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Efficiency and Accountability in Public Management: Supply Chain Reforms through NPM and Financial Reporting Standards

Eficiencia y rendición de cuentas en la gestión pública: Reformas en la cadena de suministro desde la NGP y las NIF

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Summary

This article analyzes supply chain management in the Mexican public sector from the perspective of New Public Management (NPM). It examines the incorporation of private sector practices—especially total cost of ownership (TCO) and supplier relationship management (SRM)—as mechanisms for modernizing public administration. The study reviews four analytical dimensions: public procurement and CTP; inbound logistics and SRM; storage and operational efficiency; and citizen satisfaction. Through a conceptual approach supported by recent empirical evidence, it is argued that integrating logistics practices with the principles of NPM and Financial Reporting Standards (IFRS) can strengthen operational efficiency, transparency, and accountability. However, institutional constraints remain, including poor interoperability of administrative systems and the limited application of TK methodologies in public management audits. The results propose future lines of research focused on local case studies, quantitative impact assessment and digital integration. The work provides a theoretical-normative framework for institutional redesign and continuous improvement of public services.

Keywords: New Public Management; Supply Chain Management; Financial Reporting Standards.

JEL Codes: H83, M11, M41

Resumen

Este artículo analiza la gestión de la cadena de suministro en el sector público mexicano desde la perspectiva de la Nueva Gestión Pública (NGP). Examina la incorporación de prácticas del sector privado —especialmente el costo total de propiedad (CTP) y la gestión de relaciones con proveedores (SRM)— como mecanismos para modernizar la administración pública. El estudio revisa cuatro dimensiones analíticas: compras públicas y CTP; logística de entrada y SRM; almacenamiento y eficiencia operativa; y satisfacción ciudadana. A través de un enfoque conceptual respaldado por evidencia empírica reciente, se sostiene que la integración de prácticas logísticas con los principios de la NGP y las Normas de Información Financiera (NIF) puede fortalecer la eficiencia operativa, la transparencia y la rendición de cuentas. No obstante, persisten limitaciones institucionales, entre ellas la escasa interoperabilidad de los sistemas administrativos y la limitada aplicación de metodologías de CTP en auditorías de gestión pública. Los resultados proponen líneas futuras de investigación centradas en estudios de caso locales, evaluación cuantitativa de impactos e integración digital. El trabajo aporta un marco teórico-

normativo para el rediseño institucional y la mejora continua de los servicios públicos.

Palabras clave: Nueva Gestión Pública; Gestión de la Cadena de Suministro; Normas de Información Financiera.

Codigos JEL: H83, M11, M41

1. Introduction

In the contemporary scenario of Mexican public administration, characterized by budgetary limitations, growing citizen demand and demands for transparency, the adoption of more efficient management models has become imperative, as has been pointed out in the literature on public administration. In this context, the New Public Management (NPM) has gained relevance as a reformist current that seeks to transfer principles and practices from the private sector to the public sphere, with an emphasis on performance orientation, organizational efficiency, accountability, and continuous improvement in the provision of public goods and services (Pollitt and Bouckaert, 2023; Osborne, 2010).

One of the most relevant areas for the materialization of the principles of the NPM is supply chain management, understood as the set of processes that allow these activities of acquisition, reception, storage and distribution of the goods and services necessary for the public apparatus to function. The specialized literature has indicated that practices such as the evaluation of the Total Cost of Ownership (Ellram and Siferd, 1993; Elram, 2009), The implementation of effective Supplier Relationship Management Systems has been associated in the literature with the optimization of these processes, including reductions in lead times and inventory costs (Bowersox et al., 2012; Chen & Paulraj, 2004). In the public sphere, this management has been linked to a more efficient management of basic resources, such as medicines or educational materials, to promote a faster and more effective response to the needs of citizens (Peters, 2010;).

At the same time, the Financial Reporting Standards (NIF), issued by the Mexican Council for the Research and Development of Financial Reporting Standards (CINIF), established an accounting framework that established the obligation of government entities to adopt recording and reporting practices that are more understandable, sustained and verifiable, which strengthen the transparency and traceability of public spending (CINIF, 2018a, 2018b, 2018c). The convergence of NPM principles and IFRS compliance is a competitive opportunity to harmonize administrative efficiency with financial accountability.

