Management on Managerial Performance Moderated by Motivation.

The results of the normality test of the model 3 equation show that the equation has met the normality assumption test. Histogram and Normal P-P graph results The residual plot follows the diagonal line. This is reinforced by the results of the kormogolov smirnov (K-S) test of 0.045 with a significance of 0.200. This indicates that the data has been normally distributed because the significant value is greater than 0.05.

The results of the multicollinearity assumption test of model 3 show that the regression equation has passed the assumption test. This is evidenced by a tolerance value greater than 0.1 and a VIF value less than 10.

The regression equation model 3 does not occur heteroscedasticity. This is evidenced by the results of the scatterplot test. the graph of observations spreads randomly around the 0 (zero) point on the y-axis.

Hypothesis Test

By using the SPSS computer program, the data obtained in the form of New Public Management, Leadership Style, Motivation and Public Sector Managerial Performance were processed using the program. Interaction regression analysis was used to determine the effect of NPM on public sector managerial performance with leadership style and motivation as moderating variables.

a. The Effect of New Public Management on Managerial Performance

The results of hypothesis testing model 1 (the effect of new public management on managerial performance. The table provides empirical evidence for hypothesis 1.

Table 7 Hypothesis test results Model 1

Variable	Coefficient	T Statistics	Probability
Constant	36,980	13,066	0,000
New Public Management	0.740	7,246	0,000
<i>Note:</i> F-Value 52,498 Sig. 0,000 R ² 0,208			

Source: Data processed with SPSS

The hypothesis that has been formulated previously explains that new public management has a positive effect on managerial performance. The results of the hypothesis test in table 7 show that new public management has a positive effect on managerial performance with a significant value of 0.000 <0.05. This means that the better the implementation of new public management, the better the managerial performance. Thus, **hypothesis 1 is accepted.**

These results support the Goal Setting Theory proposed by Locke (1968) which explains that the relationship between the goals set and a person's performance will affect their work. The intended goal is the implementation of new public management. A well-run NPM will provide public sector organizations with results in the form of transparency, simplicity, flexibility, effectiveness, efficiency, and accountability to obtain excellent services. Good NPM implementation will affect managerial performance. Good NPM implementation shows the government's performance not only on how to spend money in one fiscal year, but also can assess and report on non-financial aspects based on the performance targets that have been set. This supports the goal setting theory which explains that in leading an organization, a person is required to understand the goals to be achieved in order to realize the expected performance/results.

These results are also in line with the research of Indrawati (2016) and Hamid, et al. (2020), the results of his research explain that NPM has a positive effect on managerial performance. Setiyono (2019) explained that NPM is able to provide optimal major changes in service provision, such as transparency, simplicity, flexibility, effectiveness, efficiency, and accountability to get excellent service in Indonesia. With the contribution from the implementation of the NPM, it is able to improve the managerial performance of the public sector. In addition, the demand for the government to implement a performance-based budget makes this NPM very good to run. This is due to the decentralization situation which causes the government to be able to manage the budget with an input, output, and outcome orientation or in other words using the concept of value for money (Siregar, 2018).

b. The Influence of New Public Management on Managerial Performance Moderated by Leadership Style.

Table 8 below presents the results of hypothesis testing model 2 (The Effect of New Public Management on Managerial Performance moderated by Leadership Style). The table is empirical evidence to answer hypothesis 2.

Table 8 Hypothesis Test Results Model 2

Variable	Coefficient	T Statistics	Probability
Constant	43,380	15,917	0,000
New Public Management	-0,149	-0,927	0,355
Interaction NPM*Leadership Style	0,021	6,785	0,000
Note: F-Value 55,179 Sig. 0,000 R ² 0,357			

Source: Data processed with SPSS

The hypothesis formulated earlier explains that leadership style strengthens the influence of new public management on managerial performance. The results of the hypothesis test shown in table 8 show that the interaction variable of new public management with leadership style is significant at 0.000. In addition, the value of R² also increased from 0.208 to 0.357. This proves that the leadership style strengthens the influence of new public management on managerial performance. Thus **hypothesis 2 is accepted.**

The results of this study support the Behavioral Leadership Theory which explains the behavior of a leader related to his duties and responsibilities in managing the organization in order to realize the goals of the organization being led. In carrying out the task, a leader is required to have a leadership style in order to be able to lead effectively. A leader who is able to move others in achieving goals is a characteristic of a good leader. This is because the task-oriented style pays more attention to the completion of tasks with very tight supervision so that the task is completed properly and also the people-oriented leadership style tends to be more concerned with good relations with their subordinates and motivates their employees.

