

# **New Public Personnel Management Reforms at Work in Sri Lanka: A Waddling Effort of Transforming Civil Service?\***

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## **Abstract**

*During the last two decades, Sri Lanka has embarked upon a set of comprehensive Public Sector Management Reforms (PSMRs). Many of them were introduced recently following the guidance of the New Public Management (NPM) initiatives that have been driven by a combination of economic, political, social and technological factors. In looking at whether these reforms worked in the Sri Lankan context, a number of challenges emerged either externally or internally, worked against their implementation. These challenges have limited the scope, speed, quality and the overall outcome of the NPM reforms in the country. The aim of this study is to explore the bureaucratic challenges of implementing NPM reforms in Sri Lanka. Under the doctrine of NPM, central focus of present study is to examine the implementation of human resource management innovations in the context of Sri Lankan civil service. The basic underlying hypothesis in the study is that the extent of implementing NPM reforms is depended on the committed and competent bureaucratic environment. To test this, data was collected through open-ended interviews, informal discussions and also texts and other relevant documents. Within the Ministry of Public Administration and Home Affairs, 30 Civil Service Officers, and the Minister of Public Administration and Home Affairs were interviewed. The results show some support for the substantive argument; the extent of implementing NPM reforms depended on a number of factors. Based on the findings, one conclusion is that absent situation of necessary support and compliance of implementers, reform implementation might lead to an unproductive project. In addition, there should be a capable institutional structure with flexible and protective legal provisions, sufficient resources and compatible inter-organizational communication for successful NPM reforms implementation.*

**Key Words:** New Public Management, Public Sector Reforms, Civil Service, Public Administration, Policy Formulation, Reform Implementation

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\* Draft version of this paper was presented at NFU Conference on “Making Institutions Work for the Poor” Chr. Michelsen Institute, Bergen, Norway, 5-7 November, 2007

## 1.0 Introduction

The 21<sup>st</sup> century seems like a century of making changes in political, economic, bureaucratic and many other spheres both in developed countries and developing countries to achieve the goals in more effective and efficient manner than the way they were achieved before. Governments and other different social actors in many countries have involved in various programmes in making their political and economic systems transform towards a more unique system, which is to be paralleled to a global wave of so called 'good governance'. Under this good governance doctrine, it is expected to bring solutions for a wide range of international, national and local issues including trans-national global markets, national economies and their management, system of governance, system of service delivery, human rights with special attention to marginalized and minority groups, and quality of the individual human life. In this context, the civil service has been assigned, by the doctrine of new public management, a pioneer role to play in achieving these aims and aspirations on behalf of the betterment of the entire civil society.

During the past twenty five years, as a common response to economic, institutional and ideological changes that were taking place in the world, public sector reforms became an important aspect for governments in both developed and developing countries. As a part of reforms in public sector, public management has been emphasized and emerged as a recipe in developed countries. These management-oriented reforms have been labeled as 'Managerialism' (Pollitt, 1993) 'Market Based Public Administration' (MBPA) (Lan and Rosenblom, 1992) 'Entrepreneurial Government' (EG) (Osborne and Gaebler, 1993) 'New Public Management' (NPM) (Hood 1991, Kearney and Heys 1998). This new paradigm or trend, although labeled differently, has been popularized as the NPM. The NPM that emphasizes on reforms of the central Civil Service apparatus has been introduced as a new administrative orthodoxy (Olsen, 1997).

Public sector reforms for the exiting Civil Service in the Third World countries are not a new effort or a new programme. In fact, the successive governments elected to power in most of the third world countries have undertaken different types of reforms since their independence. But, in the 1980s, the various factors-budget deficits, international influences and the emerge of market based neo-liberal economic policies- affected governments to move towards the reforms in reducing cost and size of political-administrative mechanism (Hague, 2001). The existing

literature of NPM reforms in these countries shows that, in the 1990s, the developing countries have paid much attention to improve efficiency and effectiveness of their Civil Services.

Sri Lanka is one of the developing countries that embarked Civil Service reforms since the 1980s. Under the influence of the British colonial regime, the administrative structure of the country was highly centralized. With the bureaucratic approach to management, rigid ruling system became the norm and seniority rather than merit had been the main ground for promotion. The system of parliamentary democracy and multi-party political system has strained the successive governments to focus on ‘the welfare first and growth later’ approach. In this context, some scholars have argued that this welfare state model has not helped for sustainable development in the long run, as the state sector did not perform effectively in producing necessary economic growth (Thilakaratne, 1989).

This context opened an avenue for the successive governments to consider readjustment programmes in their effort to address some critical issues such as unemployment and poverty reduction in the 1970s. Most of the reforms undertaken during the 1970s were based on the decentralization of government responsibilities and duties to local governmental authorities, but in the 1990s marked remarkable departure and started to apply NPM strategies for Sri Lanka (Jayawardana, 1997).

