

Emerging Role of Public Administration towards Nation Building in Sri Lanka

Editors

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**Department of Public Administration
Faculty of Management Studies and Commerce
University of Sri Jayewardenepura
Sri Lanka**

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ISBN 978-624-5703-50-0 (Online)

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Cover Page Designing

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Publication year: 2022

Published by:



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Editors' Note

The Department of Public Administration of the Faculty of Management Studies and Commerce, University of Sri Jayewardenepura proudly claims an enduring history of educational advancement and national contribution for over 40 years in the national university system in Sri Lanka. It has been constantly contributing to develop and upskill human resources in the public administration arena in the country. This book is one such worthy cause, emphasizing the importance of contemplating new roles, trends and challenges in public administration towards achieving the developmental goals of the country. This book consists of articles covering different aspects of public administration which are authored by academics and practitioners in the same discipline.

The first paper examines the changing role of the public administrator in Sri Lanka over the period since independence. The changes are explored on the premise of being constitutional, political and administrative in nature. It discusses how administrative decisions of the government have changed the role of the public administrator, once to politicize it and again to depoliticize and strengthen it to increase the efficiency and effectiveness in service delivery to citizens.

Bringing the theoretical perspectives in ethics in public administration and applying them to the Sri Lankan public sector is the objective of the second paper. For that, the study used two approaches namely, Compliance approach (rule-based) and Integrity approach (value-based) that are mainly used in designing policies and programmes for managing ethics. It is evident that in the Sri Lankan public sector, a greater emphasis is on compliance approach rather than integrity approach. Therefore, it is required to strengthen the integrity-based training aimed at the character development of new entrants to the public service in Sri Lanka.

The objective of the third paper is to examine the impact of employees' innovative behaviour on organizational performance in the Sri Lankan public sector. A quantitative study was undertaken with the staff grade officers who served in the ministries in Sri Lanka. The study concluded that employees' innovative behaviour positively effects on organizational performance in the Sri Lankan public sector.

There is evidence that public administration has been significantly influenced using Information and Communication Technologies (ICT) in the government, which is generally defined as e-Government during the last 30 years. The focus of the fourth paper is to examine the impact of e-Governance on the different areas of public administration in Sri Lanka. This research found that in the process of implementation of e-Government, new policies, laws, regulations, standards and guidelines have been introduced for implementing the public policy which is the focus of public administration. Similarly, the executive branch of the government which implements the public policy has also undergone some significant changes in the organizations considered in the study.

The purpose of the fifth paper is to examine the critical success factors influenced on the business process re-engineering project in the Dompe hospital, Sri Lanka. Action research which is an iterative approach is commonly used for improving conditions and practices which are involved in a range of e-Governance, was used as the research method of the study. The re-engineering project of the Dompe hospital as policy interventions, people engagement, and process interventions out of which process factor has been identified as the most critical success factor in succeeding the business process re-engineering project.

The main purpose of the sixth paper is to examine the key factors affecting the effective service delivery in Local Governments of Sri Lanka and to identify problems encountered in their service delivery. The study found that, employees' commitment, managerial innovations, leadership skills, applications of Information Communication Technology in service delivery, obtaining people's participation, and performance evaluation were the key factors affecting the effective public service delivery in Local Governments in Sri Lanka. Further, lack of resources, unnecessary political interference, outdated laws and regulations, and human resource management issues - particularly in recruitments, and promotions and training and development and ineffective procurement processes are the main problems of Local Governments in their service delivery.

The focus of the seventh paper is to explore the relation between political culture and its impact on the policy outcomes with special reference to poverty alleviation programme in Sri Lanka. The study led to recognize

two stages of gate keeping within the public policy process in Sri Lanka. The first stage starts with the policy proposal developed by the higher-level political elite. The second stage is as the gate keepers in the public policy process that start mobilizing voters' eyeing electoral victory. The study concluded the existence of two stages of gate keeping eliminate principal agency problem causing policy failures producing unintended results.

The role of mass media in enhancing public accountability in the light of ethical premise and to propose a conceptual framework is the objective of the next paper. Accordingly, the author has identified that the role of mass media in public accountability does not limit to being a forum of accountability, instead it performs four roles as spark, forum, amplifier and trigger, as suggested by Jacobs & Schillemans. Further, the conceptual framework suggested that mass media needs to function in its role upon the identified five key ethical principles of trust and accuracy, independence, fairness, humanity, and public accountability.

The ninth paper surveys and reviews conceptual underpinnings of Central Bank governance, along with the trends and outcomes of governance, by reviewing the existing literature, whilst discussing applicability of the concept in the emerging country setting and paying special attention to the Sri Lankan context. The paper suggests that governance of central banks across the world has significantly improved, particularly in the emerging market countries. The paper also indicates that Central Bank governance is a primary concern in the context of Sri Lanka as witnessed through various recent developments and challenges.

The final paper is a detailed-statistical investigation into the demographic and living style factors that determine participation in sports and recreational exercises by the academic community in Sri Lankan universities. Using primary data collected in 2020 via an online survey, researchers establish double-hurdle models. The results revealed that participation in sport activities is positively associated with the number of children, sports club membership, and smoking, and the same is negatively associated with age, being a married individual, rural living, and diagnosed chronic illness conditions. Moreover, empirical evidence suggests that

age, being a married individual, and smoking are positively associated with participation recreational exercises. There is no evidence of gender differentials in participation in sports or recreational exercises.

All these articles provide academic and practical insights to the readers on the emerging roles and trends in Public Administration in Sri Lanka. Hence, as editors we are grateful to all the contributors to this book for their scholarly articles. Immense appreciation goes to the reviewers and editorial board for their comments in improving the papers. Also, we acknowledge with gratitude the language editor, editorial assistant and cover page designer and the academic staff members of the Department of Public Administration for their continuous support. Finally, we hope that this book will be of great use to all readers.

Editors in Chief

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Changing Role of the Public Administrator in Sri Lanka

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Abstract

This paper examines changes in the role of public administrator in Sri Lanka since independence. These changes are constitutional, political and administrative. The constitution of Sri Lanka was repealed and replaced twice. The present constitution has been amended several times affecting the role of the public administrator. Political interference in the work of the public administrator has increased unevenly over a period. There was a time that the entire public service was highly politicized. Administrative decisions of the government have changed the role of administrator, once to politicize it and again to depoliticize and strengthen it to increase efficiency and effectiveness in service delivery to citizens.

Keywords: *Role of Public Administrator, Changes, Political Patronage, Politicization of Public Service*

Introduction

The subject of Public Administration has undergone several radical changes over the last few decades, especially in the Western democracies in response to emerging socio-economic pressures on policy makers. These changes have impacted the role of the public administrator as well. The traditional bureaucratic role which had a special place in organizations and in society at large has been shifting to a role of a facilitator in delivering goods and services to citizens. Developing countries like Sri Lanka have faced such changes in the name of public sector reforms due to internal and external factors. The purpose of this paper is to examine the role of the Sri Lanka public administrator in the context of global and local changes that have taken place in the country after independence.

This paper is based on the published materials on the subject in the form of books, academic journals, official publications of the government, newspaper articles and the personal experience of the author. The author's personal experience, although it is subjective, as a practitioner of public administration, and a resource person of the post graduate programs in

public administration threw light on understanding the practices of public administration in Sri Lanka.

Global Changes in Public Administration

Here the focus will be on the administrative systems of Western democracies as the Sri Lankan system of public administration is connate to such systems in its characteristics. The Sri Lanka public administration system has transformed from the ancient feudal system which has existed during the King's rule before 1815 to a democratic system of governance at the latter stage of the colonial rule, especially since the 1930s (Warnapala, 1973; Wijeweera, 1988). Therefore, it is pertinent to examine the global changes and their impact on Sri Lankan public administrators.

Prior to the introduction of Northcote – Trevelyan Reforms in the United Kingdom in 1854 it was the practice of the government that administrators were selected and appointed to positions on the basis of their personal relationships to the rulers. Nepotism and patronage were the main criteria for selection rather than merits and education or academic qualifications of the appointees. That system was subject to criticism in society because of its inefficiency associated with corruption (Pemberton, 2020). Moreover, the public administration system was not able to deliver what was expected of them. In order to address the prevailing precarious situation, the British government appointed a committee for reforms which was headed by Northcote and Trevelyan. The Committee recommended, among other things, the creation of a permanent civil service to discharge the functions of the government. Recruitment to the civil service was open to young people based on the educational qualifications of candidates and their merit at competitive examinations (Northcote & Trevelyan Report, 1854). It was also recommended to establish a permanent civil service. It was a turning point of the subject of public administration and other countries like the United States of America felt the impacts of such reforms in the following years.

A similar problem emerged in the administrative system of the United States of America (USA) at the end of 19th Century. The USA has a presidential system of government and the president is elected for a term of four years. When a new president was elected, he used to appoint all

people for the positions of federal government and when his term was over such officers had to leave the administration along with the outgoing president. This system is called the spoil system of administration. The system, which was based on political patronage for appointment of personnel to administration had created a lot of issues in governance as there was no continuity of administration (Rosenbloom, 1998). What's more, the administration was filled with political supporters that led to corruption. The need for change to the system was hastened with the assassination of the newly elected president of the United States of America, James A. Garfield in 1881 by one of his political supporters for the reason that he was not given employment in the federal administration (Rosenbloom, 1998, Stillman II, 2010). Lawmakers wanted to address those issues and a reform committee was appointed to make recommendations. As a result, the Pendleton Civil Service Reform Act was passed into law in 1883. Those reforms had recommended selection of public employees based on an open competitive examination. Depoliticization and setting up of a civil service commission were also among the recommendations (Rosenbloom, 1998).

During this period, one could witness two other developments in the field of public administration. One is the American contribution with a theoretical framework to study public administration by Woodrow Wilson in 1887 (Wilson, 1887) and the other is the European (or German) contribution to study (public) organizations with the bureaucratic theory of Max Weber. Wilson attempted to identify the role of public administrator defining it as 'execution of public law' (Ibid). He was the first to distinguish politics and administration. He said that political questions and administrative questions are not the same and the political questions relate to public policy while the administrations questions have to deal with implementation of such policies. According to him, there is a clear difference in the role of politicians and public administrators. Although there is no consensus on this dichotomy among scholars, his concept has led to the development of the discipline of modern public administration. Wilson is recognized as the father of American public administration.

Max Weber's Ideal Type of Bureaucracy explains the role of public administrator or bureaucrat. An administrator is synonymous with a bureaucrat in many respects. According to Max Weber, a bureaucrat is to be an impartial, full-time careerist whose behavior is conditioned by the organizational rules (Stillmam II, 2010). His behavior is transparent and predictable as he is required to work impartially according to the rules. Further, bureaucrats form the administrative class of an organization. Since the inception of this concept at the beginning of the 20th century till the 1970s, public sector organizations have been structured in line with Weber's bureaucratic model. This period is also named as the traditional era of public administration.

The role of a bureaucrat was mainly confined to the business of the organization as he was mentored and trained to be impartial, and rule bound. Since the functions of the government at that time were of a regulatory nature with little focus on socio-economic issues, the system could survive for a longer period despite certain cosmetic changes to the role of public administrator.