This paper seeks to demonstrate the potential for improvement in Mexico's public administration by being able to cross it with the practical consequences of the relationship between the New Public Management (NPM), the IFRS and the modern supply chain management model. In a theoretical-analytical sense, the conceptual and regulatory assumptions of the aforementioned tools are reviewed, the best practices of the supply chain in the public sector are obtained and the possible impact of these on efficiency, transparency and citizen satisfaction is analyzed. Similarly, the most recent data from the reports of the Superior Audit of the Federation are included, in particular the Report on the Result of the Superior Audit of the Public Account 2021 (ASF, 2022), the diagnoses provided by the National Institute of Transparency, Access to Information and Protection of Personal Data (INAI, 2022), as well as the case studies of interest.

In this way, the intention is to contribute to the debate on how to transform public operations based on modern management tools, understood as going beyond the simple formal adoption of standards and moving towards their real and strategic implementation. To this end, this proposal also contributes to offering recommendations for future research in order to generate evidence on the virtues and limitations of these reforms in the different levels of government.

2. Literature review

Supply chain management is a fundamental aspect of organizational performance, both in the private and public sectors, due to the incorporation of important business processes such as purchasing, inbound logistics, or the storage of products or materials (Chopra and Meindl, 2016). From a global and holistic vision, the distribution of each link in the supply chain directly and indirectly can allow an improvement in organizational performance, the reduction of costs and better customer/citizen satisfaction.

It is in this sense, it is evident that efficiency in the optimal administration of purchases, based on the Total Cost of Ownership Theory, refers to the fact that these must also include costs throughout the life cycle of goods and services, rather than by the acquisition price. which results in a better decision, more sustainable and compatible with the interests of the organization (Ellram & Siferd, 1993; Monczka et al, 2015).

Inbound logistics plays an important role in operational efficiency, as when it is not carried out in a coordinated manner, the difference between success or failure in the delivery of final products or services can be radical. The implementation of Supplier Relationship Management Systems allows for their optimization, which significantly reduces delivery times and costs associated with inventory (Bowersox et al., 2012; Chen & Paulraj, 2004). In the public sphere, this translates into a more efficient administration of essential resources, from medicines to educational materials, which allows for a more agile and effective response to the needs of citizens (Peters, 2010).

The storage of materials and finished products requires strategies that maximize the use of space and minimize damage, while facilitating quick and efficient access. An efficient warehouse design and the selection of suitable storage systems are essential to achieve a cost-effective operation, which has been documented in the literature as a factor associated with the reduction of waste and the improvement in the availability of critical materials (Gu et al., 2010; Goetschalckx & McGinnis, 2010; Tompkins et al., 2010). Within the framework of public administration, we must make correct use of effective storage practices; this translates into an optimization of resources that allow us to offer sustainability in public services, especially when we are talking about key sectors such as health and education (Hood & Dixon, 2015). Finally, it should be noted that proper storage management promotes an increase in inventory turnover and the effective and accurate delivery of the service or products; This aspect is of vital importance in the public sector, since the quality and efficiency of the service offered to citizens are the lever for success. The use of efficient picking systems, as well as the application of continuous improvement, are an essential issue in improving operational efficiency and citizen satisfaction (Womack & Jones, 1996; Frazelle, 2002).

This vision constitutes the starting point to conclude, following the review of the literature, that effective practices can drive the improvement of operational efficiency, the reduction of costs and the increase of public or citizen satisfaction in accordance with the New Public Management focused on good public management and a more effective and efficient government (OECD, 2020). In this context, Table 1 shows a condensation of the main variables used for the analysis, together with their value and the corresponding bibliography.

2.1. The New Public Management (NPM)

The implementation of the New Public Management (NPM) in Mexico has an explicit purpose: to incorporate private sector efficiencies for the management of public affairs, in the face of current economic and social complexities. The NGP places great importance on aspects such as transparency, efficiency and customer (or citizen) orientation, when it comes to how public services are managed. The importance of these aspects is intensified in the area of purchasing, inbound logistics and the storage of materials and finished products in the public sector. In some ways, these are the key pieces of good public management, which helps to maintain the public procurement process in a more effective way in the management of resources and the satisfaction of the needs of a population (Osborne, 2010; Perry 2010).