This paper comprises of six major sections inclusive of the introduction. The second section focuses on the conceptual analysis new public management reforms. The third part of the paper discusses the methodology applied for this study. Section four examines the implication of the NPM techniques and practices to the Civil Service System in Sri Lanka during the past decade. Next section focuses on the background factors and overall progress of implementing proposed reforms. Section six analyses the challenges that have to be encountered when the NPM reforms are being implemented. Final part of the paper concentrates on making some conclusions based on the finding of the study.

## **2.0 New Public Personnel Management Reforms**

One of the prominent concerns of NPM is improving practices and techniques of personnel management system which are practiced in the Civil Service at present. Human Resources Management (HRM) can be defined in a broader sense as;

*“...a part of the management process that specializes in the management of people in work organizations. It emphasizes that employees are the primary resource for gaining sustainable competitive advantage, that human resources activities need to be integrated with the corporate strategy and that human resource specialists help organizational controllers to meet both efficiency and equity objectives” (Brathon and Jeffrey, 1994:05).*

According to the definition, the prime objective of HRM is to achieve the efficient and customer oriented organization. NPM theorists expect to reform the current practices and aspects for better human resource that can be utilised to accomplish overall objectives of NPM doctrine. Basically, two approaches are recommended to enhance the quality of human resources namely; training and capacity building. By training civil servants, it is hoped to reshape or change their attitudes towards the customer-oriented Civil Service. Furthermore, training is needed for enhancing the following qualities of the Civil Service, so that it will help to improve the efficiency and the quality of service delivery (Economic Commission for Africa, 2003).

- Provide the necessary skills to the managers to deal with new responsibilities
- Improve skills for customer oriented Civil Service
- Improve the procedures and standards of service provisions
- Absorb modern techniques, methods and processes

Capacity building of human resource in public sector implies the improvement of human capital, institutions building and process and procedural enhancement. This involves in developing human resources to analyze, plan, implement and evaluation of policies and programmes so as to improve the total quality of the Civil Service. NPM has shown six requirements for a better human resource capacity building in Civil Service services (Economic Commission for Africa, 2003).

1. adequate budgetary allocations for capacity building activities
2. adequate funding for training institutions
3. institutional relations between public sector training institutions
4. public-private partnership
5. political will and support
6. stakeholder consultations

According to NPM theorists, training and capacity building are two main aspects of HRM in the Civil Service. In other words, by improving and developing human resources, the level of performance of the Civil Service is expected to be increased so that it would fulfil the growing demands and the aspirations of the public.

As a result of this discourse, a number of developed and developing countries including Sri Lanka have launched different programmes and initiatives to enhance the quality of the personnel management system of Civil Services. Public Management Reforms for the personnel system in Sri Lanka is proposed to harvest the productive and efficient civil service for the people.

### **3.0 Aim of the Study**

Despite the considerable amount of research done on NPM, there still prevails a research gap for a scientific study on the challenges being faced at both introductory and implementing stages of NPM reforms particularly. Even though, some studies have been focused on this theme in Europe, and Africa, in South Asia, in Sri Lanka, few empirical studies exist. The purpose of this study, therefore, is to explore the bureaucratic challenges in implementing the NPM reforms with focal attention to human resource management innovations in Sri Lanka.

### **4.0 Research Methodology**

Among several methods that are used in conducting qualitative studies, the case study method was used for this study. Reason for the selection of the case study method is that contemporary phenomenon within some real life context, for instance like the theme of this research, is to be studied better by applying case study method. This case is an analysis of the bureaucratic challenges in implementing the Human resource management reforms under the umbrella doctrine of NPM in Sri Lanka and the period under examination is 1994-2003. To achieve the objectives of the study, the researcher reverted to the previous records and to analyze the present situation of the reform implementation within a wider bureaucratic and institutional context of Sri Lanka. For the collection of relevant data, the researcher used multiple data sources including secondary and primary sources.

## **4.1 Primary Data**

The data was collected from primary sources through two different strategies.

**Open-ended Interviews:** Using open-ended questionnaires, relevant information was collected from 30 Civil Service officials out of 125 employees within the Ministry. The researcher selected interviewees by using the proportional randomization strategy from four different units of the Ministry. Those units are the Administrative Reforms, Public Service Training, Combine Service and Home Affairs. The researcher interviewed the secretary of the Ministry, Administrative Officers, members of the Reform Committees, members of the Civil Service Commission (CSC), and some randomly selected officials from different sections of the Ministry. On the one hand, they are the people who try to introduce and implement these strategies; on the other hand, objections normally come from them against this reform.