The role of the public administrator began to be re-examined and redefined within the bureaucratic system in the 1960s by the scholars of the comparative public administrative movement headed by Fred Riggs in the USA (Otenyo & Lind, 2006; Paladar, 2012). At that time the political landscape of the countries had changed as a result of the emergence of newly independent countries of the third world which were under the colonial rule for a considerable period of time. New leaders of newly independent countries who had their education in the countries of the colonial masters and were inspired by the degree of socio-economic development of developed countries were ambitious to develop their own countries with a view to expediting development, but resource constraints and the colonial administrative systems were perceived to stand as barriers. They were compelled to seek financial and technical assistance from developed countries and international financial institutions. The Ford Foundation of the USA had commissioned a research with financial assistance to Fred Riggs to examine the development issues in developing countries and he carried out research in Thailand and the Philippines and came up with the concept of development administration to expedite

development in developing countries. This new concept required public administrators to acquire a set of new skills and become development administrators in order to equip themselves to carry out development programs. The new concept became popular in the developing countries and both administrators and the public organizations which were involved in development were re-oriented with a view to attaining development goals. Under the new scenario development administrators were required to acquire the skills of planning, policies, programs and projects. They were expected to be flexible in the organizational process and highly motivated to work with the people with their participation. This is a radical departure from the traditional role of public administrator, especially in the context of public administration in developing countries.

There was no serious challenge to the traditional model of the public administration system in the Western democracies until the 1970s. Public administration apparatuses have expanded over the years due to the political ideology of government; many democracies have adopted the concept of welfare state (welfarism) and consequently the government had to provide goods and services to citizens to promote welfare of the people in addition to its conventional role of maintaining law and order and providing pure public goods. Efficiency and effectiveness of service delivery through the rule-based bureaucratic system was questioned by dissatisfied citizens. Emerging socio-economic issues such as unemployment, housing, inflation and negative balance of payments drew the attention of politicians in the United Kingdom to find an alternative to the traditional model of public administration. Having recognized the efficiency, effectiveness and customer friendliness in the private sector management, the conservative party led by the late Prime Minister, Margaret Thatcher ran the election campaign with the promise to reform the public sector, if elected to power, in line with private sector management principles. The conservative party believed the new liberal ideology with a bigger role for the market and a limited role for the government in providing goods and services to citizens.

The new reforms began another era of public administration redefining the role of the government and that of the public administrator. They advocated a small, lean and efficient government and action was taken to

drive it towards that direction. Public administrators were required to focus on the outcome and needs of the service recipients rather than the organizational processes. Service recipients were treated as customers. Administrators were given autonomy to steer the organizations towards achieving the goals (Osborne & Gaebler, 1993). Their performance was objectively measured, and performance-based compensation was also introduced. This approach to public administration is called New Public Management (NPM) (Wood 2007; Osborne & Gaebler, 1993) and the bureaucrats lost their century old glorious and elite position in the organizations (and in society). They have become managers following the private sector management style. NPM has become a world wave within a very short period of time and developed countries such as the USA, Australia, New Zealand and many European countries embraced this concept and subsequently, many developing countries have followed suit and reformed their administrative systems in line with the principles of NPM. Now the managers have to be professional, and their performance is measured objectively using explicit standards. New Public Management encourages the provision of certain public services by the private sector through contracting out. Some public entities were privatized on the belief that they could be better run by the private sector. The administrator is required to possess new competencies to work with their counterparts in the private sector in the new scenario.

During this period, citizens' concern for human rights sprang up in the West and service provision was centered around the rights of citizens. The concepts of good governance and the new public services were in vogue in the Western democracies. The role of public sector manager was changed again to that of a service facilitator with the empowerment of citizens. (Denhardt & Denhardt, 2011).

Rapid development of information communication technology (ICT) and enactments of right to information laws during the last three decades had an impact on the role of the public administrator. ICT is widely applied in the delivery of goods and services to citizens both in the public and private sectors of developed countries. There is an application of IT-based technology in city governance in Europe and in the United States of America (Paulin, 2019). The application of ICT in the public sector has

passed four stages: i. Simple web presence where information on the functions of the agency is available on the web, ii. Web presence offers interaction to download forms and fill them and upload online, iii. Transactional stage where certain functions such as filing tax returns, vehicle registration and getting cadastral extracts could be done online and iv. Transformational stage where interconnected databases are held by agencies. (Ibid). This four-stage classification helps us to understand the degree of development of ICT in e-Government in different countries.

Access or right to information in the public domain has emerged as a fundamental right of citizens and recently many countries have enacted laws during the last few decades (Freedom of Information Laws by country, 2015). Previously, government information was restricted to administrators of public organizations by regulations and such information was their power. Enactments of right to information laws have diminished the power of the administrator and availability of information on the agency website with the application of ICT, has further affected his position.

Role of the Public Administrator in Sri Lanka

The Administrative Structure

Sri Lanka has inherited its administrative structure from the British colonial rule. At independence the administration was centralized in the capital of Colombo and there were Ministries and departments. Departments were the implementation arms of the government policies and programs under the supervision of the Ministries. The country was divided into districts for administrative purposes, and each district was administered by a government agent. The departments at the center had their branches at district level and some were under the supervision of the government agent and others were directly managed by the central departments. There were semi-government organizations which were established after the mid-1950s with a view to providing much needed public services to the people. This means that the administrative structure is composed of the Ministries, departments and the semi-government organizations. As in the case of departments, semi-government organizations were also implementation arms of the government which were entrusted to cater to specific needs of the government. Ministries,

departments and semi-government organizations were on the increase during three decades following the 1960s and some semi-government organizations were relieved from the hand of the government in the 1990s, with the privatization programs.

Sri Lanka experienced a centralized administration during the colonial period, and it remained unchanged to a greater extent until 1987. Although there has been agitation by the minority groups for a devolved system of governance even during the colonial rule, the centralized administration was concentrating on the administrative power in the capital of Colombo. With the unethical and forceful interference by the India government in internal matters, the government of Sri Lanka was forced to adopt a devolved system of governance in 1987 with a view to solving the ethnic problem. This has led to the emergence of two political and administrative systems in the country; one for the center and the other for the provincial councils. The Constitution of Sri Lanka was amended with the 13th Amendment transferring 37 subjects from the center to the provincial council. Nine provincial councils were established for the nine provinces and a separate politico-administrative structure was set up for each provincial council. The political structure is headed by the governor appointed by the president and a five-member Board of Ministers is appointed by the governor from among the council members elected by the voters of the province. The administrative structure is constituted for implementation of the decisions of the Board of Ministers. Public officials of the provincial council belong to two categories; one category borrowed from the center and the other category appointed from within the province. The governor of the province is the head of the provincial public service and he is assisted by the Provincial Public Service Commission appointed by him to carry out functions delegated to it by the governor. Both the governor and the chief secretary of the province are to be appointed by the president. Senior officials of the provincial council such as secretaries to the provincial Ministries, deputy secretaries and heads of departments are appointed by the governor. The cadre of the provincial council is composed of the loaned officers from the center and the provincial appointees. Officers borrowed from the center belong to the All-Island Services and once they are released for appointments in the province, they

form a part of the provincial public service but their disciplinary control rests with the central authorities.

Public officials of the government Ministries and departments inclusive of the provincial councils are categorized into four groups under Public Administration Circular 6/2006 (Ministry of Public Administration and Home Affairs, 2006). These categories are primary, secondary, tertiary and executive of which the primary category is the lowest group of the organizational hierarchy that provides support services. The group at the top is the executive officers and it includes public administrators and senior officers of the technical departments. The administrative group includes secretaries to the Ministries, additional secretaries, senior assistant secretaries and assistant secretaries of the Ministries, directors/ commissioners general of the departments, additional/ commissioners directors general, commissioners/ directors, deputy commissioners/directors and assistant commissioners/directors of departments. Some statutory departments have different designations according to the Act/ Ordinance under which the organization has been established. The Department of Immigration and Emigration is an example for this and has a Controller General as its head. Although the staff of the semi-government organizations are part of the public administration, our focus in this study is mainly on the executive group of the four categories.

It is very much easier to understand this structure of the categorization in terms of the salary categories under the above circular. In the case of Ministries and departments, the executive group falls into three salary categories: SL 1, SL 3 and SL 4. Again, SL 1 has three Grades; Grade III, Grade II and Grade I. Secretaries belong to SL 4 while Head of department is SL 3 in the case of large departments. A head of a small department draws a salary of SL 1, Grade I scale. Additional secretaries and deputy commissioner/director general are entitled to the salary scale of SL 3.

Appointing authorities of these officers are different according to the statutory provisions and subsequent changes are made to them from time to time. As of now (under 19th Amendment to the Constitution) the appointing authorities are as follows.

- a. Secretary to a Ministry by the President – Article 52 of the Constitution
- b. Head of department by the Cabinet of Ministers – Article 55 (2) of the Constitution
- c. Additional Secretaries and all other officers of the central government by the Public Service Commission and its delegated authorities
- d. Chief Secretary of the Provincial Council by the President
- e. All other officers of the Provincial Council by the Governor of the province and Provincial Public Service Commission – Provincial Council Act No 44 of 1987.
- f. Chairman, Board of Directors and the Chief Executive of the Semi-government organization by the Minister in charge of the organization.

Changing role of the Public Administrators

The role of the Sri Lankan public administrator has been subject to several changes since independence. This change is a result of the constitutional, political and administrative changes which were introduced by the government from time to time. Successive governments have taken action to introduce administrative reforms since the first decade of independence in response to the demand of people or on the pressure of international lending agencies as a prerequisite to qualify for financial assistance that the government has sought. Some of the recommendations of the reform commissions were implemented and the role of the public administrator was affected by such reforms. These changes could be discussed in the light of i) constitutional changes and ii) political changes and administrative reforms.

Constitutional Changes and the Role of the Public Administrator

The Constitution of Sri Lanka has changed on several occasions by repealing it with a new one or making amendments to the existing one. The first Constitution of Sri Lanka (Soulbury Constitution of Ceylon) which came into operation in 1948 was replaced with the first republican constitution in 1972. During this period some changes relating to the role

of the public administrator have taken place, which will be discussed in detail below. The first republican constitution had a life span of six years during which the situation of the public administrators will be examined. The second republican constitution was introduced in 1978 repealing the first one. The 1978 constitution has been amended several times and some of those amendments have a significant impact on the role of public administrators. Another significant constitutional change is the end of centralized administration with the introduction of a dual system of administration. The 13th Amendment to the constitution in 1987 has created a dual system of administration; one for the center and the other for the provincial councils at sub-national level. The changes to the constitution by way of amendments after 2001 have had both positive and negative impacts on the role of the public administrator at the center. But the provincial council administration remains unaffected. Consequences of 17th, 18th, 19th and 20th amendments to the constitution will be discussed in relation to the role of the public administrator during this period.

With the introduction of the first republican constitution in 1972, personnel management of the administrative system of the country underwent serious changes. The public service commission which was entrusted with that function since its existence prior to independence was abolished and its functions were vested in the Cabinet of Ministers. This is the first step to legalize politicization of the public service. Appointments, promotions, transfers and disciplinary control of public servants were taken over by the Cabinet of Ministers and there were two advisory bodies; State Services Advisory Board and State Services Disciplinary Board to advise the ministers when such advice was sought. Impartiality and political neutrality of public administrators at the higher level of administration began to diminish. The constitution prohibited judicial review of the administrative actions of the Cabinet of Ministers and its delegated authorities. Public officials were subservient to politicians, and they found no option other than falling in line with the politicians at all layers of the government because of the fear of repercussion.

