New Public Management: Challenge for Sri Lanka

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This article reviews the history of public sector reforms in Sri Lanka and examines Sri Lanka's recent experiments with NPM. Interviews with ministers, former ministers and senior bureaucrats focused on their level of understanding of NPM, the extent of implementation, the impact on the relationship between bureaucrats and politicians, and related issues for Sri Lanka. The evidence shows that some elements of NPM are already apparent in Sri Lanka and further elements are likely to be adopted. These reforms will demand new skills and attitudes on the part of both bureaucrats and politicians. New initiatives to improve transparency in public sector management need to be developed and implemented, but it is questionable whether the necessary political commitment exists for such reforms.

Introduction

During the past twenty years, in response to economic, institutional and ideological changes, as well as criticisms of inefficient and costly public sectors, public sector reform has become an international phenomenon (Bennington & Cummance 2000; Hughes 1998). As part of these reforms, a paradigm of public sector management known as new public management (NPM) has emerged in OECD countries and elsewhere (Hughes 1998; Osborne & Gaebler 1993; Pollitt 1995). This approach to public sector management is characterised by a preference for minimal government interference in service provision and the concomitant espousal of market philosophy beliefs, together with an inherent assumption that the private sector is more efficient than the public sector (Beckett 2000; Jaconelli & Sheffield 2000). It
is also based on an underlying assumption that if public managers are left to their own devices they will be inefficient and ineffective and will pursue their own self-interest at the expense of public interest (Boyne 1998).

In the 1990s, if not late 1980s, developing countries began to adopt selected elements of NPM (Common 1999; Larbi 1998; Samaratunge & Hughes 2002). However, empirical research on the implementation and effectiveness of NPM in developing countries is rare. In response, this study provides an empirical examination of recent experiments with NPM in the context of overall public sector reforms in Sri Lanka.

The article begins with an overview of the literature on public sector reforms in developing countries. It then outlines the key features of the public sector reforms in Sri Lanka, before describing an empirical study which obtained the views of politicians and senior bureaucrats on Sri Lanka’s adoption of NPM. A discussion of the key findings and some policy recommendations for Sri Lanka concludes the article.

Public Sector Reforms in Developing Countries

Public sector reform is not new to developing countries. In fact, governments in many developing countries have experimented with different types of reforms since their independence, as far back as the 1960s (Hyden & Bratton 1992; Khan 1987; Mutahaba 1989). However, in the 1980s, various factors such as budget deficits, multilateral pressures, and the rise of neo-liberal market economics compelled governments to address the increasing concerns about the cost and size of government, relative to the growth of the private sector. This led to the emergence of a new market-driven mode of governance in many developing countries (Haque 2001).

The rapidly growing literature on public sector reforms in developing countries (eg, Arellano-Gault 2000; Blair 1995; Turner 2001) indicates that in the 1990s developing countries paid much attention to improving efficiency and effectiveness in the public sector, whilst also beginning to develop strategies to combat corruption, a serious problem in these countries (Quah 1999). While
there have been discernible differences in reform strategies across countries, a common feature has been the adoption of market-oriented governance (Haque 2001). This has led to many government entities being commercialised, privatised or contracted out (IPS 1999; Rondinelli 1990). The central purpose has been to restructure government organisations and/or government services for better outcomes, as prescribed in NPM.

NPM, known by terms such as managerialism (Pollitt 1993), market-based public administration (Lan & Rosenbloom 1992) and entrepreneurial government (Osborne & Gaebler 1993), has been adopted across nations based on economic rationalism and private sector management practices (Hughes 1998). It seeks to ensure better government with less cost. It can be summed up (Borins & Warrington 1996: 1) as:

- Emphasizing the role of public managers in providing high-quality services that citizens value,
- Advocating managerial autonomy, particularly by reducing central agency controls,
- Demanding, measuring and rewarding both organisational and individual performance,
- Recognising the importance of providing the human and technological resources that managers need to meet their performance targets, and
- Maintaining receptiveness to competition and open-mindedness about which public purposes should be performed by public servants as opposed to the private sector.

NPM essentially implies fundamental changes to the power relationships between the key players in the system of government and requires considerable attitudinal changes on the part of bureaucrats. As Arellano-Gault (2000: 403) argues:
[A]ll NPM reforms depend on the ‘good will’ of politicians and bureaucrats. They can decide what kind of reforms they would like to implement (and how far they would push them). Predictably, it could be expected that preference will be given to those reforms that give the appearance of change without jeopardizing politicians’[and bureaucrats’] fundamental current discretionary privileges.

