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Bharat Raj Gautam

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Factors Affecting Application of New Public Management Oriented Reforms for Reforming Nepalese Public Administration

**To be Presented
By
Bharat Raj Gautam[1]**

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[1] PhD Student at the Central Department of Public Administration, Tribhuvan University, Nepal

Abstract: New Public Management (NPM) has become a dominant model of administrative reforms since 1980s. The basic principle of NPM is based on economic and managerial theories. Application of economic theories in the public sector allows to introduce competition in the public service delivery system, to contract out functions of the government, and to privatize state owned agencies. Application of managerial theories in the public sector gives an opportunity to provide flexibility in managing the functions of government where public managers have been given more autonomy to manage their jobs. Primarily, NPM based reforms applied in developed nations namely Britain, New Zealand, Australia and USA. Since 1990s NPM has been applied in developing countries too. In Nepal, various efforts for reforming public administration have taken place since early 1960s. However, reform efforts after 1990 have introduced some reforms ideas related to the NPM model for making pubic sector more effective and result oriented. Among them redefining the role of the State, privatization of State owned enterprise, delegation of administrative power and authority, procedural simplification, application of NPM work culture, and use of citizen charter are the major reform components. However, NPM based reform initiatives have not been effective to bring positive changes in Nepalese public administration as per their objectives. The study mainly find outs the policy process of reform, political situation of the country, path dependency characteristics and bureaucratic behaviour that exist in the Nepalese public administration have affected the application of NPM oriented reforms.

1. Introduction

Nepal is a land locked country located in South Asia bordered by China to the north and India in the south, east and west. The total land area of the country is 147,181sq.km and Nepal's population is around 26.4 millions. Population growth rate of the country is approximately 2.2, whereas country's GDP is around 2.5 percent. Its per capita income is about 383 US dollar. The literacy rate is around 54.1 % (Central Bureau of Statistics, 2007). Most of the services to the citizens are delivered by the public sector. The structure of the administrative system is mainly based on three level-Central, Regional and District Administration. Number of employees working at the public sector is around four hundred thousand including, 88 thousand in Civil Service, 20 thousand in Public Enterprises, 97 thousand in Army Service, 72 thousand in Police Services, 10 thousand in Universities, 105 hundred thousand in Teaching Service and 5 thousand in other Public Services government funded Committees and Board (Source: Ministry of General Administration, 2007).

The general purpose of this paper is to asses the factors affecting application of NPM oriented reforms after 1990. The study is based on qualitative method and information is collected from secondary and primary data. Secondary information collected from reform reports, policy documents, books and articles. Primary information is collected from discussions with purposively selected officials at the Ministry of General Administration and academics working in the field of public administration in Nepal. The information from my personal experiences is also used since I have been working in the Nepalese bureaucracy for more than one decade. To this paper, application of NPM oriented reform is dependent variable and factors affecting application of NPM based reforms is independent variable. The article first highlights the theoretical roots of New Public Management (NPM) very briefly and its application in the global context. Then the article reviews the reforms journey and introduction of NPM ideas in Nepal. The article mainly focuses to analyze the factors affecting application of NPM based reforms in the Nepalese context. From the study application processes, political environment, path dependent characteristics, and bureaucratic behaviour have been seen the major factors affecting the application of NPM inspired reforms in Nepal.

2. New Public Management and Its Application in the Global Context

Christopher Hood's article (1991: p.4-5) "A Public Management For all Seasons" which is the widely cited academic literature on the concept of NPM. In this article, Hood describes NPM as a doctrine including seven components- hand in professional management in the public sector, explicit standards and measures of performance, greater emphasis on output controls, shift to dis-agreegation of units in the public sector, shift to greater competition in public sector, stress on private sectors' styles of management practice, stress on greater discipline and parsimony in resource use. Hood's doctrinal model of NPM also mentions its meanings and justifications. The Organization for Economic Co-operation and Development (OECD) has listed a group of managerial features in its NPM model of reform- devolving authority and providing flexibility, ensuring performance, control, and accountability, optimizing information technology, developing competition and choice, improving the quality of regulation, improving the management of human resources, providing responsive service, and strengthening steering functions at the centre (See Kickert, 1997: p.18). According to OECD, the central theme of NPM is to provide managerial and financial flexibilities in the public