The first republican constitution of Sri Lanka had a very short life. People were dissatisfied with the performance of the United National Front (UNF) government not only because of its socio-economic policies but also its political and administrative misbehavior leading to corruption and political patronage in public affairs. The increasing demand of people for a political (government) change had culminated at the latter part of the 1970s and as a result the United National Party came into power at the 1977 parliamentary elections with a resounding victory securing five-sixths of the seats in Parliament. This change brought a new economic, political and administrative order resulting in both positive and negative consequences. The first thing that the new government did was to amend the constitution of 1972 to legalize the district political authority system and replace it with a new title of "District Minister". With this constitutional change the government agent also became the district secretary and some of his functions were taken over by the District Minister (DM). The 1972 constitution was replaced with another one in 1978 which had a presidential style of government. The inward looking, import substitute economic policy of the UNF government came to an end with the introduction of an open market economy policy allowing the private sector to play a greater role in the economy. This relieved the citizens from the politico-bureaucratic shackles of the state monopoly.

The second republican constitution restored the public service commission (PSC) with reduced powers. It could enjoy what was delegated to it by the Cabinet of Ministers. In addition, Ministers were given power to transfer public officials of the institutions under their purview. It was the Cabinet of Ministers which decided what was to be delegated to the PSC, its committees or public servants. The Minister's power of transferring public servants remained intact despite this delegated power to other authorities. A public officer aggrieved by a decision of a committee or a public officer relating to a transfer or dismissal, or any other matter could appeal to the PSC. The Cabinet of the Ministers was the last appellate authority for public servants aggrieved by the decisions of the PSC, a Minister, a committee or a public officer with regard to appointments, transfers, dismissal or any other related matter. There was no change to the appointment of heads of departments and the secretaries to the Ministries. Heads of departments were appointed by the Cabinet of Ministers and

appointment of secretaries to the Ministries was (is) in the hand the president. Judicial review of the administrative decisions of the Cabinet of Ministers or its delegated authorities was prohibited by the constitution except in the case of fundamental rights under Article 126 of the constitution. All the policy-related matters including approvals of service minutes and schemes of recruitment were retained with the Cabinet of Ministers. For public servants, the new situation was somewhat better than the situation between 1972 and 1977. It appears that there was a reluctance on the part of the government to go back to the situation of the Soulbury Constitution to insulate administrators from political interference.

At the subnational level the governor of the province is the head of the provincial public service. There is a provincial public service commission appointed by him which could exercise authority delegated to it by the governor with regard to appointments, transfers, promotions, dismissals and disciplinary control of provincial public servants. The governor has retained power for the appointment of officers to senior positions such as provincial secretaries and provincial heads of departments. Those appointments to senior positions are based on the personal connection of officers with the political authority or the bureaucracy of the province disregarding the principle of meritocracy. However, appointments to non-staff grade positions of the provincial councils are done through the competitive examinations.

The politico-administrative arrangement at the center began to change at the turn of the 21st century. The excessive executive powers of the president were questioned by the civil society and some progressive political parties as the position was misused for political advantages violating the rights of the people. By this time civil society had become more knowledgeable about improved governance of the Western countries as the world has become a global village with the rapid development and application of information communication technology (ICT). The civil society as a pressure group advocated for human rights and good governance. Pressure to reduce the power of the executive presidency and democratize administration was increasing amidst the volatile political environment of the ruling coalition. There was a consensus among the political parties in parliament to amend the constitution to achieve this

objective. The 17th Amendment to the constitution was enacted in 2001 reducing the executive powers of the president. The president's prerogative to make appointments to senior positions of the administration was amended by the 17th Amendment creating a new instrument called 'the Constitutional Council'. The constitutional council had elected members of parliament and selected eminent members from civil society. The president now requires the recommendations or approvals of the council in the case of appointments to higher positions of administration and the judiciary. The Public Service Commission, Judicial Service Commission, Election Commission and National Police Commission were made independent in their operation creating the legal environment for public administrators and judicial service officers to work without political interferences. However, there was no change to the procedures for appointments of heads of departments and secretaries to the Ministries. The new system continued only up to 2009 and the commissions became defunct due to 'not filling' vacancies. In 2010, the 17th Amendment was repealed by the 18th Amendment and the constitution reverted to its original position. The functions of the public service commission were taken over by the Cabinet of Ministers during the period from 2009 to 2011. The PSC was restored to the position it held in 1978, in 2012. Re-strengthening the executive presidency led to violation and curtailment of human rights and mal-administration in the country. Opposition political parties and civil society groups were active again and agitated to reduce the power of the executive presidency. The constitution was amended with the 19th Amendment and the Constitutional Council and more independent commissions were established again going back to the situation under the 17th Amendment. Powers of the president were also reduced further empowering the Prime Minister. Public administrators below the ranks of secretaries and heads of departments were constitutionally empowered to perform their duties independently under the 17th and 19th Amendments but in practice there have been some problems for senior persons like additional secretaries to Ministries and divisional secretaries. They are required to get the political and bureaucratic clearance for appointments to such positions. Poor performance of the government during the period from 2015 to 2019 including some commissions was subjected to severe criticisms, mainly due to large-scale corruption and government failure to maintain national

security. The need for re-strengthening the executive presidency through a constitutional amendment was widely spoken of during the presidential election in 2019 and the parliamentary election in 2020. The 20th Amendment was introduced in September 2020 re-strengthening the position of the executive presidency. The president has now become the sole authority for making all the appointments to important positions of the administration including appointments to the commissions. It will take time to see the consequences of the impact of the 20th Amendment.

Political Changes, administrative reforms and Public Administrators

As mentioned above, Sri Lanka had inherited a colonial legacy of public administration after independence. The Ceylon Civil Service (CCS) to which young officials were recruited on the basis of patronage was set up in 1802 by the British to rule the conquered coastal areas of the country (de Silva, 2014). Later it was expanded to govern the entire country. In fact, up to the 1931 Donoughmore reforms the country had a bureaucratic rule with the governor at the top as the head of the colonial government and civil servants to assist him. The civil servants did not have experience in working with democratically elected people representatives until the Donoughmore reforms were introduced in 1931. The civil service positions, the highest positions of the administration were initially confined to the British and it was only in the 1930s that such positions were opened to the locals (Warnapala, 1973). The latter were also English educated people who were mentored and trained in line with the values of British civil servants. It seems that the only difference between them is the complexion or the skin color.

Both public administrators and politicians before and sometime after independence belonged to the same elite class in society and therefore there was no apparent conflict between them with regard to their ideology or social values. The only difference one could observe is the educational background of the two groups as some politicians did not possess higher educational attainment compared to that of civil servants. It does not mean that there was no political interference in the administration at that time. There were instances where political patronage was there in appointing favored civil servants with the choice of politicians. The first Prime

Minister, D S Senanayake, being the Minister in charge of agriculture wanted to handpick Civil Servants like C. P. de Silva for the implementation of his most ambitious colonization programs. Wimal Amarasekara of CCS who was Government Agent of Badulla was personally asked by the Prime Minister, Sirimavo Bandaranaike and appointed Government Agent of Jaffna. However, there is no reported incidence of political interference during this period relating to recruitments and promotions of civil servants or other officers as such functions were constitutionally entrusted with and handled by the Public Service Commission. This politico-administrative relationship was shaken with the political change in 1956.

Political change in 1956 where a shift in political power from the elite class to the common people drastically affected the resilience between the political executives and the administrative executives (civil servants). The new government of 1956 was brought to power by the Five Great Force (Pancha Maha Balavegaya) which included Buddhist monks, indigenous physicians, teachers, farmers and workers (Warnapala, 1973; Wijeweera, 1988). Among the Ministers of the new government were trade union leaders. One Minister was a one-time subordinate of the permanent secretary of that Ministry when the latter served as a government agent. One could imagine the kind of embarrassing relationship between the two under the new setup. It was also reported that a union leader of postal workers was elected to the legislature, and he was physically attacked by a leading member of the previous government when the former addressed him in a disrespectful manner. The mismatch between political executives and administrative executives pushed the government to bring reforms to public administration and the Wilmot A. Perera Commission was appointed in 1959 to inquire into the emerging administrative issues and make recommendations for reforms (Nanayakkara, 2015). It took another four years to give effect to some of the recommendations and the immediate victims of the changes were the Ceylon Civil Service and the long-established feudal system of Village Headmen.

The Ceylon Civil Service was abolished in May 1963 and the Ceylon Administrative Service was introduced in its place combining the CCS positions and the departmental administrative positions into the new

administrative service (Ibid). This has been viewed by some writers as a suicide attempt of public administration of Sri Lanka (Somasundaram, 1997). The civil servants were given the option to join the new service or if unsatisfied, to retire enjoying the benefit package on offer. Some of the civil servants opted to remain and became members of the Ceylon Administrative Service. On the other hand, officers of the newly created Ceylon Administrative Service were not content as they were not on par with the salaries and perks of the CCS. In the final analysis, it seems that both officers of the CCS and the CAS were unhappy about the new reforms.

As per recommendation of the Wilmot A. Perera Commission the traditional authority system of 'Village Headmen' was replaced with Grama Sevaka (village servant) in 1963. The village headman was the lowest level public servant. In the village headman system, the position was transferred from father to son. Village Headmen were the proprietary rural elite who commanded respect from villagers because of their authority and the family background. They were the link between the government and villagers. Appointment of a Grama Sevaka was based on the educational qualifications of candidates. But the new appointees were unhappy with the new designation on the ground that they wanted the title of 'Officer' instead of 'Sevaka'. This is something cultural as public officers were perceived as a distinct social group who commands respect in society, especially in the rural settings. The title or designation of these officers has been changed on several occasions from 'Grama Sevaka' to 'Grama Seva Niladarari' to 'Grama Niladari' accommodating their demand.

During the colonial rule national leaders of the executive council and the state council have demanded 'ceylonization' of the public service replacing the British with local officers as the latter were more familiar with the culture and society. (Warnapala, 1973) But at independence political leaders had no idea about the structure and functions of the administrative class that the country needed under a new political environment. Neither national leaders nor senior civil servants had thought of the emerging role for the public administrator until the political change in 1956. It may be due to the reasons that both the political executives and

senior administrative executives (CCS) belonged to the same elite class and the United National Party (UNP) government had been able to carry out (agricultural) development programs with the administrative executives although there were occasional differences of opinions between the two groups. There have been occasions where some senior administrative executives had resigned from service due to differences of opinion. For example, C. P. de Silva of the CCS had left the public service as he had a grudge against the then Prime Minister Dudley Senenayake and joined the opposition political party. National leaders have failed to understand the need for restructuring the premier administrative service considering multi-cultural aspects of the country, policy implementation in a cohesive manner respecting the democratic rights of the people and socio-cultural needs. National leaders had inspiration of their Indian counterparts at the freedom struggle but failed to follow them in their vision for the country's politico-administrative structure after independence. The Indian leaders who ventured to reform the Indian Civil Service replaced it with the Indian Administrative Service (IAS) at independence (Maheshwari, 2005). It preserved its prestigious position with a view to maintaining national integrity and policy coherence in implementation of national policies. New provisions were included to safeguard career independence of public servants with Article 311 of the Indian constitution (Kafaltiya, 2016).