Table 1. Selection of variables used in the analysis, their importance and reference

Variable	Importance	References
Purchasing and the Total Cost of Ownership (TCC) Theory	It assesses all costs associated with acquiring, using, and disposing of goods and services.	Ellram and Siferd (1993); Osborne (2010)
Inbound Logistics and Supplier Relationship Management (SRM)	Improve supply chain efficiency through collaboration with suppliers.	Bowersox et al. (2012); Chen and Paulraj (2004)
Material Storage and the Importance of Efficient Design	Maximizes the use of space and ensures the availability of essential supplies.	Gu et al. (2010); Tompkins et al. (2010)
Finished Product Storage and Citizen Satisfaction	It ensures the timely delivery of services, which improves citizen satisfaction.	Womack and Jones (1996); Frazelle (2002)

Source: Authors' elaboration based on Ellram and Siferd (1993), Osborne (2010), Bowersox et al. (2012), Chen and Paulraj (2004), Gu et al. (2010), Tompkins et al. (2010), Womack and Jones (1996).

Public procurement from the NPM point of view is a way to not only be efficient in economic terms, but to be transparent and fair in the procurement process. Updating e-procurement platforms is one way to demonstrate that technology helps achieve these goals, as documented in the literature on public procurement, by expanding access to procurement opportunities and strengthening transparency and accountability (Thai, 2001; Monczka et al., 2015).

The function of inbound logistics, as opposed to that of outbound, has, on the other hand, a central function in reflecting the efficiency from which the public sector can respond to the needs of the citizen. The way in which the supply chain is managed and the way in which the purchase or delivery of goods and services is carried out is key to reducing the cost, in addition to ensuring the availability at the relevant time of the resources necessary for the provision of services; in this sense, the use of supply chain management principles that exist in the business world can undoubtedly contribute to nurturing the public sector with valuable lessons to be taken into account (in terms of resource planning, inventory management or logistics optimization (Bowersox et al., 2012).

In relation to the storage of materials and the management of finished products, the NGP advocates practices aimed at ensuring an efficient use of space and resources, which have been associated in the literature with the reduction of waste and greater availability of critical materials (Peters, 2010). The adoption of information systems aimed at inventory management or technologies to automate processes would be evident ways to improve ostensibly in this regard, in addition to contributing to greater efficiency in operations and lower costs in public management (Frazelle, 2002)

These reforms and practices inspired by the NPM have the capacity to transform public administration in Mexico. From the improvement of efficiency, transparency in the management of purchases, logistics, storage, etc., the public sector can offer better services to citizens, while achieving a more committed administration and with the help of public resources. This is very important today, as the country faces the challenge of promoting more inclusive and sustainable economic development, while strengthening citizens' trust in public institutions (Osborne, 2010; Pollitt & Bouckaert, 2023).

2.2. Financial Reporting Standards and the NPM

Within the context of public administration in Mexico, considering the imminent introduction of efficiencies that come from the private sector through the New Public Management as well as the strict compliance with Financial Reporting Standards (NIF), it represents an essential strategy to face operational and financial challenges, which simultaneously improves the quality of the services offered to citizens. The NPM encourages the adoption of management practices that are aimed at achieving efficiency, transparency and citizen service, while the IFRS propose an accounting/ financial framework that guarantees the integrity, consistency and clarity of financial information

The integration of the principles of NPM and NIF is not only essential for future organizations of an efficient and citizen-centered public administration, but also to give rise to the standards of financial integrity and responsibility; for example, NPM in the field of public procurement can favour the use of electronic systems for public procurement and thus favour, both the public procurement process and that of the NPM, efficiency and transparency in procurement. At the same time, IFRS ensure that the costs associated with purchases are properly recorded and reported, thus ensuring a substrate that serves both to facilitate decision-making and for accountability.