**Open Discussions:** During the data collection period, the researcher discussed with the Minister of Public Administration and Home Affairs on how these NPM techniques and practices originated and how bureaucrats supported or opposed the implementation process.

## **4.2 Secondary data**

The necessary information and data also was collected through published books, journal articles, archival records, memoranda, letters, and minutes of meetings, written reports, administrative documents, and newspaper clips. These documents provided a comprehensive understanding of reform initiatives and financial source for implementation. They also made link between past and present trend about the process of introducing the NPM principles.

## **4.3 Data Analysis**

This study is a qualitative one in nature and, therefore, I used the explanatory method to arrange, interpret and analyze the data, as the use of statistical analysis is very limited for this case. The primary data was used with the secondary data at points where analysis wants more in-depth consideration. At some points, tables and graphs were used for more clear depiction of the analysis and sometimes statements made by respondents were quoted to support my arguments.

## **5.0 Background-Factors of Reforms Initiation**

What are the background-factors to introduce PSMRs in Sri Lanka? This question answers to the driving motives for new public management initiatives. Two main reasons could be categorized in Sri Lanka for applying such reforms to the Civil Service. On the one hand, internal or

domestic factors are important in a way they emphasize to improve the efficiency, effectiveness, productivity and customer oriented Civil Service for responding peoples' expectations. Three different factors can be seen as major impediments for non-achieving these qualities from the existing Civil Service in the country at the end of 1980s and early 1990s (Administrative Reform Committee Report No.1, 1987). Those were;

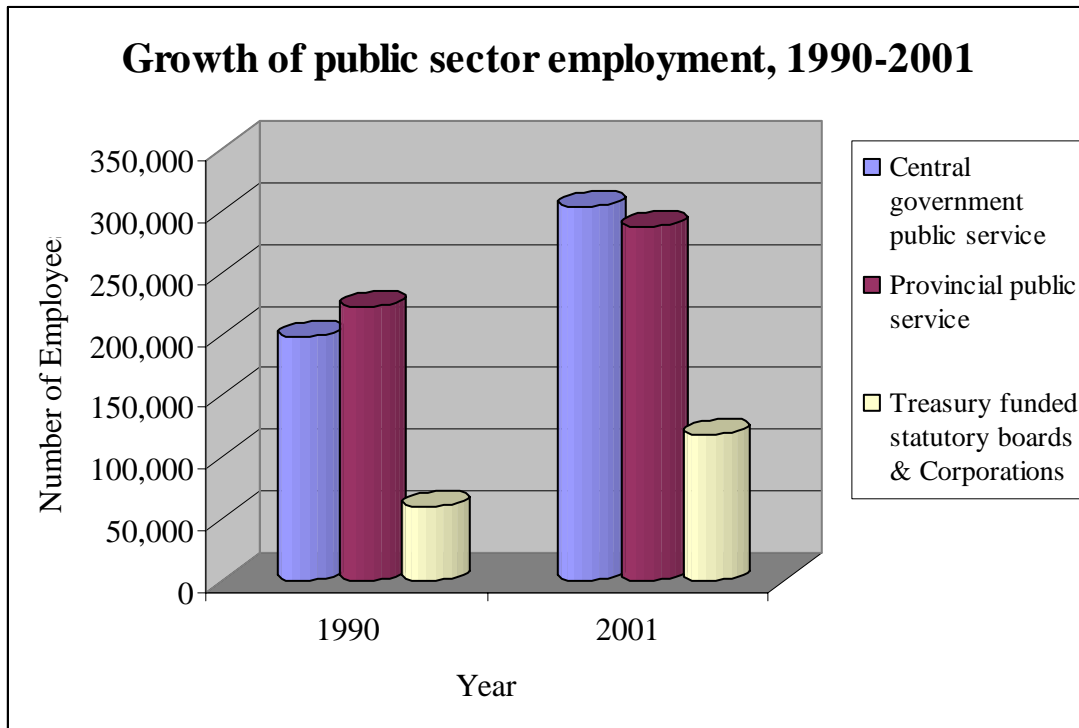
- (a) Structural deficiencies;
- (b) Deficiencies in the personnel system; and
- (c) Deficiencies in work system and procedures.

Three categories are inter-related and reinforce one another and require simultaneous attention to deal with them. In such a situation, it was necessary to go for some changes through introducing new reforms with different (Administrative Reform Committee Report No.2, 1987). On the other hand, the global wave of Civil Service Reforms, especially the emergence of NPM as a means of public sector reforms during 1980s, has influenced political and administrative leaderships to think about the reforms of the country. As a dependant country to considerable extent over the international assistants, successive governments were unable to be unresponsive any further to these international influences. International actors like the WB, IMF, ADB and other donor countries encouraged the Civil Service Reforms by granting financial resources for effective implementation programme.