Whether or not this has been the case, NPM has been subject to a number of criticisms (see, eg, Cohn 1997; Dixon, Kouzman & Korac-Kakabadse 1998; Haque 2001; Johnston & Callender 1997). The core of these criticisms has focused on the undue emphasis on economic rationalism and diminishing “publicness” of public service, with services like health care and education having been the hardest hit (Haque 2001). According to some critics, new public management is nothing new; rather it is another version of Taylorism which emerged in the early 1890s (Bremner 1995; Stilwell 1995).

Despite some differing views on the exact constituents of NPM, many developing countries in the 1990s have experimented with some elements of its commonly accepted components (Common 1998; Larbi 1998; Polidano 1999). For example, market mechanisms have been introduced into the provision of public goods and services, leading to the downsizing and/or privatisation of public sector organisations (Turner 2001). Not surprisingly, such changes have been politically sensitive and controversial due to the strong pressure for indigenous management models in these countries (Jaeger & Kanungo 1990; Singha & Kao 1988).

**Public Sector Reforms in Sri Lanka**

Sri Lanka is particularly worthy of research because her post independent development experience is unique. With 19 million people, Sri Lanka has achieved a literacy rate above 80 percent and a life expectancy above 70 years (World Bank 2000), but without a matched level of economic development. Despite its remarkable rating on the human development index (HDI), which was 0.735 in 1999, Sri Lanka has a GNP per capita income of only $800, which
puts it into the World Bank’s “low income” category.

Many have argued that the provision of relatively advanced government welfare services, particularly in food, health and education, has been responsible for this extraordinary pattern of human development (Athukorala & Jayasuriya 1994; Jayasuriya 2000; Kelegama 1998; Lakshman & Tisdell 2000; World Bank 1998). The system of parliamentary democracy with a multi-party political system has produced pressures on successive governments to focus on a “welfare first and growth later” approach. Tilakaratna (1989) argues that this welfare model proved unsustainable in the long run, as neither the state nor the private sector performed effectively to produce necessary economic growth in this context.

Influenced by the British, the political and administrative structure of the country was highly centralised and more focused on process rather than on outcome. With the bureaucratic approach to management, rigid rules were the norm and seniority rather than merit was the main avenue for promotion.

Since the 1970s, in an attempt to address critical problems such as unemployment and high poverty levels, Sri Lanka has experienced much public sector reform. Many of the reforms, which took place during the periods of political and economic turbulence (Slater 1997), revolved around decentralisation. For example, in 1971, the government introduced divisional development councils (DDCs), a form of deconcentration, to create rural employment using available local resources. Introducing the new councils, the Five Year Plan (1972-76 — Ministry of Planning and Employment 1971: 43) stated that:

The DDCs will be the main link between the network of government agencies on the one hand and the local community and its representative institutions on the other. The function of these councils includes the formation of development projects and the preparation of a development program for their areas. They will also assist in the review of plan implementation.

The DDC concept represented a significant innovation as it provided horizontal coordination at the grass roots level. However,
policy implementation was poor and created a series of management problems. As Richards and Guneratne (1980) point out, the problems included poor management, poor project choice, restrictive controls, and a lack of commitment. The whole structure of the DDC was too weak to deliver services to the citizenry in rural areas, the necessary financial and management capabilities were not available, and there was no consistency between the interests of the local elite and the objectives of decentralisation. It appears that the effectiveness of the DDCs would have been improved in rural areas if much needed support had come from the public sector.

After the painful experience of the 1971 insurrection, the government introduced the district political authority (DPA) system, with financial support from the decentralised budget (DCB) in 1973 (Academy of Administrative Studies 1975). The DPA system was the first attempt in Sri Lanka to introduce political leadership at the local level. The government attempted to appoint its backbenchers to the DPA in order to politicise the administration, on the one hand, and to strengthen its political base at the local level, on the other hand (Herath 1991; Oberst 1986). Prior to this, it was the government agent (GA), a senior bureaucrat, who was responsible for coordinating development activities at the district level.

The DPA system was a significant reform that aimed to strengthen the power of politicians, particularly the backbenchers who came mainly from rural areas with limited English education. It was hoped that the system would be a remedy for the prevailing serious imbalance between the development of political institutions and the bureaucracy in Sri Lanka (Wijeweera 1988).