From the field of supply chain management, the NPM's practices around the optimization of inbound logistics and the optimization of material storage should be appropriately implemented in financial accounting in compliance with IFRS. This approach gives rise to an efficient management of resources, a financial management that contemplates the degree of responsibility and sufficient transparency in terms of the supply chain, in this way the integration of the work of the strategic management of the NGP with the accounting principles according to the IFRS, can be understood as a symptom of a public administration that skillfully seeks to meet the demands of the citizens with a degree of transparency and an adoption of the necessary responsibility.

This approach becomes the expression of the commitment to continuous improvement and to adapting to the changes and contingencies that current public management entails. It is necessary to defend an efficient use of the practices exercised with the management according to the NPM as well as compliance with the NIF to provoke an integrated approach to the public administration that seeks to be energetically efficient and economical in the management of public resources and in turn, can be understood as responsible and transparent in its behavior before the citizenry. This approach is essential to strengthen the population's trust in their government institutions, as it improves the quality of public services and contributes to the construction of a more effective and efficient government.

2.3. Delimitation of the object of study

Based on the analysis of the specialized literature, this work is limited to a theoretical and normative proposal that proposes to respond to how the incorporation of the principles oriented to the New Public Management (NPM) and compliance with the Financial Reporting Standards (NIF) can be a coping with the management of the supply chain in the field of Mexican public administration. It is not an empirical research, based on case studies or descriptive analyses, but an exercise in conceptualization based on documentary, normative and academic analysis. In this regard, it should be noted that, for example, Cohen and Karatzimas (2017) highlight the quality of financial information for decision-making in government, while Pollitt and Bouckaert (2023) highlight comparative reforms in public management; while highlighting the modernization of public accounting in Latin America from a management perspective. In addition to these contributions, Navarro (2011) examines the link between accounting reforms and public governance, and also proposes inter-institutional approaches for the improvement of public services.

The unit of analysis is the Mexican public sector as a whole, without distinguishing levels of government (federal, state or municipal), because the principles addressed here are of a general and transversal nature. This choice allows us to build a conceptual base that can guide both future institutional evaluations and applied research in more limited territorial contexts. It also seeks to contribute to critical reflection on the modernization of public finances and logistics management from a comprehensive, inter-institutional and citizen-centered perspective.

Although this paper favors a theoretical-normative approach, it is pertinent to point out that oversight and transparency agencies have documented the practical limitations faced by supply chain management in the Mexican public sector. For example, according to the Superior Audit of the Federation, in the Report on the Result of the Superior Audit of the Public Account 2022 (ASF, 2022), 37.5% of the audited entities did not present sufficient documentary evidence on the effective application of total cost analysis methodologies in their procurement processes, which hinders the implementation of the Total Cost of Ownership (TCP) approach. In turn, studies by the National Institute of Transparency, Access to Information and Protection of Personal Data (INAI, 2022), as well as analysis of public information by Compranet corresponding to 2022, show that more than 60% of municipal governments do not use formal supplier relationship management (SRM) systems, which limits traceability mechanisms. evaluation and feedback in public procurement (Salgado Remigio, 2023).

Likewise, the OECD (2021) in *Public Procurement in Mexico: Redesigning Strategies and Institutions* has pointed out that, although Financial Reporting Standards (IFRS) have been adopted in the federal regulatory framework, their effective implementation at the subnational level presents challenges related to technical capabilities, system interoperability, and political will. These empirical findings reinforce the need to strengthen both institutional capacities and accountability mechanisms in the public supply chain.

2.4. Critical Discussion: Practical Implementation Challenges

The correct application of tools such as the Total Cost of Ownership Theory (TCC), Supplier Relationship Management (SRM) and Financial Reporting Standards (NIF) for the Mexican public sector, specifically subnational, faces important structural limitations. This section provides a critical analysis of the practical limits and generic barriers of these tools and the accounting risks they present, which is focused on state and municipal governments. Firstly, the application of TCP in the case of public procurement implies a transformation of the common logic of the usual type of purchase. Most government agencies privilege the criterion of the lowest price, without neglecting the fact of not analyzing the costs of maintenance, operation or final disposal of the products. This fragmented vision has led, for example, to the acquisition of vehicles or medical equipment of low durability that, although economical at the beginning, generate high costs in the medium term. States such as Veracruz and Chiapas have been observed by the Superior Audit Office of the Federation for not including cost-benefit analysis in their purchases, which reveals a deficit in technical and planning capacities.