sector. Osborne and Gaebler have come up with Ten Principles of public sector reform in their book *"Reinventing Government: A Government that Works Better and Costs Less"* (1992). Their Ten Principles are- Catalytic government: steering rather than rowing, Community-owned government: empowering rather than serving, Competitive government: injecting competition into service delivery, Mission-driven government: transforming rule driven organizations, Result-oriented government: funding outcomes not inputs, Customer-driven governments: meeting the needs of the customer not the bureaucracy, Enterprising government: earning rather than spending, Anticipatory government: prevention rather than cure, Decentralized government: from hierarchy to participation and teamwork, Market-oriented government: leveraging change through the market. These Principles have added new approaches and orientation to the movement of NPM based reforms.

Looking at the various doctrines, principles, and meanings, we can see the basic principle of NPM is based on economic and managerial theories. Economic theory allows market competition in delivering public services, contracting out functions of the government, and privatizing state owned agencies. Application of managerial theory in the public sector means flexibility in managing the functions of the government where public managers are empowered to manage their tasks and responsibilities with full autonomy like as the private sector. Therefore, a combination of managerial and economic approaches is the basic core of NPM. From the review of aforementioned literatures of NPM, we may summarize generally agreed managerial and economic features of NPM model of public sector reforms that include following components- decentralization and delegation of managerial power and authorities, conversion of civil service departments into independent agencies, performance-based accountability, privatization of state functions, downsizing/rightsizing public bureaucracy, customer/client orientation, application of citizens charter, results based management and performance appraisal, contract based public service delivery, competition in public service delivery, and managerial autonomy.

Since the 1980s NPM has become more dominant model of reform in leading changes in the public sector and it has led the transformation of the public sector in many countries. However, applications of NPM oriented reforms have not been the same everywhere. United Kingdom (hereafter UK) introduced dramatic reform programs during Thatcher regime in 1979. The reforms agenda were based on businesslike management, client orientation, and market type mechanism which were reflected in the official policy document of the UK

government (Kickert, 1997: p.21). It is claimed that UK is the birth place of NPM based public sector reforms. From 1980 onwards the impact of NPM has spread beyond the UK experience. New Zealand became more radical country than UK in introducing NPM ideas focused on contracting out of public services. Australia, another pioneer of NPM led reforms introduced a series of reforms such as corporatization, contracting out, market orientation, and quasi-market mechanisms in delivering public services. Therefore, there are a number of variations in the application and development of NPM across the countries in the world. The Ten Principles of "Reinventing Government" propounded by Osborne and Gaebler (1992) have also a great contribution to the development of NPM led reforms initially at the USA and later on across the world. The application of NPM based reforms can also be seen in the Scandinavian countries[2]. Their reform processes are influenced mainly by the managerial theories of NPM such as management by objectives, managerial autonomy, and power devolution etc. These practices have been well established in the Scandinavian administrative traditions within the broad values of welfare states (Christensen and Lagried, 2001). The Scandinavian model of reform is not the same as that of the Anglo-Saxon[3] and Anglo-American[4] countries.

NPM oriented administrative reforms can also be observed in some developing countries from 1990 onwards. Devolution of authority from the central government to semi-autonomous agencies is one of the basic components of NPM which is a well established practice of the UK and this type of power devolution can be seen in some developing countries too. For example, Ghana, Kenya, Zambia, South, Africa, Malawi, Zimbabwe are following the process of corporatising their health sectors (Polidano, 1999: p.5-6). The process involves converting hospitals into free standing bodies run by their own boards of directors and hiving off the service delivery wing of the Ministry of Health into the separate health entities like in the UK (McCourt, 2002: p.229-230). NPM inspired autonomous body like Revenue Authority model in the public sectors is also implemented in sub-Saharan African countries such as Mozambique, South Africa, Tanzania, Uganda and Zambia. Third world governments have attempted to reduce the scope of the government through privatization, deregulation, and downsizing state functions by recasting the states' role as a facilitator.