In 1978, the government dissolved the DPA system and introduced the district minister (DM) system (Government of Sri Lanka 1978). Three years later, district development councils were established under the District Development Act 1980. This initiative was meant to enhance coordination at the district level as highlighted in the ruling political party’s manifesto during the election in 1977 (UNP Party Manifesto 1977). The functions and authority of the DMs mainly resided in personal relationships with the functional ministers at the central government. DMs were advised that they should work “in close consultation and in liaison with the functional ministers and
act according to programs approved by them” (Wijeweera 1988: 154). Any conflict was avoided through monthly meetings between the President and the district ministers, where central ministers and their senior bureaucrats were also present. However, conflicts between the DM system and the functional departments at the district level remained unresolved. Bureaucrats in the central government were more powerful than the local politicians and used their own expert knowledge to block reforms. In addition, a lack of long-term planning was responsible for little being achieved in the DM system.

As a UNDP consultant observed in 1977 before the introduction of the DM system (Dawson quoted in Wijeweera 1988: 150):

A major weakness of institutional reforms and of reform proposals (in Sri Lanka) over the past 25 years has been their excessively piecemeal and often ad hoc character. It is a weakness which one hopes may be avoided at the present time in respect of the creation of the District Ministers. If these new institutions were to be created, as appears to have happened with the Political Authority System, without adequate regard for its impact on other institutional structures then the chances for success will be minimised and the probability of unintended consequences maximised.

Subsequently, the DM system not only became another failed attempt at the politicisation of the bureaucracy in Sri Lanka (Fernando & Perera 1980; Wijeweera 1988), but it also seemed to encourage corruption. For, when politicians can overrule the process of resource allocation in the public sector, their own interests can easily take priority over the public interest.

In 1987, under the provisions of the 13th Amendment to the Constitution and the Provincial Council Act, a new provincial council (PC) system with financial decentralisation was implemented (Government of Sri Lanka 1987a, 1987b). The main theme was to create more responsive methods of public service delivery, but the new PC system failed to achieve its objectives for a number of reasons. First, there was lack of coordination between different levels of government. Second, there was an imbalance between the
political institutions and the bureaucracy that allowed bureaucrats to formulate and implement public policies without appropriate political guidance, which made the situation more complex. Third, a high degree of political influence was one of the main obstacles to the smooth functioning of public sector reforms (Gunawardena, et al. 1994).

By the late 1980s, privatisation was seen as the means of addressing the challenges arising from globalisation, and a Presidential Committee on Privatisation was appointed to develop the necessary legal and institutional framework for the process of privatisation (Government of Sri Lanka 1987c). Since 1989, seventy-five government entities have been corporatised and later partially or fully privatised, with large numbers of their workers (who had been employed on the basis of political patronage) being retrenched (Kelegama 1998). These developments have enabled the government to reduce part of the public debt. Yet, overall, privatisation has had only limited success, largely because of inadequate institutional arrangements to enforce smooth financial transactions and the absence of minimal safety nets for retrenched workers.

Privatisation has been found generally to create an environment conducive to corruption (Rondinelli & Kasarda 1991). The accelerating decline of public accountability in Sri Lanka since the 1980s appears to be consistent with this view. In fact, Hulme and Sanderatne (1997: 33) point out that “the country’s most rapid economic growth in the last 30 years has occurred at a time when accountability was deteriorating to the lowest levels at any time in its independent history”. International development partners of Sri Lanka have expressed their great concern about the lack of transparency in the public sector (ADB 2000; World Bank 2000). In particular, they believe that the relevant institutions should seek positively to modernise the process of accountability in order to reap the full benefits of NPM.

In addition to privatisation, the government has also pursued a number of administrative reforms. Jayawardena (1997: 88), the Economic Advisor to the President, has argued that the reform package of New Zealand was “applicable to much of South Asia, and certainly to Sri Lanka and to my generation of economic reformers.”
With the blessing of international development agencies such as the Asian Development Bank, the government introduced a number of reforms, including (Jayawardena 1997: 88-89):

- Adaptation of strategic policy formulation and policy coordination to more effectively achieve policy outcomes.

- Adoption of a result-oriented philosophy as the guiding management principle.

- Separation of policymaking, service delivery and regulatory functions of government.

- Realignment of responsibilities to more effectively support the goals of government.

- Training staff to more effectively respond to the new environment and thereby realize their potential.

- Redeployment of surplus staff, if any, to new functions within government or to new opportunities in the private sector.