## **6.0 Human Resource Management (HRM) Reforms in Sri Lanka**

The Sri Lankan civil service was significantly overstaffed; in 1985, with an estimated 456,000 employees, in 2001, at 708,000 employees, or about 3.6 civil servants per 100 people. Sri Lanka has achieved dubious distinction of having the highest per capita staffing rate in South Asia, and one of the highest in the developing world. As table one indicates from 1990 to 2001, public sector employment grew at an annual rate of over 3.5%, or nearly three times in rate of population growth during this period.

**Figure-1**



Source: National Budget Department Data compiled by the Sri Lanka salaries commission-2002

Overstaffing had an adverse impact on the morale of hard-working employees and reduced performance across the board. Moreover, the examination of Sri Lankan budgets over the last twenty years shows that the wage and pension bill has been increasingly squeezing out development expenditure and even the operations and maintenance funding that is required for employees to function in a minimal fashion.

By this reform it was expected a cumulative staff reduction of 30% over the five years from 2000 (Salary Commission, 2000). The objective is to bring total public sector employment at least back to the number prevailing in the mid 1980s, which would involve a reduction of approximately 45% from current staffing levels<sup>1</sup>. The other objectives of human resource management reforms are;

- Orientation of public servants both in outlook and attitude to become facilitators of greater private sector participation in economic activities
- Skills and educational development of public servants to be proactive and responsive to the economic trend of the country in a market oriented environment

<sup>1</sup> Even this number would still leave Sri Lanka with a Civil Service of approximately 2.34 per hundred population



- Correct sizing of the human resource divisions of the public sector under the appropriate service requirements
- Professional management development to ensure effective leadership and policy making
- Introducing productive human resource practices (by introducing human resource development strategies, training facilities, technology and technical skills)
- Introducing better human resource planning strategies to strengthen the professionalism of the overall public sector practices

Human resource management reforms, which have been designed to achieve these objectives, consist with variety of tasks that are necessary to improve the quality. Most of them are prerequisites for the creation of a computerized human resource database, which would provide accurate information on the size of composition of public employment within Sri Lanka. But there are a number of non-IT related tasks that will feed into this broader effort. Among these tasks the following can be highlighted.

1. Establish a computerized human resource database linked to the payroll system for the entire Civil Service
2. Analyze the current complex array of different cadres of employees, and formulating alternative options for rationalization, including support for targeted redundancy packages
3. The articulation of a broader HRM strategy and set of objectives for optimizing the size and composition of the Civil Service strengthening meritocracy and enhancing integrity and productivity
4. The legal and regulatory framework in which need they need to be modified to attain the government's HRM objectives
5. Assignment of responsibilities for various HRM functions, including authority, decision making, implementation and day-to-day management at all levels of government
6. Analysis of information flows for key business processes (horizontal and vertical, within and between ministries, departments, institutions, provincial governments for instance), which will reveal how information passes through the system and describe the control points at which decisions and authorizations are made and identify any major problems of bottlenecks that exist in the Civil Service

7. Manual and computerized record keeping systems across each level of government and across a selection of ministries, departments, institutions; this will establish the reliability and completeness of records, the extent to which accurate information management is derived from records
8. Defunct, duplicated and inappropriately assigned responsibilities, particularly with regards to whether central government agencies are carrying out HRM functions that are devolved to Provincial Councils

## **7.0 Progress of Implementing HRM Reforms**

The first dimension of strategies in implementing reforms is clarified by the overall goals of the reform programme itself. According to the Management Reform Policy Framework, the overall goal of the new strategies is to reduce the size of the state sector in order to facilitate the establishing macro-economic stability and fostering the private sector's contribution to the development process. The reduction of the size of the state contains two different but interrelated stands viz. rightsizing the human resources and the role that has to be played by the state.

Under the human resource management reform it was expected to reduce the number of the cadres in the Civil Service by introducing a voluntarily early retirement procedure with financial assistance. But no significant cadre reduction in the public sector has occurred in the period between 1994 and 2004. Politicians who are responsible for activating this proposal, themselves see this as a way of reducing the votes in elections because if the reduction started it would definitely make civil servants uncomfortable in their positions. In the election, public servants and their trade unions will organize their sole support in favour of the oppositions. Politicians know this common reality of the public servants' unions and the way they deal with governments and therefore they are reluctant to implement such a reform, even though policies are formulated by them under the pressure of external processes. In this sense the reforms for human resource management and right sizing have become rhetoric without real initiation to achieve the expected or initial goals. The failure to implement this Policy Reform Recommendation also appeared to have led to negative reaction from international sources which were supporting structural adjustment. Just after a year of this reform programme implementation started, Shelton Wanasinghe explained the situation in following words.