These results are also in line with the research of Hamid et al. (2020) which explains that leadership affects managerial performance and NPM. Likewise research Akparep, et al. (2019) which explains that leadership style has a strong relationship with organizational performance. To achieve the goals of NPM, a leader must have his own style to mobilize employees in implementing it. Leadership is one of the main driving forces to improve the performance of government organizations and also the performance of the leader himself. The type of leadership style used in an organization has an impact on its overall performance (Akparep, et al. 2019).

The results showed that leadership style was able to strengthen the relationship between NPM and managerial performance. This is based on the fact that a leader needs a style in leading an organization. The implementation of NPM will be better if it is accompanied by a leadership style. A good leadership style is a leadership style that is high in task orientation and high in human relations orientation.

c. The Effect of New Public Management on Managerial Performance Moderated by Motivation

Table 9 below presents the results of hypothesis testing 3 (The Effect of New Public Management on Managerial Performance Moderated by Motivation). These results are empirical evidence to answer hypothesis 3.

Table 9 Results of Model 3 Hypothesis Testing

Variable	Coefficient	T Statistics	Probability
Constant	46,520	18,018	0,000
New Public Management	-0,656	-3,796	0,000
Interaction NPM*Motivasi	0,022	9,298	0,000
Catatan: F-Value 80,686 Sig. 0,000 R ² 0,448			

Source: Data processed with SPSS

The hypothesis formulated earlier explains that motivation strengthens the influence of new public management on managerial performance. The results of the hypothesis test shown in table 9 show that the interaction variable of new public management with significant motivation is 0.000. In addition, the value of R² also increased from 0.208 to 0.448. This proves that motivation strengthens the influence of new public management on managerial performance. Thus **hypothesis 3 is accepted.**

The results of this study support the Herzberg Two Factor Theory which explains that there are 2 factors that motivate a person, namely intrinsic factors and extrinsic factors. Extrinsic factors include wages, job security, working conditions, status, work procedures, quality of supervision, and interpersonal relationships among co-workers, superiors and subordinates. While the intrinsic factors include achievement, recognition, responsibility, progress, the work itself, and the possibility to develop. These factors affect the implementation of NPM.

This study is in line with the results of research by Hersona and Sidharta (2017) and Razak et al. (2018), their research found that motivation had an effect on employee performance (management). However, it is different from the research of Soleiman and Thalib (2020) which gives the result that motivation is not able to moderate the effect of budget participation on managerial performance.

The results of this study provide evidence that motivation can strengthen the relationship between NPM and managerial performance. Public sector managers within the Makassar City government have contributed to the implementation of NPM. With their motivation in the form of wages, working conditions, job security, status and so on, these employees are able to help realize a good NPM implementation and have an impact on managerial performance. In addition, motivation in the form of discipline is also able to influence employees to carry out their duties and responsibilities (Razak et al. 2018) in implementing NPM. This will be reflected in an increase in managerial performance.

V. CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the research objectives and the hypotheses described in the previous chapter, it can be concluded that NPM has a positive effect on managerial performance. NPM is an approach in public administration that applies knowledge and experience gained in the world of management and other disciplines to improve efficiency, effectiveness of public service performance in modern bureaucracies. Good service provision, effectiveness and efficiency are the keys to managerial success in managing public sector management. To obtain good managerial performance, public sector management needs to implement NPM as well as possible.

Leadership style is a factor that can strengthen the relationship between NPM and managerial performance. A leader is required to have a leadership style in order to be able to realize the goals of the organization he leads. Public sector leaders in Makassar City government have shown evidence that leadership style can strengthen the influence of NPM on improving managerial performance.

Another factor that can strengthen the relationship between NPM and managerial performance is motivation. Motivation is the entire drive possessed by a person to carry out his duties and responsibilities. Makassar City public sector leaders, provide evidence that their motivation is able to encourage increased implementation of NPM and will have an impact on improving managerial performance.

Implication

In general, this research provides evidence that the leadership style and motivation of public sector employees can strengthen the effect of the implementation of new public management on managerial performance. So it is hoped that in the future leaders and employees will be able to maintain their leadership style and motivation, if necessary, improve public sector managerial performance through their leadership style and motivation.

Limitations

The limitations in this study are as follows.

1. The research sample is only limited to one area, namely the Makassar City Government.
2. There are still employees who have low awareness who do not return the research questionnaire, so that research observations are reduced from what has been determined.
3. The effects of the Covid-19 pandemic have made it difficult for researchers to distribute questionnaires so that the time needed for research is getting longer.

Suggestion

For theoretical and practical purposes, suggestions that may be useful in the future are as follows.

1. Further research can add and or replace moderating variables in the study.
2. Further research can expand the object of research, not

only focusing on Makassar City.

3. Further research can further examine the impact of the implementation of new public management on managerial performance from a qualitative point of view.
4. Further research can examine the efficiency of budget absorption after the application of the new public management concept.

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