Despite the impact of political changes on public administrators at the center, the position of the government agent remained intact to some extent until the beginning of the 1970s. However, the role of the government agent began to change during this period due to two reasons. One is the introduction of a political authority system in 1973. It was an administrative decision of the government with a view to increasing agricultural production to face the food shortage in the country. The government thought to provide political leadership to the district administration and a senior government MP was appointed as the district political authority. His function was to liaise with the Ministries of the center and coordinate district development programs. Earlier, it was the function of the government agent. With this change the prestigious and politically neutral position of the government agent as the administrative head of the district had begun to diminish and the authority of politicians

had emerged increasingly. The other reason was the allocation of funds from the national budget to members of parliament (MPs) through the Decentralized Capital Budget system (DCB) in 1974. This gave an opportunity for MPs to get involved in administrative work and mobilize public resources. Under DCB, MPs were empowered to get involved in district administration. They could identify projects of their choice and submit them to the government agent of the district for allocation of funds. Financial responsibility still was with the government agent as he received funds directly from the treasury for which he was accountable as the chief accounting officer.

There was another political development at the center which had affected the role of the career public administrator. Having all the powers for managing the public services the government brought non-career persons to senior positions such as secretaries to the Ministries. Those appointees were the political supporters or sympathizers of the ruling coalition government. The first political appointee as a permanent secretary to the Ministry of State was Dr. Ananda Tissa de Alwis during the UNP government from 1965 to 1970. He was an active member of the United National Party and later became a Minister and speaker of the UNP government. Dr. de Alwis' appointment became a precedent for the UNP government to appoint several non-career persons to the secretary posts of the Ministries (Gamage, 15/8/2015). This practice has been continuing in the successive governments giving priority to party supporters over career public servants.

The administrative decisions taken by the government of 1970 - 1977 to establish Divisional Development Councils to expedite development activities at local level gave more power to the local politicians to mobilize local public servants. Public servants had to take instructions from the local politicians in almost all the matters. If they failed to obey politicians, they had to pay for it with transfers to difficult stations.

Moreover, that situation was further aggravated with the procedures followed for appointments to non-staff grade positions such as teachers and clerks in the public service. The members of the ruling party were given a quota for jobs and anyone who wished to get a job had to go the

Member of Parliament (MP) of the constituency and get a letter of recommendation to the employment agency. This process was called the chit system. The aspirant for a job had to get a letter of recommendation from the branch of the political party of the area. Those who were not the party supporters had to pay bribes and get a chit from the MP. In addition, it was frequently reported that female aspirants for appointments were compelled to offer sexual favors to the MPs. Recruitments to lower grades of public service based on the results of competitive examinations had now converted to personal preferences of the political authority and as a result it paved the way for non-competent persons to enter the public service. However, recruitment to staff grade positions (All Island Services) continued on the basis of competitive examinations but such appointees were subject to political harassment in getting placements and transfers. Such officers were compelled to seek political favors for their transfers and promotions.

Appointments of public servants to non-staff grade positions were further consolidated in the hands of politicians with a new system called 'Job Bank'. The government disrupted the 1980 July strike and about 40,000 workers lost their jobs as the posts of strikers were treated as vacated. Vacancies were filled with people recommended by the politicians. Government MPs were given a quota of 100 job applications per electorate for employment in government departments and corporations (Wicremaratne, 2016). Those who supported the party or were known to MPs had the fortune of getting employment. Recruitment to such posts was done disregarding the merits or educational qualifications of appointees, further spoiling the quality of the public service.

Another political decision to reform the district administration took place in 1992 with the establishment of the divisional secretariat system transferring almost all the statutory powers of the government agent to divisional secretaries. This was done with a view to further decentralization of administration to the doorstep of the people. On the one hand, the position of the government agent was downgraded to that of the coordinator of the divisional secretariats of the district and on the other, divisional secretaries have emerged to play a pivotal role in divisional administration as mini-government agent of the division. During the

tenure of the late president Premadasa, who introduced the new concept, the divisional secretariat was elevated to the status of a department with a separate vote under the national budget and a Class One officer of the Sri Lanka Administrative Service was appointed to lead and coordinate all activities of the division. He was entrusted with the implementation of activities of the national government agencies and the provincial council within the division making him responsible and accountable to both the government and the provincial council. Hence, it is said that he was wearing two hats. He was also managing a multi-disciplinary team and his role was equated to that of a conductor of an orchestra. At the outset there was the idea to establish a divisional secretariat coterminous with the electorate except in few urban areas. But the concept was diluted after the sudden demise of the president. The status of the head of department of divisional secretaries lost as the general treasury claimed that it was difficult to maintain a large number of heads (accounts) for divisional secretariats. Although the initial idea was to establish 200 divisional secretariats the number gradually increased and now it is 332 exceeding the number of constituencies of the country. This is because of the demand by politicians for their electorates. Politicians are appointed to the coordinating committees at district level and divisional level and the administrators at both levels are required to work with them. The functions performed earlier by the kachcheri have come to the divisional secretariat which is very much closer to the people. The role of the divisional secretary has strengthened, and he has been empowered with more responsibilities to carry out all the development, welfare and regulatory activities of the division.

Conclusion

The constitutional changes from time to time have produced mixed results for the role of the public administrator. After the Soulbury constitution, political interference in administration has become visible. A section of public administrators was given a conducive environment under the 17th and 19th amendments. Political decisions that consecutive governments have taken since independence show that the role of the public administrator is subordinate to politics, and administrative behavior is decided by political values. Political values are changing from time to time according to the political ideologies of the ruling political parties. The

governments in the past and present have been swinging from democracy to autocracy with the support of the people at elections. At times there was a highly politicized public administration, especially from 1970 to 1977 on the belief that it was the responsibility of the elected government to carry out the will of the people and public administration should be directly led by the political authority. However, more independent public administration was advocated by the governments respecting the principles of good governance during the periods of the 17th and 19th amendments to the constitution. Moreover, impartiality and neutrality of public administrators at higher level of administration i.e. secretaries to the Ministries and heads of departments is non-existent as they do not have operational freedom to carry out their functions without fear or favor. It has been the practice after abolition of permanent secretary positions in 1972 to accommodate the appointment of non-career persons or retired administrators who are aligned to the ruling political party as secretaries to Ministries. Practically, such persons could not be impartial as they are obliged to their political masters. The position of the career public servants who are appointed as secretaries to the Ministries because of their seniority and merits is vulnerable and shaky and they are compelled to be conservers as they are at the tail end of their career.

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Ethics and Integrity in Public Administration: Lessons for Sri Lanka

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Abstract

During the past few decades, ethics and integrity has gained greater importance in public administration theory and practice. Ethics, public service values, public interest, integrity, corruption and their interrelationship are the key concepts that emerge in research which guide action for managing ethics: minimizing integrity violations and promoting good governance in the public sector. The purpose of this paper is to discuss the theoretical perspectives in ethics in public administration and relate them to the Sri Lankan public sector. Compliance approach (rule based) and integrity approach (value based) are the main approaches which should be paid attention to when designing policies and programmes for managing ethics. It is evident that in Sri Lankan public sector, greater emphasis is on compliance approach, and it should be adequately complemented by the value-based integrity approach. Understanding its current global ranking regarding corruption, Sri Lanka has to learn from the success stories of other countries, especially from the South Asia and Pacific region and to enhance the ethical standards in the public sector.

Keywords: *Ethics, Integrity, Corruption, Good Governance, Public Values*

Introduction

During the past few decades, ethics and integrity has gained greater importance in both public administration theory and practice. It is concerned with the moral standards expected from both elected and appointed public servants in the process of public policy making and implementation. Its focus is on eliminating or minimizing the behaviours and actions that undermine public interest and promoting good governance practices. The research in this area sheds light on incidents of unethical practices or integrity violations across public sectors in the world and their relationship to changing nature of public administration systems over the past few decades. Based on such research, there is a global effort where

governments, international organizations and advocacy groups working in partnership to ensure ethical governance by public officers and organizations in the delivery of public services in an effective, efficient, transparent, accountable and corruption free manner. This has culminated in the adoption of the United Nations Convention Against Corruption by ratifying which nations have agreed on working collectively to combat corruption while promoting “integrity, accountability and proper management of public affairs and public property” in their respective countries (United Nations, 2004).

The Sri Lankan public administration system too has not been immune to the challenges brought about by both global and local public policy reforms over the past decades. According to Warnapala (1974), the Ceylon Civil Service (CCS) which dates to the beginning of 19th century was hardly sensitive to the constitutional progress taking place in the country and remained “autocratic and supreme”. It is believed that the CCS being part of the British imperial civil service, which is considered to be established on the recommendations of the Northcote-Trevelyan Report in 1853, adopted integrity, honesty, objectivity and impartiality as its core values (Northcote & Trevelyan, 1853). With the post-independence constitutional reforms, however, the Sri Lankan public service has experienced significant changes along its expansion in size and complexity including the state-owned enterprise sector. Over the years the public debates on ethical violations have also developed with regard to the Sri Lankan public sector ranging from general inefficiency and small-scale bribery by officers belonging to various public authorities especially in law enforcement and licensing to alleged white collar crimes related to purchasing of aircraft and issuance of Central Bank bonds worth billions of rupees.

According to Transparency International Corruption Perception Index 2019, Sri Lanka has an average score of 38 which uses a scale from zero (highly corrupt) to hundred (very clean) ranking 93 (rank 1 being the least corrupt) out of 180 countries. Reflecting this, issues are constantly being raised about the alleged integrity violations by the public officers and organizations at the highest level which have had serious impact on the country's economy causing gradual erosion of public trust in the

government. It is also observed that efforts to reduce integrity violations have relied more on compliance approach (rule based) available as anti-corruption laws and the disciplinary action against errant public servants rather than on an approach aimed at promoting integrity (value based) across the public sector in Sri Lanka. It should also be noted that research conducted in Sri Lanka in this area, both at academic and professional levels, is still not adequate compared to the growing importance this subject area is gaining internationally. Inevitably, this situation has created a knowledge gap among the practitioners especially with regard to conceptual and theoretical developments in the area and how they can be incorporated into practice in developing ethical competencies of public officers and organizations in Sri Lanka.

In this light, the aim of this paper is to discuss theoretical perspectives in ethics in public administration and relate them to the Sri Lankan public sector. Its current status in this sphere will be discussed in comparison with a few countries in the South Asia and Pacific region. Following the introduction, the significance of ethics, ethical theory, public service values, and integrity approach are discussed with a greater emphasis on integrity based on the observation that it has received less academic or practitioner attention in the Sri Lankan context. Next, the types of integrity violations will be dealt with focusing on corruption, in light of recent research findings. Next, the integrity and compliance approaches as the high and low roads in managing ethics in the public services will be discussed. Finally, the performance of Sri Lanka in the region with reference to Corruption Perception Index of the Transparency International will be highlighted for the attention of both the research community in public administration and the practitioners to look for more effective ways in managing ethics in our public sector.