Regarding the SRM, its practical implementation in local governments is limited by poorly professionalized contracting systems, lack of performance indicators per provider, and lack of interoperable digital platforms. In many municipalities, there is no consolidated database of suppliers, nor continuous evaluation schemes. The consequence is the repetition of administrative errors, as well as discretionary practices and non-institutionalized relationships with suppliers, documented in studies on subnational public procurement, which generates dependence on contractors without systematic performance evaluation (Salgado Remigio, 2023; ASF, 2022; OECD, 2021; INAI, 2022).

As for the Financial Reporting Standards (NIF), their adoption without technological support and without trained personnel generates significant risks. Many entities continue to operate with manual accounting systems or, at least, obsolete and poorly used; which makes it really difficult to observe the NIF (financial reporting standards) in the pre-establishment of inventory valuation (NIF C-4), the depreciation of assets (NIF C-6) or the identification of liabilities to suppliers (NIF C-2). Moreover, this situation not only undermines accountability and transparency, but also calls into question the credibility of the financial statements and limits informed decision-making.

However, these problems are not only attributable to institutional negligence but also to the limitation of historical structures, such as limited budgets for the modernization process itself, the high turnover of human resources each fiscal cycle, the absence of accounting professionalization of human resources, as well as the lack of coordination between administrative and operational areas.

To address these limitations, not only political will is required, but also sustained investment in information systems, in the technical training of human resources and the generation of institutional incentives that are in accordance with the observance of quality, efficiency, and whose result is financial sustainability, etc.; and as a culmination, but as important as it is no less relevant, the institutional experience of the operators, managers and technicians must be enjoyed, which must also include the learning of the experiences by the operator with a direct relationship to his experience in the Mexican context, in some cases even successful, or unsuccessful.

The implementation of the supplier relationship management (SRM) model in local governments could allow substantial improvements in the operational efficiency and traceability of purchasing processes. However, in many municipalities, supplier-state relations are still characterized by discretionary practices and non-institutionalized relationships, as well as by the lack of digital systems and opacity in bidding processes. This makes it difficult to build long-term strategic collaborative relationships. Cases documented in audits by the Superior Audit Office of the Federation (ASF), particularly in the health and public works sectors, show how the absence of structured SRM schemes is associated with episodes of shortages, cost overruns or failed acquisitions.

As for the Total Cost of Ownership (TCC) Theory, its application requires analytical capacity to evaluate not only the acquisition price but also operation, maintenance and disposal costs. State governments with low financial skills or multi-year planning tools tend to make suboptimal procurement. Federal programs such as Compranet have attempted to introduce broader technical criteria, but their scope remains limited and non-binding in many subnational processes.

From an accounting point of view, the adoption of Financial Reporting Standards (IFRS) in public contexts presents a significant risk if it is not accompanied by robust information systems and qualified technical personnel. Accounting automation, timely registration of liabilities, and inventory valuation are practices that many public entities fail to consistently comply with. Incomplete implementation of IFRS can result in erroneous accounting entries, implications for accountability, and determinations that are based on erroneous data.

In conclusion, the effective application of these theoretical discourses is not just a simple normative act, but a matter of institutional will, investment of technological resources, modification of local regulatory frameworks and, above all, training of professional human capital. The lack of qualities described above indicates why, in part, most of the principles proposed by the NPM and the NIFs do not become a reality in the space of the Mexican public administration.

One of the main challenges is the limited technological and infrastructure capacity faced by many public entities, especially at the state and municipal levels. The absence of integrated information systems prevents the correct application of tools such as the Total Cost of Ownership Theory (TCP) or supplier relationship management (SRM) systems, which reduces their potential to optimize purchasing and logistics.