*“Thus Sri Lanka’s administrative system remains in the same condition of low effectiveness of some years ago. It not only continues to be irrelevant to the task demands emanating from the economy and the society but also, even more threateningly, constitutes the most serious barrier to achieve her development aspirations.... The restoration of the administrative improvement effort must thus become a priority task during the rest of the decade” (Wanasinghe, 1994:12).*

Even after 12 years of implementing these reforms components to a different extent, a report called “Regaining Sri Lanka” released by the United National Front government in the 2002, identified that the Sri Lankan Civil Service System still suffers from some terrific problems such as over-staffing, an excessive number of institutions, an undue reliance on administrative procedures, weak institutional control mechanisms and unnecessary and too great political interferences. As the report further notes,

*“There continue to be outdated systems of management in government and a near-absence of human resource management. Government organizations functioned without clear visions and plans, tend to resist changes, and are reactive rather than proactive. Some of the work force is unmotivated, powers for decision making are not adequately delegated, and training and skill-retention are low prioritized” (Government of Sri Lanka, 2002:86).*

When the progress of implementing the above reforms is analyzed, it can be noticed that many of the recommendations are still in the negotiable phase or in the primary stage rather than in the implementation phase. Only a small number of proposals have been implemented so far and many others are yet to be implemented. The question raised in some reform solutions were suggested before a period real practice of ten years. Those are still in the reform agenda and have not been put into real practice.

As a result, a significant change had not occurred in the implementation at practical level and many of reform events suffer from a non or mal-implementation syndrome. The diagnoses of these syndromes do not arise automatically from the objectives of the reform programme itself, even though it is one among others, but are constructed within economic, political, social and institutional contexts. Next section of the paper examines some such diagnoses hidden in bureaucratic and institutional level.

## 8.0 Challenges against Successful Implementation

### 8.1 Understanding and Comprehension of the Policy Reform

In my study, this was mapped out through examining their understanding of New Reforms proposals proposed by the government. The study realized that there is a positive correlation of understanding and comprehension of bureaucrats on reform programme to the extent of successful implementation as the theory pointed out. Table 1 below shows that the level of Civil Servants' understanding the Reform Programme.

**Table-1**  
**Understanding of the reform programme**

	No. of respondents as a percentage		Total N=100%
	Yes	No	
Did you participate in discussions of policy formulation	20	80	30
Do you know about the contents of the programme	37	63	30

Source: Data from the field study

This study found a positive correlation between the knowledge and the stand of policy implementers towards the successful implementation. The level of controversy or consensus over reform objectives and goals is critical for such an effective execution. Among several factors that affect the consensus of policy objectives, stakeholders' participation (especially, policy implementers), in formulating reform programmes and policies plays a significant role. According to the data, on the matter of participation in discussion(s) of Reform Policy formulation, 20 percent had been done so and other 80 percent had not been taken part in such a discussion. Basically, the main reason for such a situation of inadequate participation is that the policy formulation process has been highly centralized for the political elites in the country and, therefore, consultation of stakeholders of the programme can not be seen. As one respondent pointed out, *"politicians take all the decisions at the top level without consulting other parties, who can contribute positively to the process. We are the people who work at operational level. We are the immediate group that always meets the common people. We know the problems at the implementation level"*.

At the same time, the researcher measured the level of knowledge about the Reform Programme components, through raising the question of 'Do you know about the contents of programme?'

Only 37 percent had read the programme proposal before they started to be implemented. The rest of the 63 percent had not gone through it and they had not known the content and objectives of the Proposed Reforms. The major reason for such a situation is that the authorities who were responsible in the reform section of the Ministry have not circulated those proposals among the implementers to get the basic awareness before the implementation phase. On this basis, it is right to say that due to the lack of understanding of the implementers about what has to be implemented, a state of inactivity crept in and it directly acted as a resistance against the programme implementation.

## **8.2 Acceptance or Neutrality of the Response toward the Reform Programme**

The level of acceptance and support of bureaucrats in implementing Management Reforms is another factor of their success or failure. To test this argument, respondents were asked to explain their overall assessment of the programme. As table 2 illustrates, 60 percent of them do not accept the programme while 27 percent of them accepted. It means that the level of acceptance is significantly low. It was found that a number of factors has been responsible for such a rejection. As I mentioned earlier, one reason is that most of the Civil Service Officials have not participated in Policy Design Process and therefore the degree of awareness about the programme is quite low. Another reason for such non-acceptance is the attitude towards the programme. Many respondents expressed their doubt and fear about their positions and salaries after such implementation. They thought that the ultimate aim of the programme is to reduce the number in the Civil Service and to introduce the performance based payment scheme to the Ministry. This imagined instability of thinking was unveiled by one respondent in these terms; *“Reform means reduction of civil servants. The fundamental objective of this introduced programme is the same. Politicians want to make the World Bank and the IMF happy by cutting cost of the Public Services. Therefore, I can not agree with this reform agenda”*.