Consistent with these reforms, in 1997 the government introduced performance and aptitude appraisals for senior civil servants, with annual increments and promotions being linked to the outcome of the assessments. The Secretary to the President emphasised that the new system would require a “considerable effort on the part of public servants to put it into operation” (Government of Sri Lanka 1996: 1). The Ministry of Public Administration also introduced a new recruitment and selection method to find the best people available for the public service. But as these changes were seen as controversial, the good will of bureaucrats was not readily available for the effective implementation of the new arrangements.

The problems were obvious. The President stressed that “it is imperative that members of the public service get accustomed to the growing needs of the modern world . . . [for the public service] has not been restructured in such a manner in consonance with develop-
ment needs of the country in the last thirty years” (Daily News [Sri Lanka] 28 February 2001). She emphasised the need for reforms to move public management away from traditional administration and, in the process, to revamp the public service along the lines of initiatives in Australia, New Zealand, Malaysia, Canada and the UK.

It is possible that NPM might potentially provide some benefits to Sri Lanka. Yet the peculiarities of the Sri Lankan context, such as the high degree of politicisation of the bureaucracy, the lack of coordination between levels of government, and the bureaucratic domination of the system, may not bode well for NPM measures.

Views of Ministers and Senior Bureaucrats

In the light of the above, it is useful to consider what ministers and senior bureaucrats in Sri Lanka understand to be the central elements of NPM and the likely impact of NPM-based reforms on their working relationships. Accordingly, a series of in-depth interviews was conducted in 1999 with five ministers, six former ministers, and eleven senior bureaucrats (mainly ministerial secretaries). A more extensive sample was not possible because of the difficulty of gaining access to such prominent people, especially in the context of the ongoing civil war and the sensitive security situation in the country. However, those who were interviewed had responsibility for the major portfolios in government. They were all very experienced politicians and bureaucrats with more than six years in their respective roles. Some had more than twenty years experience either in politics or in the public service.

Based on previous studies (Behm, Bennington & Cummame 2000; Samaratunge 2000), interview schedules for the different categories of interviewees were developed that included both open-ended and closed-ended questions, along with rating scales. Thus, both quantitative and qualitative data were gathered through face-to-face interviews. Interviews facilitated the establishment of trust and rapport, the provision of more in-depth information, and clearly understandable responses — outcomes not always possible with a survey questionnaire (Zikmund 1997). The interviews were conducted in either Sinhala or English, depending on what was comfortable/
convenient for the interviewees. The data were analysed using “SPSS” and “Text Smart” software packages. For ease of comparison of responses between the categories of participants, and because the sub-sample sizes vary, the data, where meaningful, have been converted into percentages.

**Understanding of NPM**

In response to a question about their understanding of NPM, interviewees indicated both limited familiarity and limited use of the term in Sri Lanka. However, there was general consensus that there is a move towards management rather than simply administration in the public sector in Sri Lanka. A general awareness of the world trend towards NPM appears to have been obtained through attendance at international conferences, particularly in Australia and New Zealand.

A senior bureaucrat explained that:

> The understanding of new public management is that we as public servants consider the public as our client or consumer and do everything within our means to satisfy their needs and wants. In attempting to do so, we would do it as if we conduct a business, that is, with goals to achieve and wise utilisation of scarce resources.

A former minister stressed that the role of government should be different in that it should be small but a catalyst of change:

> This [NPM] is the world trend. Emphasis on better service and good governance through competition was recognised in Sri Lanka back in the 1980s. We introduced some elements of the NPM model when we were in power [1977-1994] not as a radical reform but as an incremental change.

This was a common view among ministers interviewed.

It was evident that those interviewed personally had a reasonable understanding of NPM, though this varied between the groups interviewed. Bureaucrats seemed to be more knowledgeable about it than
were politicians, probably because of their international exposure to training and development programmes. However, there was a tendency for interviewees to put everything into the one basket labelled NPM. Most were unable to distinguish political decentralisation from management decentralisation. In line with Polidano and Hulme’s (1999) finding for other developing countries, decentralisation reforms in Sri Lanka, based on political power sharing, seem to be claimed as a part of NPM.

Degree of NPM Implementation

Set out in Table 1, along with the interviewees’ responses, are the elements of NPM that have been implemented to a noticeable degree. They include: cost cutting, transparency, government business enterprises, decentralisation, employment contracts, performance related pay, customised service, introduction of market and quasi-market mechanisms, and an emphasis on performance targets, indicators and output objectives.

More than eighty percent of interviewees in all three groups indicated that decentralization of management has been the most commonly applied element of NPM; and ministers, without exception, indicated that decentralisation has been the most popular concept in the reform agenda in the country. Service quality to customers also received high endorsement from all interviewees, although there were some differences between the groups.