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[2] Norway, Finland, Sweden, Denmark, Greenland, and Iceland
[3] United Kingdom, Australia, New Zealand
[4] United States of America, Mexico and Canada

Based on aforementioned examples of the application, NPM is not only an influential model of public sector reforms in developed nations. It is an increasingly popular model of public sector reforms in developing countries too. However, some ideas of NPM in developing countries are taken as the new fashion for reforms from the world market. Some ideas taken in the third world nations are inspired by the globalization of NPM. And some more ideas of NPM are accepted due to aid conditionalities imposed by donor agencies such as the World Bank, International Monetary Fund and other regional organization like the Asian Development Bank. Therefore, the level and process of application of NPM is not the same across the world. It means the process and extent of application of NPM ideas differs from one country to another. Christensen and Lagried (2001: p.1-2) write "In some countries there might be a strong element of diffusion of NPM ideas from out side, whereas in others the reform process might be more a national or local initiatives. Thus, the spread of NPM is seen as a complex process, going different stages and packaged in different ways in different countries following their own reform trajectory within a broader NPM framework. There is no any specific starting point or a neat package of reform elements following a specific path or having a specific destination".

3. Administrative Reforms and New Public Management in Nepal

The effort of public sector reforms began in Nepal in early 1960s and the first commission on administrative reform was the Buch Committee of 1952. The main term of reference was to study the existing civil service and make recommendations for its reorganization. The second commission of reform was the Administrative Reorganization and Planning Commission of 1956. Its main term of reference was to formulate Civil Service Act and Regulations to strengthen administrative system. The third Administrative Reform Commission was set up in 1968 in order to make the civil service more competent. Again in 1975, another Administrative Reform Commission was formed and its main term of reference was to make the then administrative system more development oriented (Poudyal, 1989: p.47-95). However, these efforts were based on traditional forms of reforms mainly for setting organizational structures, and formulating formal rules and regulations than making public sector effective and result oriented.

The people's movement of 1990 restored the democratic political regime that was suspended in 1960 by the then King Mahendra and followed by his son King Birendra for 30 years. After

the restoration of democracy, the elected government formed a high level Administrative Reform Commission (ARC) under the chairmanship of the then Prime Minister, Girija Prasad Koirala in 1991. Right after the change in political regime from an authoritative to a democratic one, it was realized that a number of profound changes were necessary in the Nepalese public sector. Keeping this realization in mind, the Commission recommended various reform measures mainly in the areas of redefining the role of government, privatization, effectiveness of public service delivery, re-structuring public organizations, reduction of overstaffing and right sizing bureaucracy, procedural simplification, bringing efficiency in decision making, decentralization/delegation of power and authority to the line agencies, human resource development, corruption control, modifications on performance appraisal system and monitoring of reforms (ARC Report, 1992).

Again in 2001, Governance Reform Program (GRP) was introduced for the duration of 5 years under the soft loan assistance of the Asian Development Bank. The broad objective of the GRP was to make the Nepalese bureaucracy more result-driven, people-oriented, and gender-responsive. After one decade, the Governance Reforms Program (GRP) was introduced for the duration of 5 years under the soft loan assistance of the Asian Development Bank in 2001. The broad objective of the GRP was to make the Nepalese bureaucracy more result driven, people oriented and gender responsive. Within these broader objectives of the reform program, following five components were focused- **a)** To develop an internal capacity for leading reform: The objective was to improve the management structure at the center of government to lead the reform efforts. **b**) To improve efficiency of the civil service: The objective was fiscal savings by rightsizing the government and improving the personnel management systems to support enhancing performance and outcomes. **c)** To enhance over all competence and motivation of civil servants: The objective was to increase the motivation and improve skills of civil servants by adopting modern human resource management principles and enhancing pay level. **d)** To improve governance and reduce corruption in government**:** The objective was to strength legal framework for combating corruption. **e)** To improve performance of the key Ministries of the government. The objective was to deliver better services to citizens by reinforcing a NPM culture and work process (GRP Document, 2001).