**Table-2**  
**Acceptance or Neutrality Toward the Reform Programme**

	Number of Respondents as a Percentage
Accepted	27
Neutral	13
Not accepted	60
N=100%	100

Source: Data from the field study

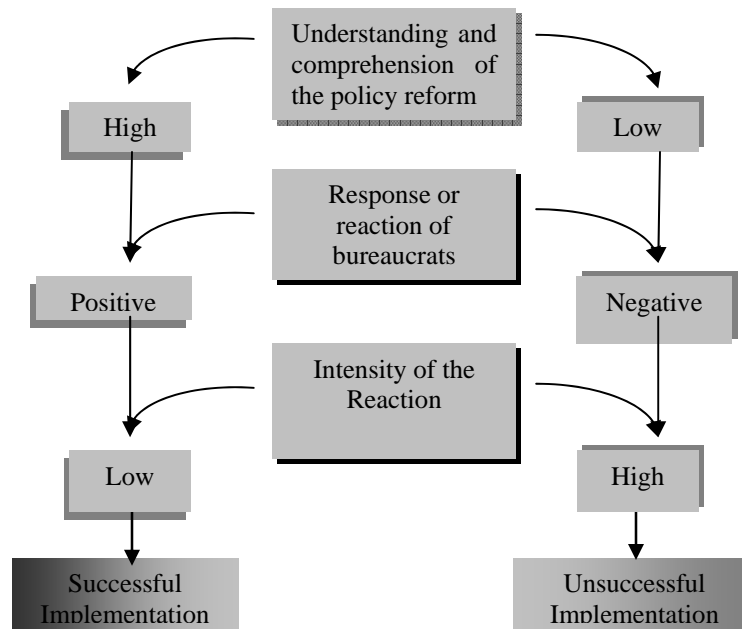
Another reason for such a situation is that internal politics that reflects the outside party politics has its way inside the Ministry. The supporters of the government in power at the time do not have an objection for reforms and changes. Conversely, the Civil Servants who have affiliations to the opposition parties do not want to extend their support for the programme even within the Ministry. This is not necessarily applicable to all who oppose but at times I found that politics is one factor among a lot of others.

### **8.3 Intensity of the Response**

In Sri Lanka, resistance commonly comes in the form of group resistance rather than individual resistance. Therefore trade unions play a significant role to hinder changes proposed by the reforms. There are some trade unions in Sri Lanka with a high influential situation over government decisions. There is a feature in the Civil Service that it has been fractioned into several camps such as generalists and specialists, entrants on patronage system (spoil system) and recruitment done on merit and pro-United National Party and pro-Peoples' Alliance Civil Servants. All these groups bargain with the political leadership over the matters affecting their own interests. If the reform programme affected the interests of a particular group, this group tends to put an all out effort to halt the implementation. So this is the way of working trade unions in the context of the Civil Service in Sri Lanka. In the discussions with the officials of the Ministry, they revealed that majority of strikes of each year were more or less against the changes that successive governments wanted to implement in the Civil Service.

If it is summarized, the correlation between each of the three factors related to the bureaucrats stand over the implementation is portrayed in the following chart (see figure 2)

**Figure -2**  
**Effect of Bureaucrats' Stand over Reform Implementation**



#### 8.4 Perception of Civil Service Officials Regarding Political Support

It is also interesting to analyze the Civil Servants' Perceptions about the political factor within the Civil Service Reforms in general. In my study, I interviewed 30 Civil Servants and all of them were asked the way they analyzed the political commitment on this reform programme. Twenty one of them said that they are not satisfied with political commitment in making Civil Service Reform more fruitful. The illustrative comments included:

*"...support from the political leadership is not adequate at all. Though, they instruct us to implement this and this, it is clear that their understanding of reforms is very low. Therefore, to achieve a good outcome from changes, it is necessary to have a clear vision and good knowledge about what should be done"*

*"...decisions related to reforms are often changed parallel to political necessities and according to the government in office. Each and every reform component has been decided on a political agenda"*

It is noteworthy that the political leadership is expected to be stimulated for successful implementation of new managerial reforms by a majority of the Civil Servants. But in practice, there is no such an enthusiastic effort from politicians. They thought that political leaders do not

seem to be aware of the procedures in the Public Sector and that is the reason for working in an ad-hoc manner. Instead of implementing broad-based management reforms, governments in these ten years have been more interested to work with the existing factions within the Civil Service, maintain status quo and build up support base for their own benefits in politics.