It is interesting that, during the interview discussions, greater transparency received considerably more attention from serving ministers than from former ministers, and most of the senior bureaucrats only indicated a limited degree of attention to this crucial element. This is an important phenomenon as corruption has become a critical issue in Sri Lanka. It represents a major challenge, if not the major challenge, the country will face in the implementation of NPM.

With regard to employment contracts, interviewees primarily referred to those senior bureaucrats who had been placed on contracts after reaching sixty years of age. Employment contracts for younger employees have been proposed, although considerable objections are expected from labour unions. On performance related
Table 1
Introduction of Selected Elements of New Public Management

<table>
<thead>
<tr>
<th>Elements of NPM</th>
<th>Ministers (%)</th>
<th>Former ministers (%)</th>
<th>Civil Servants (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
</tr>
<tr>
<td>Cost cutting</td>
<td>20.0</td>
<td>80.0</td>
<td></td>
</tr>
<tr>
<td>Greater transparency</td>
<td>40.0</td>
<td>60.0</td>
<td></td>
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<tr>
<td>Government business enterprises</td>
<td>100.0</td>
<td></td>
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<tr>
<td>Decentralization of management</td>
<td></td>
<td>100.0</td>
<td></td>
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<tr>
<td>Employment contracts</td>
<td>80.0</td>
<td>20.0</td>
<td></td>
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<tr>
<td>Performance-related pay</td>
<td>40.0</td>
<td>40.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Service quality to customers</td>
<td>20.0</td>
<td>20.0</td>
<td>60.0</td>
</tr>
<tr>
<td>Introduction of market and quasi-market type mechanisms</td>
<td>80.0</td>
<td>20.0</td>
<td></td>
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<tr>
<td>Emphasis on performance targets, indicators and output objectives</td>
<td>100.0</td>
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</table>

A – not at all    B – to a small extent    C – to a great extent
issues, no clear hire and fire policy has been evident in the public sector. Despite a performance related pay system possibly being able to ensure better performance and productivity than the traditional wages and salaries system (Hughes 1998), it has been a most difficult element to introduce in Sri Lanka. Many interviewees stressed the fact that the working culture in Sri Lanka does not support this approach to the management of staff. In fact, even to delay an employee’s promotion on the basis of their performance was reported to be a difficult task. The annual performance evaluation procedure was seen to be merely routine rather an accurate evaluation of performance. The problems inherent in this approach were expressed by one senior bureaucrat as: “These automatic promotions adversely affect the overall performance in the public sector”. However, in the existing culture and without a proper safety net in place it will be politically controversial to introduce this element.

Overall, ministers seemed to be the more optimistic about the implementation of NPM. They indicated that the government had tried to minimise its costs and had tried to introduce greater transparency. However, they suggested that the government should focus more on maintaining a rule-based government, which they saw to be a prerequisite for any effective public sector reform.

The speed of change was also raised as a major concern by the interviewees. All groups emphasized that it was not possible to make changes at high speed because of the controversial nature of the reforms. Accordingly, they believed that NPM-based reforms should be introduced incrementally to provide a transition period for both politicians and bureaucrats.

The Impact of NPM on Working Relationships

Even though NPM has aimed to bring about greater managerial autonomy, Van Gramberg and Teicher (2000), from their study in Australia, have suggested that this is not always the case. Supporting this view, the majority of the interviewees in all groups indicated that NPM has had no significant impact on the relationships between bureaucrats and politicians in Sri Lanka. Yet, they did acknowledge the high degree of politicisation of the public service in the recent
past. Also, bureaucrats mentioned that changes in the present political culture have had a significant impact on their working culture. This could suggest that their domination in the public policy process is now being challenged.

A senior bureaucrat with more than twenty years experience in the public sector stated that “the depoliticisation of bureaucracy may be important but the trust, which mainly depends on understanding a minister’s interest/priorities, is the most significant element here”. He pointed out that where a good relationship exists between ministers and bureaucrats, collaborative decision-making is very common in public policy formulation. This ideal-type relationship between politicians and bureaucrats relies on the personalities and skills, both political and technical, of the bureaucrats and politicians concerned.

*Issues and Problems in Respect of NPM*

The evidence here suggests that there are some obstacles that need to be addressed before NPM can be more effectively implemented in Sri Lanka. Six of them are worth highlighting.