The then King Gyanendra repeated his father's legacy by suspending the elected government and imposed his authoritarian regime in 2002. The King's direct rule could not be sustained for a long period. After four years, Nepalese people fought against the King's direct rule and

set up democratic political regime again in April 2006. After the people's movement of April 2006, a number of political changes are taking place in the country. Following the changes in the political regime, it is also realized that a number of profound reforms need to be introduced for modernizing the public bureaucracy. After assuming his forth tenure as the Prime Minister of the nation, Girija Prasad Koiral, in his first meeting with top bureaucrats, asked them to work for a Ten Years Vision Paper to modernize Nepalese Civil Service in August, 2006. Following the instructions of the Prime Minister, a high level Vision Paper Directive Committee was formed under the chairmanship of the Chief Secretary and a Task Force on the leadership of the Secretary at the Office of the Prime Minister was also formed.

The main term of reference to the Vision Paper Task Force was to work on the following areas- to find out the rationale of existing number of ministries and central level organizations, to identify the ways to transfer the centralized administration to decentralize one and to identify the areas that can be devolved, to find out the ways in order to make the civil service more client oriented, accountable and responsive, to work for the balance between merit based civil service and social inclusion, the ways to re-engineering on the structures and modus operandi of the government, the ways to make the decision processes less lengthy, to find out the reform measures that bring changes in the behavior and develop positive thinking of civil servants, to find out the point of departure of public administration while following the federal structure of the state, and to find out the indicators to map the performance of civil service (Vision Paper for Civil Service, 2007). The Task Force has completed its jobs, but its report has not been formally indorsed by the government for its implementation yet. Therefore, further discussion of this paper is based on the reports of the Administrative Reforms Commission (ARC), 1992 and the policy documents of Governance Reform Program (GRP), 2001.

4. Implementation of New Public Management Oriented Reforms

After adaptation of any policies next stage is for their implementation which is very much crucial for bringing expected changes. However, gap between policies and their implementation is a common problem. But Nepalese case of administrative reform is more problematic than generally appearing problem in the stage of implementation. All most non-implementation of the reform policies is a noticeable set back to the reform trajectories in

Nepalese public administration. Following table summarizes major NPM oriented reforms and their implementation status from 1990 onwards reform policies.

Table-1

NPM Oriented Reforms and Implementation Status

Major Proposed Reforms	Main Focus of the Reforms	Implementation Status
Reviewing the role of government	Transfer of government activities to the non-government sectors where private sector can work.	Very few implemented
Restructuring public organizations	Merging Ministries, Department and Reducing the number of public organizations	Not-implemented
Rightsizing the bureaucracy	Reduction of number of government employees	Partly implemented
Public service delivery	Effective service delivery and prompt response to the public needs	Not implemented
Procedural simplification	Reduction of decision making layers and paper work	Very few implemented
Decentralization	Devolution and delegation of managerial activities to the line agencies	Not implemented
Human resource development	Increasing capacity of public employees and making them more efficient	Not-implemented
Privatization	Privatization of Public Enterprises	Partly implemented
Modification of Performance Appraisal System	Making link between results and performance of assigned job of employees.	Not-implemented
Developing internal capacity leading reform institution	To improve management structure of leading reform institutions and their monitoring capacity	Partly implemented
Improving efficiency of the civil service	To enhance performance of public employees.	Not-implemented
Enhance over all competence and motivation of civil servants	To increase motivation and improve skills of civil servants by adopting modern human resource management	Not implemented
Improving	To strength legal framework for combating corruption,	Partly-

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governance and reduce corruption in government	Special Court for dealing cases of corruption	implemented
Improving performance of the Ministries	To deliver better services to citizens based on NPM work culture. Performance based management.	Not-implemented
Application of Citizen Charter	To provide prompt and smooth public services to the citizens	Citizen Charter boards are there but not followed its spirit