In addition, cultural resistance persists and organizations resist change, especially in cases of public procurement where administrative habits and traditional regulations tend to precede more strategic and collaborative approaches. This hinders the implementation of practices such as demand-driven logistics planning techniques, asset lifecycle analysis, or warehousing geared toward compliance with performance indicators. From an accounting and financial point of view, the IFRS have serious problems in achieving their implementation with technical performance on the part of the operational staff that is very deficient in the use of the accounting tools that they determine. In effect, the IFRS do nothing more than indicate what are the rules to be followed for the preparation of the book, the valuation and the presentation of financial and public information, but their application implies a fundamental transformation of the systems of government accounting and human resources management. This creates a mismatch between what is reported and the reality of training, a misinformation that has a negative impact on accountability and evidence-based decision-making.

Even though this work is framed in a theoretical-normative approach, it is important to recognize that there are institutional efforts that have been documented and that can strengthen the empirical validity of future research. For example, platforms such as Compranet, as well as the reports of the Superior Audit of the Federation and the records of the National Institute of Transparency, Access to Information and Protection of Personal Data, make public information available on contracting processes, logistics performance and public inventory management (ASF, 2022; INAI, 2022). In an exploratory manner, it would be useful to examine whether some states have incorporated Total Cost of Ownership (TCP) criteria in their procurement, or whether there are systematized data on logistics efficiency in warehouses of medical, school, or public works supplies. Incorporating these elements into future research would make it possible to contrast regulatory proposals with operational reality and to assess more accurately the progress and obstacles in the adoption of the principles of New Public Management and Financial Reporting Standards.

The objective of this research is to analyze the potential for improvement in Mexican public administration from the implementation of efficient supply chain management practices, based on the Total Cost of Ownership (TCP) Theory, supplier relationship management (SRM), efficient warehouse design and improved citizen satisfaction. under the framework of the New Public Management (NPM) and in accordance with the Financial Reporting Standards (NIF).

3. Methodology

The methodology used in this work is the literature review which integrates, adheres and applies the theoretical-normative principles found in a given field, which in this case refers to the management of the supply chain framed in the postulates of the New Public Management (NPM) in Mexico as it incorporates the component of the analysis of the Financial Reporting Standards (NIF). With the help of the literature review methodology, we will be able to synthesize theoretical and normative knowledge of public management practices in order to have a deeper, more detailed and well-founded analysis of how these practices can contribute to the efficiency, transparency and accountability of public management; Below we will explain the steps they contribute to the analysis of the variables.

3.1. Steps

Identification of Key Variables: Four fundamental variables of supply chain management were chosen: Purchasing and the Total Cost of Ownership (TCC) Theory, Inbound Logistics and Supplier Relationship

Table 2. Relationship between the adoption of New Public Management (NPM) principles aligned with Financial Reporting Standards (IFRS) to improve the efficiency of the public sector

Variable	Importance	Relationship with NPM	Compliance with the NIF
Purchasing and the Total Cost of Ownership (TCC) Theory	It assesses all costs associated with acquiring, using, and disposing of goods and services, beyond the initial purchase price.	It promotes efficiency and resource optimization by considering the total cost of ownership, aligned with transparency and responsible financial management.	They are directly linked to NIF C-2 "Financial Instruments Payable" and NIF C-6 "Property, Plant and Equipment", insofar as it implies the recognition and valuation of acquisition costs and subsequent costs (Mexican Council of Financial Reporting Standards, 2018a; 2018b).
Inbound Logistics and Supplier Relationship Management (SRM)	It includes material procurement, warehousing, and transportation activities, focusing on supply chain efficiency.	Good management of relationships with suppliers favors a better understanding and saves costs and delivery times, a pillar of the optimal provision of public services.	It means the use of NIF C-2 "Financial Instruments Payable", to operate with obligations to suppliers, in a way that guarantees a correct administration of accounts payable (Mexican Council of Financial Reporting Standards, 2018a).
Material Storage and the Importance of Efficient Design	It focuses on maximizing the use of storage space and ensuring the availability of essential supplies.	An efficient warehouse design contributes to cost reduction and improves the responsiveness of the public sector, which aligns with the efficiency and effectiveness objectives of the NGP.	It corresponds to NIF C-4 "Inventories", which regulates the valuation and presentation of inventories, a crucial aspect for the efficient storage of materials (Mexican Council of Financial Reporting Standards, 2018c).
Finished Product Storage and Citizen Satisfaction	Related to efficiency in the storage and distribution of final products or the provision of services.	Efficient management ensures the delivery of services on time, and also improves citizen satisfaction, as required by the quality and accountability of the NPM.	Although there is no specific NIF for "finished products" in the public sector, NIF C-4 "Inventories" can be useful for its management, emphasizing the transcendent nature of efficient management and its reflection in financial information (Mexican Council of Financial Reporting Standards, 2018c).