Significance of Ethics

Almost every day in our life, both at workplace and in private life, we have to make judgments regarding the right action. We argue or fight for right action based on our preconceived notions of right and wrong which is the domain of ethics. In that sense, ethics can be defined as a set of principles that guide right action. We also come across situations where a right action may not be a good action. For example, when the education ministry has

ruled that the maximum number of students in a school class should be thirty-five, exceeding that number is a violation of that rule which is a wrong action. When a family with a school age child moves to a residence near that school due to a reason beyond their control and the child is refused admission to any nearby school based on the limit mentioned above, the child may be deprived of education for weeks or months until a final solution is given. The action of not taking the child by any school whose classes are full is right, but it can be argued that it is not a good action or an ethical action. Also, there may be students already in a school who are not genuine residents in the stipulated area but who could show documentary evidence that they are. The matter gets further complicated when a teacher of a particular class is aware of such students on forged documents but does not want to disclose that information to the authorities, being unable to decide if that action would be right as well as good. These kinds of examples abound in many areas of public service delivery including education, healthcare, social welfare etc. This leads us to further inquire whether ethical behavior is universally applicable or varies from culture to culture. To find an answer to this we should examine ethical theory.

Ethical Theory

According to the Oxford dictionary, ethics is the study of the general nature of morals and the moral choices we make. The word ethics is considered to have derived from the Greek word *ethos* meaning ‘character’ (Preston, 2001). It generally refers to right and wrong behavior and also includes the idea of living the good life which, according to Aristotle, is “the life worth living or the life that is satisfying” (Lynch & Lynch, 2009). When making ethical decisions related to what is right and what is wrong, there can be a range of justifications of ethical frameworks or normative theories of ethics. Two such major viewpoints found in ethical theory are consequentialism which basically calculates the outcomes or the consequences and non-consequentialism that does not consider the consequences of decisions but “clear intrinsic view of the right or one’s duty”. The consequentialist approach is also known as teleological (telos meaning “a goal” or “end” in Greek). Its best-known form is utilitarianism which emphasizes happiness or utility as the goal of any human action. Thus, an action is ethical if it brings “the greatest good for the greatest

number”. The non-consequentialist approach is also called deontological (deon meaning “duty” in Greek) according to which “a sense of duty or principle prescribes ethical decision” (Preston, 2001).

Virtue ethics is the other major approach in normative ethics. Its focus is on virtues, or morality. It is an excellent character trait, or an inherent quality well established within a person (Stanford Encyclopedia of Philosophy, 2016). Aristotle divides virtue into two types as intellectual and moral, the elements he considered to make a person human. Virtue is the way for us to become fully human and also accomplish our human goal which is the good life. It is important to note the distinction between external and internal goods developed by Aristotle. Wealth, status, power and pleasure are external goods while the pursuit of virtues are internal goods who engage in the practice which produce them. In the practice of public service, working for the benevolence of the public relates to internal goods. Thus, it emphasizes the good over the right. Further, virtues are not innate and have to be “cultivated and become habitual” (Thompson, 1953). Scholars have identified “benevolence, courage, rationality, fair-mindedness, prudence, respect for law, honesty, civility, self-discipline, and trustworthiness” etc. as virtues relevant for public officials (Lawton, Reynier & Lathuizen, 2013). According to MacIntyre (1984) virtue is “an acquired human quality” that makes us capable of achieving internal goods. Fredrickson (1997) is of the view that the spirit of public administration rests upon a moral base for benevolence to all. Without benevolence, it is mere governmental work, but with benevolence, the work of public administrators becomes noble which is equal to civic virtue. Therefore, benevolence to all, according to Fredrickson, is the ethical spirit of public administration. It is about public interest which includes the care of all the people and their assets including the natural environment. In its practice, public administration produces higher values which help to elevate society to a higher plane of civilization.

Even though some elements based on utility, duty and right are evident in the decision-making process of public administration, the influence of virtue ethics in this field appears to be greater. Its focus, as we noted above, is on the development of the moral qualities of the public servants to work in the public interest which consists of interests of one’s society, especially

the State, which should be differentiated from private interest or group interests. In this sense, public administration seeks to achieve internal goods in its “benevolent pursuit of the public interest” (Lynch & Lynch, 2009).

Public Service Values

Boyd-Swan and Molina (2019) identify four basic categories of public service values as (1) ethical values; (2) professional values; (3) democratic values; and (4) human values which align with the classification standards established by the Network of Schools of Public Policy, Affairs and Administration (NASPAA) in 2009. It explains:

Public service values are important and enduring beliefs, ideals and principles shared by members of a community about what is good and desirable and what is not. They include pursuing the public interest with accountability and transparency (democratic values); serving professionally with competence, efficiency, and objectivity (professional values); acting ethically so as to uphold the public trust (ethical values) and demonstrating respect, equity, and fairness in dealing with citizens and fellow public servants (human values) (NASPAA, 2009, p.2).

Presenting 30 values identified by a previous study, Boyd-Swan and Molina (2019) had asked the participants in a later study to identify the most important values for them as public administrators. Out of them, 16 values have been selected which are classified into above categories. Those values are also identified as action oriented, thus defined in action-oriented terms in Table 1 below. The importance of defining them in that way helps, according to the authors, to better understand how such values are linked to public service integrity.

Table 1*Public Service Values*

<i>Public service</i>	<i>Value</i>	<i>Category definition</i>
Honesty	Ethical	To act in an honest and truthful manner.
Accountability	Ethical	To willingly provide good reasons for actions and decisions.
Moral courage	Ethical	To morally do the right thing, even in the face of personal risk.
Incorruptibility	Ethical	To put the public interest above personal interest.
Dedication	Professional	To act with diligence, enthusiasm, and perseverance in performing duties.
Expertise	Professional	To act and make decisions consistent with professional expertise.
Effectiveness	Professional	To act in a manner that will be most effective in achieving results.
Efficiency	Professional	To act in a way that achieves results with minimal resources.
Lawfulness	Democratic	To act in accordance with laws and regulations.
Impartiality	Democratic	To act without prejudice or bias toward particular individuals or groups.
Transparency	Democratic	To act in a manner that is open and visible to citizens.
Consistency	Democratic	To act in a manner that is consistent, reliable, and predictable.
Humaneness	Human	To act in a manner that demonstrates empathy, compassion, and respect for human dignity.
Benevolence	Human	To act in a manner that promotes good and avoids harm to citizens.
Inclusiveness	Human	To act in a manner that includes a diverse array of citizens and key stakeholders in the decision-making process.
Responsiveness	Human	To act in a manner that is consistent with the values and preferences of citizens and key stakeholders.

Source: Boyd-Swan and Molina (2019)

De Graaf and Van der Wal (2010) state that politics defines values through public policies and thus they are important in public administration and policy. A fundamental challenge for governments is to reconcile the competing values by different or contradictory public interests in a society.

To clarify, the authors quote the four value clusters by Bovens, ten Hart and van Twist (2007) (Cited in De Graaf & Van der Wal, 2010) related to assessing good governance. They are lawfulness, integrity, democracy, and effectiveness/efficiency. While acknowledging that these values clash, they shed light on possible conflicts between “having integrity and being effective and efficient”. They note that it is not possible to have effective governance and ethical governance at the same time since the values considered to be good such as “truthfulness, decency, and transparency” do not help achieve effectiveness. Instead “rule-bending, selective honesty and the resetting of agendas” help those who have power to “get things done.”

To identify the core ethical values, the public servants ought to inculcate and promote, Sampford, Preston and Bois (2002) have explored how they have been mentioned in the codes or guidelines for public servants at different level of government. The common values they had found were honesty and integrity, impartiality, respect for the law, respect for persons, diligence, economy and efficiency, responsiveness and accountability, though the comprehensive list is not definitive. Stating that such lists can vary from country to country, they note that in democratic countries where the public sector is expected to be totally loyal to the government in power, the emphasis on ‘responsiveness’ and ‘economy and efficiency’ would be greater, though, some can even question whether they can be considered as core values. They further note that there are other democracies, where the public sector role is not expected to be subservient to the government in power but an inherent role to uphold the public interest. Those who advocate this view place greater importance to values such as integrity and impartiality. Focusing further on the seven principles developed by the Nolan Committee (though they were intended to the members of the UK Parliament), they note that integrity, honesty and accountability have been core values relevant for public servants both appointed and elected.

The scholars who have noted the conflict of values between effective and ethical governance relate it to the New Public Management (NPM) which is considered to provide conducive ground for integrity violations. In NPM, according to these scholars, there was greater emphasis on output and performance which had resulted in less emphasis on integrity (de

Graaf & van der Wal, 2010). Preston (1999) focusing on ideological perspectives of governments states that in a liberal democracy which is aligned to economic rationalism, the prospect for ethical government is very low. Boyd-Swan and Molina (2019) argue that in a democratic society, public service integrity is closely associated with values that are shared by its citizens which they call citizen-administrator value congruence. These scholarly arguments all point to the debate whether we should strictly adhere to public service values we identified above or whether such adherence makes delivering effective public services impossible. If the agreement is on the latter, then it justifies the undermining of public values.

Integrity as a Central Concept in Ethics

According to Huberts (2018) integrity is a central concept in research related to “government, governance as well as actual policy making at all levels”. However, he observes that there is wide disagreement among scholars about what it really means. By reviewing literature, he has been able to identify eight different views of integrity which are related to other concepts such as “ethics, corruption or good governance”. Those eight viewpoints are given in Table 2 below.

Table 2

Eight views on integrity

1. Integrity as wholeness.
2. Integrity as being integrated into the environment.
3. Integrity as professional responsibility.
4. Integrity as conscious and open acting based on moral reflection.
5. Integrity as a (number of) value(s) or virtue(s), including incorruptibility.
6. Integrity as accordance with laws and codes.
7. Integrity as accordance with relevant moral values and norms.
8. Integrity as exemplary moral behaviour.

Source: Huberts (2014)

The wholeness or completeness is said to be associated with the Latin *integras* which means intact, whole or harmony, which extends to the idea of being in accordance with “coherence of principles and values”. A related view is the exercise of professional tasks “adequately, carefully, and responsibly, taking into account all relevant interests”. Further, integrity as an embodiment of values such as incorruptibility, honesty, impartiality, accountability relate to virtues such as wisdom, justice, courage and temperance. It is also a reflection on morals related to the choices of good over bad and right over wrong conduct.

Hubert further points out that this broader approach is necessary since most aspects in the process of decision making and implementation “in government and governance” are guided by placing integrity at the centre. In such instances, he argues, that the interpretation should reflect the relevant moral values and norms so that it is almost similar to the idea that being a person of integrity is akin to be acting in an ethical and moral way. Referring to good governance, Huberts further identifies integrity with “the moral quality of the governance process”.

Bringing the concept of institutional integrity into the picture, Breakey, Cadman and Samphord (2015) introduce a Comprehensive Integrity Framework which applies to personal as well as institutional integrity. They identify three types of integrity as consistency integrity (acting according to ones professed values), coherence integrity (when one’s character and deep held values are in harmony) and context integrity (when one’s environment support to uphold his/her professed values).

According to Preston, Samphord and Connors (2002), ethics “involves asking yourself hard questions about your values, giving them honesty and trying to live by those answers”. Institutional ethics applies the same approach to institutions.” In developing the above framework, they identify the answers given to those hard questions as claimed values. There can be differences in the content and achievement of those values between individuals and institutions. Institutions express them in a more formal and public manner. In both cases, the main concept is that an individual or an institution declares certain values as part of their identity and demonstrates them to the public through interactions. Then the integrity of the person or

the institution depends on the extent to which they reflect those claimed values.