First, the country urgently needs more managers, rather than administrators, with new competencies such as interpersonal and communication skills and IT knowledge to implement NPM-based reform policies in the present global environment. The ministers interviewed were very critical of the competency levels of bureaucrats in the country. They emphasised that a competent and efficient bureaucracy is a prerequisite for rapid development. As one minister put it:

Most of the civil servants cannot find solutions to the practical issues. They always emphasise rules and regulations but not the way of solving people’s problems. Yesterday I asked one of my secretaries not to mention these so called rules and regulations to me. I need something practical.

He did add that there are bureaucrats who do perform their duties efficiently and effectively and who provide much needed support to ministers, but he said they are in short supply.
The above quotation certainly calls for a more efficient and competent bureaucratic system in Sri Lanka. Adherence to rules and regulations reportedly takes precedence over efforts to improve outcomes. A change of attitude among bureaucrats and politicians may be necessary to promote a better working environment. Some training for both groups is required to provide an environment conducive to their working collectively in order to achieve an effective public sector.

Most of the ministers interviewed were not aware of the staff training and development which already exists. This points to the need for greater communication and coordination between politicians and bureaucrats to ensure that the needs of government can be met in the future.

Second, bureaucrats stressed that the politicisation of the public service, which has become a by-product of the reform process in recent times, has been one of the main obstacles to the smooth functioning of the reforms. They thought that most ministers did not seem aware of the procedures in the public sector and therefore worked in an ad-hoc manner. There was evidence that they often bypass the middle administrative levels and give direct orders to employees at the local levels. Further, there is a tendency of using public sector employment opportunities to please their political supporters. The less than optimal political culture in the country may further entrench the use of these informal channels of influence and support. One of the bureaucrats warned that if the use of informal channels continues, the whole system might be in jeopardy in the near future.

A reasonable degree of flexibility is essential, but when the system is based on informal channels, the principle of equity may be in danger of disappearing.

Third, ministers were concerned about the quality of personnel available at the local level. They pointed out that because of the shortage of suitable officials, most of the available qualified civil servants are attached to the various ministries in the central government, and the respective ministers rarely release them to the local administrative institutions. One minister justified this by saying that without good support from the top bureaucrats, it is very difficult to face the challenges in their ministries.
Fourth, performance evaluation in the public sector needs addressing. Frustration with the present evaluation system was quite evident. The ministers were very critical of the lifelong tenure positions based on seniority in the public sector. One of them claimed:

Without a proper performance evaluation system in the public sector, nobody knows what is going on until we lose the election. Then it is too late. How do you expect to expedite the public sector to work properly with an improper performance system? There is little flexibility to change the system.

Most of the interviewees argued along the same lines and stressed the urgent need to introduce a reliable and valid performance evaluation system in the public sector.

Fifth, finding new initiatives for the enforcement of greater transparency is of paramount importance to the country. Corruption can be found in both developed and developing countries alike. Probity remains the main concern in any public sector reforms (Polidano 2000). This issue is more critical in developing countries such as Sri Lanka in the absence of a rule-based government.

Finally, contrary to NPM and the concept of smaller government, with the large increase in the size of the cabinet in Sri Lanka after the parliamentary elections in 2000, it is even more questionable whether the necessary political will exists for NPM-based reforms to be adopted. It appears that the size of this cabinet was purely politically driven in the new coalition government. This tends to confirm Wright's argument (1994) that the vital elements of political will and durability for reforming governments have frequently been in short supply.

Conclusion

In recent years, Sri Lanka has attempted to implement a range of new public management initiatives, but has not replicated the NPM "model" as an entire package. The initiatives taken have been significant and innovative, but there have been important problems and limitations.
NPM has been implemented partly as a response to the global environment. The various measures have been adopted in a piecemeal and ad hoc manner without any long-term vision and strong commitment, which are essential to the effective achievement of reform. Greater transparency, with necessary checks and balances, is critical for the success of any reform in the Sri Lankan context where corruption is endemic in the political culture. Without greater transparency, there is a danger that reforms will simply be technical rather than politically and managerially meaningful. A definite strategy is needed to transform the traditional public sector institutions into more accountable and efficient public entities that are more capable of fulfilling pressing and legitimate public demands.

It is neither possible nor appropriate to achieve better performance within the present administrative framework. A new form of bureaucracy should be implemented with different attitudes and competencies. This is essential to provide the much needed support for politicians to enable them to perform more effectively and to fulfill public expectations. NPM-based reforms potentially provide some guidance and hope, but they need to be modified to suit the unique Sri Lankan environment.

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