Source: Report of the Administrative Reform Commission, 1992, Policy Documents of Governance Reform Program, 2001-2005, Report of the Vision Paper for Civil Service, 2007 and from the Reflection of Discussion with the Respondents

5. Discussion: Factors Affecting Application of New Public Management

Looking at the implementation status of NPM oriented reform policies and program, we may easily remark that all most proposed reforms are suffering from non-implementation syndrome. Why could not NPM oriented reforms implement in Nepal? There may many intervening factors such as application process, commitment of political actors, socio-economic condition of the country, administrative culture and path dependent characteristics of bureaucracy that affect application of NPM based reforms. Among these, the study finds that the application process of reform, political factor, path dependent characteristics, and bureaucratic behaviour that may major causes for ineffective application of NPM based reforms in the Nepalese context.

5.1 Application Process of Reform Policies

Application of NPM based administrative reforms is an issue of policy transfer from international context to national setting. Therefore, there is a relationship between the policy process of NPM oriented reforms and its application. According to Dolowitz and Marsh (2000: p.6), there are basically two ways of policy transfer- voluntary and coercive. The voluntary process is inspirable and comes through policy learning from others' experience as a process of lesson drawing. Whereas the coercive process of policy transfer takes place when aid agencies impose their conditions to the loan recipient countries to adopt certain policies (Ibid: p.9). In the Nepalese case, the question that comes up is which process of policy transfer can be employed to explain the application of NPM approaches. In the early 1990s,

NPM was on the way to transfer from developed countries to developing nation. Therefore, reform actors of early 1990s in Nepal were inspired from the ideas of NPM (See ARC Report, 1992). Such inspiration can be interpreted as the voluntary process of policy learning in that sense there was no donors' pressure so far. Administrative Reform Commission (ARC) made a number of recommendations manifested with NPM to modernize Nepalese public sector inspired by global wave of reforms. However, very few reforms implemented and only minimal changes achieved. This less success story of reform may be explained with the time hurriedness of policy transfer process. If a government hurriedly involves in the policy process that policies might not be succeeded to achieve the desired changes (Dolowitz and Marsh, 2000: p.8). The same situation happened in Nepal. The country was in the transition from authoritarian regime to democratic one and people's expectation was so high. In that situation, the government actors might became over ambitious to introduce new ideas of public sector reform similar to NPM orientation from the global context without taking time to contextualize in the Nepalese setting.

At the beginning of Governance Reform Program (GRP) 2001, political regime was democratic in the country. However, people were loosing their expectation and hope due to frequently occurred political instability. Economically, the country was not strong enough to back up the reform initiatives adopted early 1990s. Therefore, the main objective of GRP was to borrow the soft loan from the Asian Development Bank (ADB). But the ADB became more conditionals and attached a number of conditions for gender balance and social inclusion in the Civil Service (GRP Policy Documents, 2001). There may be a compulsion of the Nepalese Government to accept the conditionalities in its reform agenda to receive the loan from the ADB. From the policy transfer perspective, this situation can be explained by the process of coercive policy transfer where some sorts of policy imposition take place while seeking loan or grants as stated by Dolowitz and Marsh, (2000: p.8). It is assumed that when conditions are attached from donor agencies then the whole reform agenda can not be effective in real sense. In this condition, internal reform actors may not be motivated to apply a complete reform package effectively. They only concentrate to meet aid conditions made by the donors. The same situation happened in Nepalese reform journey too.