Accordingly, an individual or an institution possesses comprehensive integrity if their activities, their innermost principles and disposition, and relations with the external environment are in harmony with the claimed values. When only the activities are in agreement with the claimed values, the authors term it as consistency integrity while coherent integrity is defined as the integration of enduring qualities of a person that applies to the character such as “virtues, emotional dispositions, willpower, reflective practices, decision making processes” etc. In the same way, an institution can claim to possess coherence integrity if its members are guided by their deeply held values and its “internal organizational arrangements” reflect and foster the values the institution stands for. Context integrity is about how the environmental factors of a person or an institution such as economic, social, cultural and temptations for good or bad behavior impact on them. They also shape the other two types of integrity described above. The Personal Integrity Map and the Institutional Integrity Maps in Figures 1 and 2 illustrate this framework further.

In light of above three categories, it is evident that a person who fulfils consistent and context integrity can still fail the context integrity test if s/he has to give into the pressure from the environment to act in favour of a party against his/her professed values. However, it is important to note that this compulsion is not always driven by selfish political or bureaucratic motives but could be based on ideology or public values. This notion is supported by de Graaf and van der Wal (2010), when they note that by nature, regulations and top-down approaches to impose integrity can produce unfavourable effects, particularly in relation to the “public actors and agencies”.

Figure 1

Personal Integrity Conceptual Map

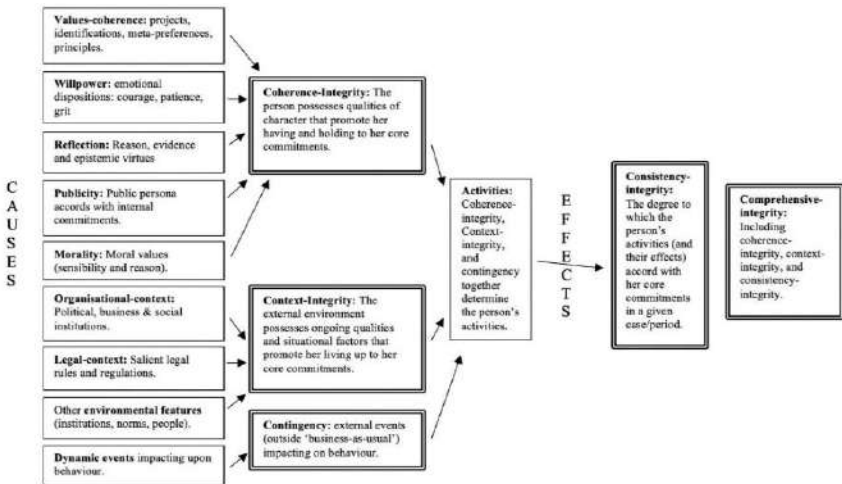
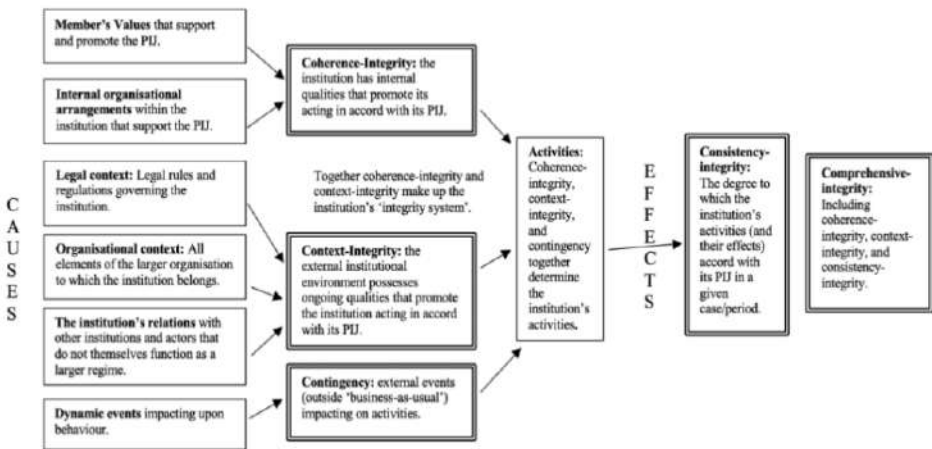


Figure 2

Institutional Integrity Conceptual Map



Source: The Comprehensive Integrity Framework (Breakey, Cadman & Sampford, 2015)

Having discussed different viewpoints of integrity, it is important at this stage to focus on the behavior that violates integrity. Huberts (2018)

identifies types of integrity violations (Table 3) based on the research on integrity of governance and organizational misconduct and emphasizes the need for a broader framework to deal with “unethical behavior or integrity violations in public administration”. He notes that while paying attention to corruption as a major type of integrity violation, it is also important to pay greater attention to violations such as “waste and abuse of public resources, discrimination, improper use of authority and private time misconduct”. They are also reported and subject to scrutiny in public administration as factors conducive to corruption and thus lead to undermining the public trust in institutions. Significant among them is the improper use of authority including “for noble purposes”. This could be a highly contested point in the Sri Lankan context where rule bending and deviations for public interest are openly insisted on. Extending the scope of integrity violations further, Lawton, Van Der Wal and Huberts (2016) include misconduct and maladministration in addition to corruption.

Table 3

Types of Integrity Violations

1. corruption: bribing
2. corruption: favouritism
3. conflict of interest (gifts, jobs, etc.)
4. fraud and theft of resources
5. waste and abuse of resources
6. break rules/misuse power (also for the organization)
7. misuse and manipulation of information
8. indecent treatment (intimidation, discrimination)
9. private time misconduct

Source: Huberts (2018)

Corruption as the Major Integrity Violation

The discussion on integrity violations above will be extended to a wider discussion on corruption in this section focusing on its definitions, implications and impact on societies, since it has attracted the attention of both theorists and practitioners as the prominent form of integrity violation in the field of ethics in public administration.

Graycar (2020), who has published extensively on corruption in public administration, states that the main role of the governments is to “deliver

value to their communities” and in doing so they deliver or regulate the delivery of goods and services at varying degrees. When the delivery or the regulating is done following ethical principles, supported by public administration, the community may benefit and, if not, the community is deceived. According to him, when public administration systems are studied historically, it is evident that there have been continuous efforts to make delivery more efficient and effective by developing intended goals. At the same time there have been “opportunities for those in the administration to pursue their own interests at the expense of those of the community”. When lack of integrity or corruption is present, Graycar observes that it is public administration that weakens and public value that is affected. Thus:

“...corruption hampers economic performance and growth; discourages investment; distorts natural resource development, damages the environment; reduces tax revenue; diminishes quality of life; retards human development; distorts services; weakens judicial integrity and the rule of law; and will lead to inefficient public administration”

Describing the serious consequences of corruption as a global challenge which wastes resources, reduces tax income and employment, deteriorates constructions causing deaths of thousands, undermines the trust in public officials, weakens public services such as health, education, welfare and public security and which affects a host of other areas in public life, Rose (2018) observes that over the preceding decade, there has been no systematic change (decrease) in the magnitude of global corruption. This may be partly due to the fact that “corruption often benefits governors at the expense of the governed” and obviously governors have no motivation to reduce it. Rose further states that this lack of change may be due to the fact that understanding what corruption is still incomplete and fragmented. Looking at academic definitions of corruption which the author finds highly challenging due to its contested nature and the ‘multiplicity’ of definitions, the definition of the Transparency International, “the abuse of entrusted power for private gain” is presented as the most widely used and the “de facto standard definition”.

Praino and Graycar (2018) describe corruption as “the trading of entrusted authority, the use of one’s office to obtain benefits over and above the

approved and transparent remuneration which a public officer receives”. They also observe the difficulty in defining corruption as evident in the literature with no consensus among scholars but referring to other scholars, they summarize the definitions into three broad groups “ranging from very narrow definitions to all-encompassing ones”. They are (a) corruption as the illegal use of public power and resources for personal advancement, (b) corruption as the illegal use of public power and resources for private gain, and (c) corruption as the use of public power and resources for legal but illicit (or unethical) purposes.

Focusing on how and why corruption occurs, and how it impacts on public policy, Graycar and Prenzler (2013) recognize how it happens in the formation of policies, laws and rules which they term as corruption in the input side of the policy. The output side is the implementation of the policy. Looking at both sides, they further recognize the context for corruption as “structural or opportunistic”. When corruption is built into the institutions as a culture and spread across societies being tolerated willingly or unwillingly, it is structural. There can be situations that provide opportunities “to bribe or extort” using one’s authority (not consistently in practice) which can be opportunistic. When a corrupt event is taking place between willing partners, it is known as collusion and when the victim of the event is unwilling it is known as extortion. These concepts, according to the authors, are important in designing responses to combat corruption.

Just as defining corruption is contested as discussed above, there is no consensus on how accurately it can be measured, which is considered to be an extremely difficult task (Graycar & Prenzler, 2013). The Corruption Perception Index (CPI) developed by the Transparency International (TI) and World Bank’s Governance Indicators (WBGI) are considered to be well-known first-generation tools which are used to “set up perceptions” and raise awareness of policy makers, investors and donors. The tools used to benchmark the progress made over a period of time, find out what people experience when they are exposed to crime, and processes set to minimize corruption are known as second generation tools. International Crime Victim Survey and Global Corruption Barometer of TI, The Global Integrity Index, The World Bank’s Public Expenditure and Financial

Accountability Framework are notable among them by which the “strength and performance of institutions and anti-corruption systems in various countries” are assessed.

Further, Graycar and Prenzler (2013) presents a practical approach to understand corruption considering the types of behaviour, activities in which such behaviours take place, the sectors in which they exist and the places where they happen, also known as TASP (types, activities, sectors, places) classification which they introduce as a third-generation tool. As an example, we can identify abuse of discretion (type) in issuing permits (activity) in the customs and immigration (sector) in a country (places). This kind of analysis, according to Graycar and Prenzler helps to place corruption in context so that action can be taken to address them. Focusing on key differences of corruption in rich countries and poor countries, Graycar (2016) notes that in rich countries corrupt behaviours are mostly individual whereas in poor countries they are built into the system. Graycar and Yates (2020) further note referring to corruption in the Australian local government sector that if isolated incidents are not taken care of, they might become normalized which finally led to systemic corruption which they call an “ethical demise”.

Out of the above tools, Corruption Perception Index of Transparency International is considered to be the widely used index to rank 180 countries which measures how corrupt their governments are perceived to be. It is based on 13 different sub-indicators which are perception surveys statistically represented. At least 03 of the sub-indicators must be used when assessing a particular country. That statistical representation (a score for a country) is from zero (highly corrupt) to hundred (very clean) which is converted to a rank from 1 to 180 countries (Gilman, 2018).

Compliance and Integrity-based Ethics: Lessons for Sri Lankan Public Sector

In the above context, it is important to look at the rank of Sri Lanka in the Corruption Perception Index 2019 in comparison with a few countries in the South Asia and Pacific region, all considered to be developing countries. As mentioned above, the counties are ranked according to perceived level of corruption from 1 (very clean) to 180 (highly corrupt)

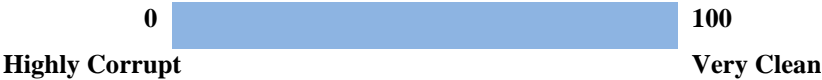
and the score indicates countries with 100 as very clean and 0 as highly corrupt.