Source: Authors' elaboration based on Ellram and Siferd (1993), the Mexican Council of Financial Reporting Standards (2018a; 2018b) and key

Management, Material Storage and the Importance of Efficient Design, Finished Product Storage and Citizen Satisfaction, taking into account their relevance to operational efficiency and customer or citizen satisfaction.

Review of the Literature and Regulations: A review of the academic literature and the related Financial Reporting Standards was carried out in order to provide a theoretical but also normative framework, which included consulting sources such as research articles, books or official documents of the NIFs issued by the Mexican Council of Financial Reporting Standards.

Integrative Analysis: The theoretical and normative findings of each of the variables were integrated to evaluate the importance as well as how they were related to the principles of NPM together with adherence to NIFs. Thus, it was possible to carry out the analysis of how supply chain management practices could be aligned with the objectives of efficiency, transparency and accountability of the Mexican public sector.

Synthesis and Application: The information and analysis carried out were synthesized to provide a comprehensive vision, which suggests contributing to the objectives of the NPM and its compliance with the IFRS. This involved an evaluation of how the implementation of these practices could improve public management.

4. Results

The analysis of supply chain management in the context of New Public Management (NPM) in Mexico, with a focus on Financial Reporting Standards (IFRS), reveals how specific practices can improve efficiency, transparency, and accountability in the public sector, observed in table 2.

As we can see, it can be shown that the four essential variables (1) Purchases and the Total Cost of Ownership (TCT) Theory; (2) Inbound Logistics and Supplier Relationship Management (SRM); (3) Storage of Materials and the Relevance of Adequate Design and (4) Storage of Finished Products and Citizen Satisfaction; it is a way in which it is shown that the incorporation of NGP principles, aligned with the NIF, favors a more conscious and responsible public management; and it is in this line where the variables to be analyzed are detailed.

4.1. Purchasing and the Total Cost of Ownership (TCC) Theory

The Total Cost of Ownership (TCP) Theory emphasizes the importance of considering all costs associated with the acquisition, use, and final disposition of goods and services, beyond the initial purchase price. This vision is decisive for the correct management of the resources used by the public sector, as it allows for a better and more sustained purchase decision. To the extent that TCP is applied, entities may somewhat wildly think that at first glance it cannot be determined that a more expensive solution may be cheaper in the long run than a cheaper one, based on the lower cost of use, maintenance or disposal (Ellram and Siferd, 1993). For example, NIF C-6, which allows the recognition and valuation of property, plant and equipment; allows public entities to consider TCP principles based on valuations of the total costs of these assets (Mexican Council of Financial Reporting Standards, 2018b).

4.2. Inbound Logistics and Supplier Relationship Management (SRM)

Efficiency in inbound logistics and effective supplier relationship management are critical to ensuring the timely availability of essential goods and services, optimizing costs and delivery times. An SRM can allow public entities the possibility of joining forces with their suppliers, which can translate into a significant improvement in the quality of the goods and services received, as well as in the functioning of the supply chain (Chen and Paulraj, 2004). NIF C-2 contemplates the way in which passive financial instruments are accounted for, and obligations with suppliers are also subject to its treatment, which would be indicative of the importance of the need to record and manage the relationships that are constituted based on adequate, clear and transparent accounting principles (Mexican Council of Financial Reporting Standards, 2018a).