## **8.5 Organizational Culture**

In Sri Lanka the Public Service has a distinction not shared by employees in the private sector of even the public enterprises sector. Within the Civil Service there are different organizations having separate mandate, role and responsibilities and each of them has their own patterns of culture (Somasundram, 1997). Among Schein's (1992) stages of the organizational culture, stage of core or essence<sup>2</sup> is applicable to analyze the way civil servants attitudes and norms affect the reform programme.

The core of Sri Lankan Civil Service Structures, laws comprises the institutions of Civil Service created in Sri Lanka in the 1830s at a time when the colonial rulers introduce the constitutional reforms for the country for the first time. The basic patterns based on the loyalty incentives at the expenses of performance incentives. Civil Servants were not paid according to performance base but on the basis of self-established criteria of formal education. Performance was very secondary criterion of promotion. Moreover, mobility of Cross-departments or Ministries was highly restricted due to attendant economic disincentives. This situation of the Civil Service did not change even after the independence of the country. Rules and regulations, traditions, working methods are more or less based on the colonial system. Several attempts had been taken by successive governments since the 1960s to make some changes. But still it can be observed that those reform proposals with little intent of bringing about any fundamental changes, were limited to small galvanizations such as trivial financial incentives. For instance, new comers to the Civil Service were assigned permanent positions after a probationary period without having established comprehensible and manageable criteria of evaluation. Based on these traditions, the organizational culture was evolved through 1980s to 1990s. Norms, beliefs and attitudes of the Civil Service are laid on the centralization, publicness, seniority based promotions, recruitments based on formal education and retirement with pensions. New Management Reforms are

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<sup>2</sup> In this stage culture is represented by the basic underlying assumptions and values. They are difficult to distinguish as they exist at a largely unconscious level, yet provide the key to understanding how things happen.



basically challenging these principles of so called traditional bureaucratic system. In such a case, it should expect a resistance from the bureaucrats whose attitudes and mindsets have been programmed or implanted on traditional routines.

It is interesting to study the way new comers to the Civil Service are trained to fit into the existing culture. One of the respondents explained his experience in the office as an apprentice in the early days in the Ministry. According to him; *“One of the persons in a superior position, advised me that there is no competition in the Civil Service, there is no urgent work to do within a short period of time. Even though you work fast or otherwise you will not be paid additional reward or subject to any kind of punishment. Therefore, keep the cooperation with the colleagues in the office not with the leadership”*. This existing situation of the Ministry was accepted by the Assistant Secretary of Reform Division. He told me that one of the barriers in implementing new reforms is the reaction of Senior Civil Servants. Still they are not ready to change their minds for the future prospects of the Civil Service, he further explained.

## **8.6 Human Resource**

As Corkery (1995) pointed out, this is quite a paradox in Sri Lanka. Privatization, for instance, requires a high level of competent personnel for accrual accounting of SOEs, tendering and completing the rest of the programme. Privatization reforms that rely on new costing and accounting arrangement require accountants to make the programme more productive and efficient one. Likewise, e-governance, Human resource management and streamlining the working process in public offices, which are mainly oriented to performance management, also require new skills and technologies from middle managers. But there is a dearth of such human resources available in Ministerial levels. This sort of skills can be developed by training Civil Servants who are in service at present or new people out side the service and intake later after the necessary training. But still some skilled personnel are needed for this process. Especially reforms like e-governance can not be performed without such knowledge about much more sophisticated hardware and software. In the study, I found that the lack of skills and trained people in the Ministry is one of the main hindrances for the implementation of Management Reforms. The Senior Assistant Secretary for Reforms in the Ministry explained this situation in this way.

*“...we should lead the Civil Service forward parallel to the progressive developments that occur in the international system. But still we have some burning issues to adopt those developments into our system. Lack of human resources, among them, is crucial. We, few colleagues, have to perform everything in this reform section, but some more expertise need for doing this task efficiently” (Respondent: RSAS<sub>1</sub>).*

When I asked the question of ‘Do you think that you are capable enough to deal with the new Management Oriented Reforms, 93% of respondents, approving the situation, said that they are not capable enough and some sort of training is needed to work with new reforms. The following table shows the distribution of these responses (see table 3).

**Table-3**  
**Competence of Civil Servants to Work with NPM Reforms**

	No of respondents as a percentage
Competent	7
Not competent	93
N=100	100

Source: Data from the field study

Further more, they were asked to prioritize what type of additional skills that might be required to work in an NPM environment. 39 percent of respondents in my sample thought that information technology related skills are badly needed for them, while 29 percent listed that Managerial Skills are the most wanted skills to go ahead with New Management Reforms.

**Table-4**  
**Additional Skills Required to Work with NPM Reforms**

Type of skill	No. of respondents	Percentage
Information technology knowledge	11	39
Managerial skills	8	29
Interpersonal skills	3	11
Creative Thinking	3	11
English Knowledge	2	7
Report writing skills	1	4

Source: Data from the field study

Though, they identified the skills and experience they need, only a little training has been given for them in the last ten years time. Also the trend of staffing senior positions in the Ministry with generalists and higher frequencies of transfer has affected the service and has resulted in a lack of motivation for senior levels to spend time and energy in acquiring knowledge and expertise.