It is observed that among the countries compared in the table below, Pakistan, Maldives and Bangladesh are far below Sri Lanka ranking 120, 130, and 146 while Indonesia is higher at 85 and Bhutan close to the clean countries at the top ranking 25. Next, we should look at the place change of the rank too in order to understand how the countries have performed over the past year(s) with regard to reducing corruption in their public sector. A minus digit indicates the drop in rank and a plus digit a rise. Thus, it is seen that out of the three countries mentioned above as more corrupt than Sri Lanka, Bangladesh has risen in 3 ranks indicating a reduction in corruption. Sri Lanka's drop by 04 places indicates the worsening of its perceived level of corruption compared to the past year. Compared to 2015, Sri Lanka has dropped by 10 places in 2019, a clear indicator of the direction the country is heading with regard to managing ethics and integrity in its public administration. As such, a clear strategy to stop this downward trend and start climbing up the ranks should be the first step of the journey towards an ethical public sector. Such a strategy should essentially be supported by research in the field and learning from success stories of other countries.

Table 04

A Comparison of Sri Lanka's rank in the Corruption Perception Index 2019 with those of 06 Countries in the South Asia and Pacific Region

#	Country	2019 Rank (out of 198)	Score (out of 100)	Place change	2015 (out of 198)	2018 (out of 198)
1	Bangladesh	146	26	+3	139	149
2	Bhutan	25	68	-	27	25
3	Indonesia	85	40	+4	88	89
4	Maldives	130	29	-6	-	124
5	Pakistan	120	32	-3	117	117
6	Sri Lanka	93	38	-4	83	89



The above discussion on what constitute public values, and integrity as the central core value a public servant should cultivate, violation of integrity and corruption as its main manifestation, will be an initiative in focusing on the approaches to manage ethics in public administration in general and their relevance to Sri Lankan public sector. They are compliance approach and integrity approach. Broadly, compliance approach is the use of laws and regulations to control unethical behavior and integrity approach is the control of unethical behavior through training and education to promote the integrity of public servants. The compliance approach which is also known as the hard approach in ethics management is externally imposed. In other words, the public officers are expected to abide by the laws, rules and regulations as an objective responsibility. This approach uses two tools (Lawton, Rayner & Lasthuizen 2013) – codes of conduct and anti-corruption agencies.

Code of ethics or code of conduct (which are different in theory) are interchangeably used in practice which is used here too. A code of conduct includes the guidelines of ethical principles, rules, regulations that cover the conduct of employees and the practices of organizations in a wide range. The functions of a code of conduct have been identified as aspirational, guidance and regulatory. Being aspirational means that it should promote public trust and confidence that public officers perform their duties ethically, upholding the values of public service while inspiring the new generations of public servants, and displaying that public servants take ethics seriously. Guidance provides clear statements of values, roles, duties and responsibilities with the standard of ethical behavior expected from the public servants according to the guidelines. Regulatory function includes the procedures to deal with misconduct and punishments. In the Sri Lankan public sector, the Establishment Code related to disciplinary control of public officers can be considered as the only enforceable code of conduct.

Apart from the codes of conduct, the other tool used internationally to deal with unethical conduct is the establishment of anti-corruption agencies (ACA). It has been identified that across countries and regions the ACAs receive complaints regarding ethical violations in the forms of breaching the laws, rules and regulations, maintaining declaration of assets records, investigating complaints and prosecuting where necessary, and taking

preventive action by way of ethics training and education programmes for the public servants and awareness programmes for the public (Lawton, Rayner & Lasthuizen 2013). The premier anti-corruption agency in Sri Lanka is the Commission to Investigate Bribery or Corruption established by Act No. 19 of 1995.

When observing the institutional framework and the nature of ethical failings of public officers revealed at many investigations in Sri Lanka today, it is noted that the overall emphasis in managing ethics in the public sector has been biased towards compliance approaches. In the Establishment Code (disciplinary procedure) for public officials, the term integrity is only briefly defined. In the content related to induction training of all managerial level public officers, regulatory and compliance approaches have been the main focus. In other words, ethics management which is more concerned with ethics in organizational context and control have taken center stage over ethical management where ethics should be practiced (Lawton & Macaulay, 2009). Not only at public sector training programmes, but in the academic programmes in public administration too the inclusion of latest research findings appears to be minimal. As a result, initiatives in critically evaluating the emerging issues in this field from theoretical perspectives and how research findings can be adopted in the training programmes for developing ethical competence in the Sri Lankan public sector appears to be very limited.

Another challenge the compliance approach faces in Sri Lanka is that both its tools are losing the credibility over their alleged selective use to target opponents of the government in power. This has been evident in public debates over a number of prosecutions during the past years in Sri Lanka in which the conduct of the investigating and prosecuting agencies and even the judicial procedures and actions are also being challenged in public.

Apart from the willful ethical violations, it is also reported in investigations that officers are encouraged to bend the rules in order to act in the public interest. In light of the integrity violations above, even bending rules has been considered a violation. According to author's lived experience in the Sri Lanka Administrative Service for over two decades, there is open encouragement by political leaders and senior public officers

that officers should learn or be advised to deviate from the laid down policies, laws and regulations if such deviations (rule-bending) serve the public interest, but at the same time strive to be compliant just in order to be accountable to the oversight bodies. This is widely recognized as a competency for efficient decision making. However, such expectations undermine the basic tenets of democratic governance where ‘democratic morality’ that should reflect in the public sector ethics especially relating to the rule of law is disregarded (Lynch & Lynch, 2009). Such compulsions for deviations or violations shrink the space for initiating and embedding integrity as a core concept in ethics training programmes. When a particular regulation is a barrier to discharging a duty for the benefit of the community, there should be a constant review process to amend such regulations to facilitate the public service instead of encouraging an officer to break or bend the rule.

While the compliance approach is external and objective from the perspective of the public servant as discussed above, the integrity approach focuses ethics education and training to inculcate the ethical principles in public officers so that their moral awareness is raised which may lead to improvement of their ethical behavior. As opposed to the externally imposed conditions, this process promotes ethical behavior through an internal psychological process which emphasizes subjective responsibility. Another important factor that will contribute to promoting integrity is rewarding the public officers based on their performance which should include ethical conduct as an integral component. The absence of such a system at the highest levels in the public sector evidently undermines the principles of public service such as transparency, objectivity, impartiality and respect for people and the rule of law which are integral to any public sector ethics regime.

It should be noted that these two approaches are not mutually exclusive but complementary. It is important to design the ethics management programmes for Sri Lankan public organizations with the appropriate mix of both approaches. During the past few years, ethics education for public officers in Sri Lanka has focused on the broader concepts of good governance and anti-corruption. The content is significantly based on the conventions and policies of the UN, OECD, and other international donor

agencies. Even though the concepts related to these two approaches may have been based on the leading research findings in the field, focus on engaging learners to delve into the theoretical basis of ethics and integrity appears to be inadequate in the programmes examined in the Sri Lankan public sector. As a result, there seems to be less coherence in the subject matter presented as elements of corruption or good governance. For example, there appears to be a confusion in explaining and understanding of the key terms such as ethics, integrity, morals, values, corruption and good governance which has resulted in one of these terms being defined in other terms vaguely. Therefore, it should be a priority to unpack the concepts so that it helps the learner to understand with clarity how they are inter-related in a broader context and to educate themselves to design frameworks that promote integrity while discouraging and preventing unethical behavior in the Sri Lankan public sector.

Conclusion

The above analysis of the key concepts of ethics in public policy and management gives a clearer picture of how the concepts are interrelated and their distinct meanings with specific definitions in the research literature. When we look at a cross section of research in this field over the past twenty years (Lawton, Van Der Wal, & Huberts, 2016), it is evident that these concepts are being defined and redefined with emerging research. With such evolving knowledge, long contested areas have been cleared. The practitioners of public administration can be guided by them in designing and implementing ethics management programmes for their respective organizations and officers.

It is also important to incorporate these concepts in the existing curricula of training and higher education institutes and the related research on integrity and how other key concepts are linked to integrity as discussed above. The objective should be to engage the public servants in open debates as to how research have shed light on these concepts and understand the compulsion for integrity violations in appropriate context, e.g. TASP classification and rich country/poor country corruption discussed above. The deterioration of the ethical standards in the public sector also questions the effectiveness of the compliance approach which is being adopted for decades in Sri Lanka with the least focus and emphasis

on integrity approach. Therefore, attention should be paid to strengthen the integrity-based training aimed at the character development of the new entrants to the service at their induction training and for others through capacity building training, by way of embedding integrity building concepts appropriately in the curricula. Thus, any correlation between each approach and the different aspects of integrity violations in the public service could be found out through encouraging research in the field of ethics education. This will open a platform for both practicing public servants and academics in the field to conduct research that will guide the public policy related to managing ethics in the Sri Lankan public sector.

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Impact of Employee Innovative Behaviour on Organizational Performance in Sri Lankan Public Sector

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Abstract

There is an increasing demand for organizations to achieve high performance to reach national goals. Public sector in Sri Lanka has also to play vital role in development context. In view of that, in the past decades, various attempts have been made to improve organizational performance in public sector in Sri Lanka. Despite the fact that prospective governments have made various efforts, many criticisms stem from general public against the poor performance of public sector organizations of the country. Further, large amount of funds which are generated from tax payers spend for regular operation of organizations. Hence, citizens seek well organized and high-performance organizations which are operating with public funds. According to the Central Bank Report (2019), there are more than 1.4 million employees serve in public sector and annual recurrent expenditure for their salary, wages and other remuneration accounted for Rs 927,750 million for annum. In 2018, annual performance reports of respective organizations as well as auditor general annual reports indicate that more than 40 percent of organizations in public sector were failed to reach annual performance targets which are planned in beginning of the year. Regardless of their positions, employees in the public sector are responsible to improve performance of their respective organizations. Further, they can behave innovatively to improve the level of performance in their organizations. Researches on employee innovative behaviour show that innovations can positively effects on organizational performance either public or private sector. Hence, Sri Lankan public sector is not exempted from this framework. This paper describes to what extent Sri Lankan public sector employee's innovative behaviour affect on organizational performance. A sample of 400 employee were selected from staff grade officers those who serve in 20 ministries in Sri Lankan public sector. Quantitative study was undertaken in this study. Finding of the study revealed that employee's

innovative behaviour positively affects on organizational performance in Sri Lankan public sector.

Keywords: *Organizational Performance, Employee Innovative Behaviour, Public Sector, Reforms*

Introduction

This paper examines the impact of employee innovative behaviour on organizational performance in Sri Lankan public sector. It begins with the background of public sector performance and the significance of the study. Next, it presents the rationale and the key terms apropos (in respect of) employee innovative behaviour and organizational performance.

Today, the public sector performance in the global context is becoming an important aspect of steady growth in both the developed and developing countries. Hence, contemporary public sector organizations play more dynamic roles than the traditional liner-career in public sector organizations. So, managers in the public sector organizations and the employees need to play their roles in a dynamic organizational environment with many challenges within and outside the organization. This is not exempted to Sri Lankan public sector. Hence, in the past few decades, various attempts have been made to improve performance in public sector. This has been reflected in the increased number of government programs. Despite the fact that these improvement programs have had mixed results, government expects their planned results of the programs.