4.3. Material storage and the importance of efficient design

A storage of materials is considered a key factor to squeeze the most out of the available space, minimize the arrival with damage to the available inputs and guarantee a fast and efficient way to access the inputs that are to be used: the design of warehouses and the choice of appropriate storage systems can contribute the maximum to operational effectiveness within a distribution center and to the maximum cost reduction (Gu et al., 2010). Finally, the following NIF C-4 establishes criteria ranging from the valuation of the inventory to its presentation, which is an important complement to an efficient storage of materials: this NIF helps state entities to keep control of their own inventories, by having at their disposal information that is important for resource planning and financial management (Mexican Council of Financial Reporting Standards, 2018c).

4.4. Storage of finished products and citizen satisfaction

Effective management of the finished goods warehouse is important for the timely and proper delivery of public services. This type of practice, such as Just-In-Time, can decrease the level of inventory, increase inventory turnover, which means a greater degree of satisfaction on the part of citizens (Womack and Jones, 1996). The NIFs pay attention to sites in the financial and accounting world, but the efficient management of finished products, drooling over NIF C-4, shows that financial information improves according to the operations of public entities, and it serves for transparency and accountability.

This analysis shows how the inclusion of supply chain management practices in addition to the principles of NPM and IFRS contributed to Mexican public administration. These practices allow not only to improve efficiency and economy in the management of public resources, but also the transparency and accountability that are necessary practices for the data of the trust of citizens by the government.

5. Discussion and conclusions

The integration of New Public Management (NPM) and Financial Reporting Standards (IFRS) in the context of Mexican public administration highlights a strategic approach towards government modernization and efficiency, which allows public management to be connected with practices and standards that promote efficiency, transparency, and accountability. The discussion is based on a body of previous studies collected in the discipline of supply chain management and financial accounting, and highlights the importance of a global and holistic approach to jointly improve the quality of public services and transmit confidence to citizens in their institutions. Process improvement and cost reduction are practices that the literature refers to as results of the adoption and implementation of supply chain management strategies, as also suggested by Chopra and Meindl (2016) or cost analysis based on the Total Cost of Ownership Theory. as discussed by Ellram and Siferd (1993). These practices not only allow for a better use of resources, but are also strongly related to the sustainability and competitiveness of organizations, a principle that is also found in public management in view of the provisions of the NGP.

In relation to the characteristics of NPM in terms of accountability and transparency (Osborne, 2010; Perry, 2010), the acceptance of IFRS can lead to financial or operational practices being carried out with special clarity, which favors accountability to citizens and integrity (Coy, 2010) in order to build the suitability of linking the exercise of financial and operational management of entities through regulatory frameworks. On the other hand, social satisfaction influenced by the efficiency of the provision of public services, as suggested by Womack and Jones (1996), and the continuous improvement preached by Frazelle (2002), highlights how the adoption of efficient management practices can have an impact on citizen perceptions and satisfaction, and highlights the interest in incorporating courses of action around quality and efficiency in public management compliant with the requirements of the NPM.

The findings of this study suggest that the articulation between the principles of the New Public Management (NPM) and the effective application of Financial Reporting Standards (IFRS) Together, these empirical elements reinforce the hypothesis that, although the regulatory framework exists, its effectiveness is conditioned by institutional variables such as the professionalization of personnel, the interoperability of systems and the political will for their implementation.

A thoughtful implementation and all of this supported by knowledge—both theoretical and practical—is necessary to generate a public administration that is truly not only effective in responding to the needs of citizens, but also meets the highest demands of transparency and accountability, contributing, therefore, to achieving a Mexico that is also fairer. efficient and transparent. The difficulty is to move from regulatory design to effective action by incorporating performance evaluation mechanisms, incentives for continuous improvement, comprehensive systems in data management, etc. For future research, it is considered advisable to develop case studies of local administrations with successful experiences, the design of quantitative models of budgetary impact and, beyond that, the development of digital solutions for the strengthening of the public supply chain in an inter-institutional environment (Andersen and Skjøtt-Larsen, 2009).

Together, these empirical elements help to corroborate the hypothesis that, although the normative body exists, its effectiveness is subject to institutional variables such as professionalization, interoperability, and even the political will for its implementation.

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