### **8.7 Administrative and Constitutional Rules and Regulations**

Another significant hurdle of implementing reforms in Sri Lanka is that detailed and strict administrative and constitutional rules and regulations of the Civil Service. Basically, the intention of introducing NPM strategies is to make the state right in size and more customer oriented one. In this process, some strategies have to be introduced for transforming the way Civil Service is working now. For example, privatization, outsourcing, contracting out and e-governance have been emphasized for such sift to accomplish the efficiency, productivity, and effectiveness. One of factors affecting the effective implementation of such innovations is that the legal system which includes both constitutional and administrative rules and regulations. It is believed that successful implementation is required for a compatible legal system of any context (Perry, 2001). Rigidity and details rules and regulations, which are the consideration of private sector investors, make it difficult to change the existing system because the new requirements might contradict with them. In 1995, one of the World Bank Surveys revealed that the laws, which are affected to the private sector approaches of management, are less transparent in Sri Lanka (World Bank Legal Department, 1995). It further says that unclear laws leave entrepreneurs doubtful of their rights and obligations. Apart from that, such a situation allows a wide range of bureaucratic discretion. In Sri Lanka, the Civil Servants have emerged as powerful interest groups due to the fact that they were protected by the constitution and by tenure provisions. These groups have tended to protect their privileges and to resist reforms designed to improve their performance.

As has been illustrated by a report of the Central Bank of Sri Lanka (1997) the labour laws are highly complex, rigid and restrictive. It has argued that there is an urgent need to simplify and make labour market policies transparent to infuse flexibility. Therefore, successful implantation of new management reforms requires a sort of flexible and uncomplicated legal framework in the system. As two respondents of my study pointed out, *“Establishment code and financial regulations work as a main barrier of launching these reforms. Those are based on colonial*

*rules and regulations and it is a basic requirement to change them according to the present day needs. Otherwise, these reforms also will count to the non-implemented policies of the country”*

On this line of analysis, one argument can be forwarded as; effective implementation can be posited in a context where there is a flexible and uncomplicated administrative and constitutional rules and regulations than where the situation is opposite to that.

## **9.0 Conclusions and Suggestions**

Based on the analysis and discussion so far in this study, several realistic arguments can be raised up. One such conclusion would be, based on this study, that absent situation of necessary support and compliance of implementers’ reform implementation might lead to an unproductive project. Because of the extent of the support of bureaucrats is very significant for reform implementation, they should be ready to work with innovations. As the theory figured out, bureaucrats can work, in a way for supporters or spoilers of the entire programme. More effective implementation is required for proactive thinking and positive attitudes from implementers. In a country like Sri Lanka, this is not the existing situation, as I discussed in the previous chapter, due to the long term traditions that are rooted on colonial legacies. It is, therefore, necessary to change the attitudes and mind sets for accommodating new requirements and work accordingly to fulfil the expectations of the public. They are supposed to improve their understanding of NPM reforms and acquire the necessary skills to work with them rather than just oppose. On the other hand, their participation in policy process should be established in each and every necessary situation. They should be trained to make them competent for execution of their role.

In addition to this more specific conclusion, some general considerations for a productive reform implementation. First, there should be a capable institutional structure for such an implementation. It can be suggested means that the legal provisions at the institutional level must be flexible and protective; sufficient resources must be available; inter-organizational communication might be compatible; and any other ‘bottle necks’ of successful implementation should be eliminated.

However, based on a number of factors on driving reforms, one factor is important to be highlighted here. As has been discussed at the beginning, we have to think of two different

contexts where NPM reforms were originated and later on, they have to be applied. These two contexts may be significantly different from each other. The NPM reforms are based on a common framework in the developed countries. When they invented or introduced the so called ‘new public management reforms’, they had already achieved the expected development in most of the sections. Those reform components were not tested in their countries, being in undeveloped contexts to achieve development. In such a situation these NPM reforms are recommended by donor agencies for the developing countries. Sometimes these reforms have been a shock for not only to the bureaucratic system, but also to the entire political system of the country.

Therefore, one aspect of such policy reform application from western countries to non-western countries is the taking into account of institutional conditions, and their capacity for implementing public sector management reforms. Rather than just considering the matter of what is to be applied from NPM universal package, it is more important to think of the matter of how it can be implemented. At present, it seems that in Sri Lanka, much attention has been paid on the contents of reform programme without sufficient analysis on operational arrangement of them. The application of NPM, therefore, needs to be reliant on the prevailing context or conditions.

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