5.2 Political Factor

NPM brings radical changes in organizational structures, in hierarchy, in pay system, in work cultures, in the roles and responsibilities, in organizational relationships, in exercising power and authority, and ultimately in over all politico-administrative system. Such kinds of changes need to be led by a stable government with strong political will on an ongoing basis. Sufficient political force requires for stabilizing the fundamental changes in the public sector. However, political instability became one of the major factors that considerably affected the whole process of NPM oriented reforms in Nepal over the years. For example, after the restoration of democratic regime in 1989 the governments were changed for 16 times in between 1989-2008[5]. In this situation, how can we expect effective reforms in the country? Furthermore, while government was changed the next government did not give any priority to implement the reform agenda initiated by the previous government. Therefore, political instability and lack of leading role form the political actors became more dominant factors for ineffective application of NPM based changes. Reform issues in public administration are the matters of political debates and discourses (Jamil,1998). Therefore, NPM based administrative reforms require a very strong leading role from the head of the government. There are the most successful NPM based administrative reforms that have been driven by the political leadership in the world. Thatcher \ John Major governments in the United Kingdom, Labor Government in New Zealand, Bob Hawke in Australia, Mulroney in Canada, and Reagan \ Clinton in the USA are the best examples for successful implementation of NPM based managerial reforms. Therefore, the fundamental changes in the public sector need to be led by a clear political vision and strong leadership.

5.3 Path Dependency Characteristics

Path dependency means to hold once established structures, policies, rules and regulations very strictly. Therefore there is a relationship between reforms and path dependency characteristics in the public sector. Path dependency is also known as historical institutionalism (Peters, 1999: p.349) where once chosen particular path of policies and structures are deeply rooted since long time and are difficult to change. Characteristics of path

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[5] 1989 Krishna Prasad Bhattari, 1991 Girija Prasad Koirala, 1994 Man Mohan Adhikari, 1995 Sher Bhadur Deuba, 1996 Lokendra Bahadur Chand, 1997 Surya Bhadur Thapa, 1998 Girija Prasad Koirala, 1999 Krishna Prasad Bhattarai, 2000 Girija Prasad Koirala, 2001 Sher Bhadur Deuba, 2002 Lokendra Bhadur Chanda, 2003 Surya Bahadur Thapa, 2004 Sher Bhaduar Deuba, 2005 King Gynendra, 2006Girija Prasad Koirala, 2008 Puspa Kamal Dahal, Prachanda.

dependency can be seen in the case of administrative reforms in Nepal. Hierarchy based structure and pay system, lifetime job and permanence, and centralized decision-making process are some of the paths of Nepalese public administration based on the Weberian[6] model of bureaucracy. These bureaucratic features were chosen at the initial stage of Nepalese civil service in the 1950s which are being almost difficult to change. For example, in the early 1990s it was realized that the 5/6 layers of the decision making caused delay in ministerial decision-making process and ARC, 1991 recommended only for three levels of decision-making. However, only one layer[7] reduced in 1993. Rest of the layers in decision-making have not been changed. This case represent that the legacy of traditional hierarchical decision making process. NPM offers a new model of governance structures instead of the old administrative system i.e. decentralization, deregulation, flatter organizational structures, contracts, competition and less paper work etc. In contrast, the historical path of Nepalese public administration is institutionalized through the values of centralization, pyramid based organizational structures, set of formal rules and regulations. These features are now under the pressure to be replaced by NPM styles of reform. However, it is not being possible to change them yet. It may be due to the least or insufficient effort to change the historical path of the administrative system.

5.4 Bureaucratic Behaviour

In this paper bureaucratic behavior is considered as administrative culture. Without making changes in administrative culture, NPM based reforms may not bring any substantial change in the public sector. Here, the discussion is based the two forms of administrative cultures-culture as interpersonal relationship that is the relationship between supervisor and subordinates in bureaucracy, and administrative culture as the relationship between bureaucrats and public. The relationship between supervisor and subordinates in the Nepalese bureaucracy is characterized by high degree of power distance. In organizational context, power distance refers unequal relationships between upper and lower level staffs (Hofstede, 1991). NPM based reform is likely to get success if the power distance is low in bureaucracy. Where power distance is low, in that organizations both senior and junior level have the equal roles in setting and achieving the organizational goals. For example, New Zealand, UK, Australia, USA and Scandinavian countries have low power distance between

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[6] Fixed division of labour, Hierarchy of offices, Set of general rules that govern performance, Separation of personal and official property and the right, selection of personnel on the basis of technical qualification, Employment viewed as a career by participant.
[7] Assistant under secretary

and among the employees (Ibid). Therefore, all these countries have managed to reform their public bureaucracy along with the spirit of NPM work culture. In contrast, there is a wide gap between superior and subordinates in the Nepalese bureaucracy and they consider each other explicitly unequal. The upper tier thinks, they know better than their subordinates and they rarely hear voice of the subordinates. Similarly, the trust level between upper and lower level staff is also low. Low trust affects the application of NPM based work culture

Bureaucratic behavior with the people is another important factor for the promotion of NPM oriented public service delivery. Attitudes, perceptions, and thinking of bureaucrats towards people have greater effects on to provide customer focused goods and services. To serve the people "first" is the logic of setting public organizations and also one of the fundamental aspects of NPM. Both in principle and practice, NPM based work culture consider people as customer not as subject. This approach is embedded with high degree of positive values and attitudes of the public officials to the people (Jamil, 1998). In citizen as customer values, administrators ensure customer focused public services and they think that customer always has the rights to ask for better services. If citizens are treated as subject, they are expected to show loyal behavior and obedience towards administrators. Administrators issue order and citizens are supposed to follow their instructions. In Nepal, general people comment that the administrators think that they are superior to citizens. Bureaucrats tend to hold so-called status in the society and people have to be loyal towards administrators. They generally do not treat people as customers or users while providing public services. It is a general charge is that government employees create many huddles and show corrupt behavior when people go to public offices. Therefore, for the general public, it has been increasingly difficult to receive services and facilities provided by the state. Dhakal (1998:212) pointed that the Nepalese bureaucracy largely remained as a master of society keeping distance from the general masses. Generally, government employees do not serve the people, but the public serve them. In public contact offices, people are supposed to respect the bureaucrats instead of being respected from the officials. Good Governance Act, 2007 incorporated the provision of "Citizen Charter" in its content based on NPM oriented service delivery. Though many public offices have made the board of citizens' charter, public officials create various bureaucratic hurdles instead of following the provisions of citizens' charter. Therefore, spirit of citizen charter, one of the major reform components of NPM is being difficult to apply in real sense in Nepal.

6. Conclusion

Since 1980s NPM oriented reform has emerged as an influential model of public sector reforms in the world. At the initial stage this model was introduced in developed nations and from 1990 onwards NPM has applied in developing countries too. Therefore, application of NPM based reforms is a learning of reform ideas from developed countries to developing nations. The policy process of NPM application in developed nations seems more voluntary. However, application of NPM in developing countries seems either fashion to copy from the global market without giving sufficient time for policy learning or seems a coercive way of policy transfer pressurized by the donors.

In Nepal, Administrative Reform Commission of 1991 and Governance Reforms Program of 2001 were the two important reform initiatives in introducing NPM ideas. Following the democratic political regime, the early 1990s reforms based on NPM orientation were internally initiated. For example, redefining the role of the state was an important departure point of reforms that was inspired by international trends of changing role of the state related to NPM. Again in 2001, the government introduced another reform package in the name of Governance Reform Program, GRP. GRP was introduced under the soft loan of the Asian Development Bank. It was the mixture of NPM ideas, gender balance and social inclusion within the same package of reforms due to aid conditonalities made by the ADB. Looking at the contents of 1991 and 2001 reforms, both cases are the major policy shift in modernizing Nepalese bureaucracy by following a number of NPM ideas. But a question confronts us what is implementation status of reform policies? From the study of reform initiatives after 1990 a very few reforms implemented and many of them remained none implemented. Why NPM oriented reforms could not apply as per their objectives in Nepalese context? The study shows that the faulty policy process of reforms, existence of path dependency characteristics of Nepalese bureaucracy, political instability and absence of strong political will, existence of power distance behaviour of bureaucrats towards lower staffs and lack of citizens centred work cultures in the bureaucracy are the major factors that are hindering the application of NPM oriented reforms in Nepal.

The end

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