Meanwhile, in order to respond to the demand of service recipients under the conditions of limited resources, managers by dint of their roles in the public sector, are impelled to effect changes in an innovative and proactive way to improve performance of the government (Fernando, 2005). Further, the author reiterates that the public sector needs to pursue efficiency and effectiveness in the public services while enhancing accountability to its citizens. Hence, the effect of organisational environmental factors such as top management support and sufficient work discretion on innovation could be applied to increase the organizational performance (Amabile, 1988; Hornsby, Kuratko & Zahra,

2002; Morris, Kuratko & Covin, 2008). Whilst the concept of innovation being applied at the organisational level to improve its performance, its foundation lies at the individual level of the employee (Kuratko, 2007). So that, innovation as a multiple-stage process of generating new ideas, gaining support for them and applying them in the workplace improves the performance (Scott & Bruce, 1994). It is noteworthy that a number of reforms which are aimed at improving performance are being implemented in line with government policies. As a result, the number of employees in the public sector has been drastically increased during the past few decades. In addition, the public sector has been provided with infrastructure facilities and human resources by successive administration regimes from time to time to improve performance. Despite the reforms made in this sector to improve productivity, many of their efforts had failed and had been the cause for increase of employee frustration to a great extent. Since then, the public sector has expanded with an extensive range of new functions and responsibilities. However, criticism is levelled by stakeholders continually with regard to its performance. It is even in 2016, the report of Public Investment Program 2017-2020 (2016) which was published by the Ministry of National Policies and Economic Affairs insisting on facing challenges and issues such as reaching full potential of the public service, slow application of modern technology in all public sector institutions, lack of continuous training opportunities for the public sector employees to address such issues as the present development challenges, inadequate and unequal resource distribution, under employment and over-deployment of human resources, outdated systems and procedures, poor client orientation in the service delivery to the public, anti-productive trade union activities which reduce efficiency in the public service. The report further states that the public expects an efficient and quality service reflected from the window of the public service. In addition, this report emphasizes that restructuring existing structure by including modern technology, introducing e-governance adopting simplified procedures and establishing user-friendly systems for removing the gridlocks and eliminating red tape and barriers to ensure delivery service in conformity to public expectations. Furthermore, they are planning to provide skill training, motivation and improving job satisfaction of the work force. However, this envisaged program has a number of reform efforts that are still to be applied in improving public

sector effectiveness and efficiency. Despite many reform efforts during the past years made, it is clear that the intended results have not been met, triggering a host of risks of challenges and causing unabated underemployment and over-deployment of human resources, to meet present development challenges, inadequate and unequal resource distribution, while the public expects quality and efficient public services. It is questionable that previous studies have shown innovation is associated with performance of organizations in the public sector in some countries. However, in Sri Lanka, this area is unheeded or unattended by researchers (Wijerathna & Samarathunga, 2013; Norman et al., 2005; Wijewardena, et al., 2010). Therefore, there exists an empirical research gap regarding the relationship between employee innovative behaviour and performance of organizations in Sri Lankan public sector. Thus, it is aimed at the following question to be answered in this study.

Research Question

Does employee innovative behaviour significantly affect on performance of organization in Sri Lankan public sector?

In view of this issue, the following research objective is accomplished in this study.

Objective of the Study

Objective of this study is to examine the impact of employee innovative behaviour on organizational performance in Sri Lankan public sector.

The Originality of the Study

This research aims to address the existing empirical research gap. As per Phillips and Pugh (2010) it is important to demonstrate the originality in any higher degree research. There are no previous studies regarding relationship between employee innovative behaviour and organizational performance in Sri Lankan public sector.

Literature Review

Evolution of the Public sector in Sri Lanka

The public service in Sri Lanka has a long history. It dates back to the ancient kings (Iqbal, 2002). With a number of reforms since Sri Lanka

became independent, the public service has evolved to the present state of affairs in the country. Contemporary public service and its structure is described in the constitution of 1978. The constitution 1978 of the Democratic Socialist Republic of Sri Lanka, chapter ix article 54 and 55, describes the public service, organization. It is noteworthy that the Cabinet of Ministers are responsible for such functions as causing appointments transfers, dismissals and disciplinary control in respect of Heads of Departments. However, the article 55 (3) has made provision to delegate its power of appointments, transfers, dismissals and disciplinary control of the public officers to the Public Service Commission.

Hence, from time to time the Cabinet of Ministers delegates its power to the Public Service Commission. Further, subject to the provisions of the constitution, the public service commission, from time to time delegates this power to any committee of the public service or a public officer. Then, this can be exercised by the committee of officers in this regard.

Therefore, human resources management in the public service has conventionally followed a highly centralized model. Centralized agencies play a key role in recruitment, placement, career paths, remuneration, preparation of service minutes, and disciplinary matters. Line Ministries and departments have usually been the recipients of centrally recruited and administered staff.

Public Sector Structure in Sri Lanka

In accordance with the Constitution (1978) of Democratic Socialist Republic of Sri Lanka, the Executive Presidency is the apex body of Administrative Structure of Sri Lanka. The Administrative Structure is also formed, based on the governance modality of Sri Lanka. At present, the public sector structure comprises three tiers of governance modality consisting of the following:

1. Central Government
2. Provincial Government
3. Local Government

Accordingly, the Administrative Structure of Sri Lanka consists of Central Government Ministries, Departments and other Organizations, Provincial Government Organizations also consists of provincial ministries, departments and organizations, and Local Government Organizations consists of Municipal councils, urban councils and Pradeshiya Shaba. For the purpose of administrations, boundaries have been defined as Province, District, Division, and Grama Niladari (Village Officer) Division.

The general administrative hierarchy of Sri Lanka which derives its powers from the President, and it is guided by the Policies and Directives of the Cabinet of Ministers and the Parliament as stipulated in the constitution as well as laws enacted by the Parliament. At the center, the general administration is being carried out by the Ministries and a number of departments within the scope of decentralization and de-concentration principles. The Provincial Administration which was established under the thirteenth amendment to the Constitution derives their powers from the Governor and the Provincial Council. It has also created a number of Ministries and Departments and also has used principles of decentralization, de-concentration, and delegation of powers to reach its peripheral levels up to the villages. Finally, the Local Government as peoples' administrative bodies derive its powers by Local Government Acts enacted by the Parliament and also regulated and facilitated by a number of Statutes enacted by the respective Provincial Council.

The spinal column of the general administrative hierarchy of Sri Lanka lies through the Ministry of Public Administration and Home Affairs to District Secretariats, to Divisional Secretariats to Village Secretariats (Grama Niladari Offices) and to the villages. As such, all other central and provincial administrative organs are concentrated along with this center of general administrative hierarchy. Following section discusses the employee innovation.

Employee Innovation

Individual innovation has a significant role in the effectiveness of organizational innovation (Janssen, 2004; Kanter, 1988b; West & Farr, 1990), one that varies with the degree of innovation. In simple incremental

organisational innovation, individuals primarily generate, adjust and apply new ideas (Axtell et al., 2000; West & Farr, 1990), although, depending on their position in an organisation, this may involve others. In complex and radical innovation, on the other hand, success depends on group and organisation-level innovation (Drazin, Glynn & Kazanjian, 1999) as the sharing of ideas becomes more important than individuals working alone, even though individuals still have an important role (Farr & Ford, 1990).

The concept of individual innovation developed from the more general concept of organisational innovation. Zaltman, Duncan and Holbek (1973) define organisational innovation as any idea, practice, or material artefact perceived to be new by the relevant unit of adoption. Kanter (1983) saw innovation as the process of bringing any new problem-solving idea into use. Innovation is generation, acceptance, and implementation of new ideas, process, product or services. Combining key themes from several studies, McFadzean and colleagues (2005) defined organisational innovation as a process that provides added value and a degree of novelty to the organisation, its suppliers, and customers through the development of new procedures, solutions, products and services as well as new methods of commercialization.

Studies following these definitions have taken several approaches to explaining individual's roles in organisational innovation and the factors that improve it. King's (1990) widely accepted model identifies trait and situational facilitators and inhibitors. Studies have identified a number of traits and individual or organisational facilitators underlying innovation, including high tolerance of ambiguity and the propensity to take risks (King, 1990), recognising problems and having the knowledge and skills to solve them (Axtell et al., 2000), discretion (Amabile, 1988), positive affect (Isen, 2002), leadership (Carmeli et al., 2006; de Jong & den Hartog, 2007; Mumford, 2000) and organisational structure (Kanter, 1988b). While these traits and facilitators help to understand individual innovation, this study takes a process approach in describing individual actions in accomplishing innovation at work. This stage model is widely recognised as comprehensive perspective of the innovation process.

Actions and Events Underlying Innovative Behaviour

Idea generation behaviour arises when individuals face problems, incongruities, or discontinuities in their daily work (Janssen, Vliert & West, 2004; Scott & Bruce, 1994). Creativity is often a response to such adversities (Amabile, 1988; Kanter, 1988b): deliberately exploring opportunities is one way to produce new ideas (Kanter, 1988b). Kleysen and Street (2001) view idea generation as comprising three main activities: opportunity exploration, generativity and formative investigation.

Innovators are more effective than others in finding and using information about opportunities because they perceive them differently (Kleysen & Street, 2001), using intentional effort to imagine and find possibilities (Bern, 2008). For example, they may examine the environment for emerging trends or competitors' moves (Kanter, 1983). Through such actions they avoid stagnation and progress themselves and their organisation (Kleysen & Street, 2001). However, as new ideas can be vague, innovators need to evaluate or experiment to discover which ideas are attractive enough to promote to others (Hamel, 2007; Kleysen & Street, 2001).

The promotion of ideas involves convincing others. Kleysen and Street (2001) and recently de Jong and den Hartog (2010, p. 24) use the term championing to emphasise its significance in mobilising resources through persuading, influencing, pushing and negotiating. In the innovation process, it is sometimes impractical to introduce innovative ideas without political support to overcome others resistance to change (Pinchot, 1985). Innovative individuals therefore need people to act as backers and sponsors when building legitimacy and support inside or outside the organisation (Kanter, 1983, 1988b). While this may be challenging, such links to power are critical to successful promotion. The more complex the new ideas, the more promotional competency and support are required (Damanpour & Scheider, 2008; Henderson & Clark, 1990).

The implementation stage involves an attempt to apply new ideas across the organisation (Kanter, 1988b), and may require further innovation to turn them into routine practices (Kleysen & Street, 2001). As in the

promotion stage, implementation involves other people and therefore innovators need support from influential parties, such as those with relevant resources and policies (Klein, Conn & Sorra, 1996; Sawang & Unsworth, 2011). To gain support innovators must show commitment and make others committed by stressing the benefits of innovation – something that distinguishes innovation from concepts like creativity that address only idea generation (de Jong & den Hartog, 2007). While creativity is important to the whole innovation process, sound implementation of new ideas is necessary to improved organisational performance. Next section discusses the challenges in idea generation.

Getting Support from Leaders

Getting political support from leaders is important to idea promotion (de Jong & den Hartog, 2007; Janssen, 2005), but leadership and supervisory behaviour may make this difficult (Janssen, 2005). As with co-workers, leaders may present resistance and legitimacy problems. Leaders may have disliked the innovation and respond unfavourably (Janssen, 2005), perhaps due to political agendas, by withholding critical information or resources. Lack of leader support will also reduce a new idea acceptance to others and may bring unnecessary bureaucratic obstacles (Morris Kuratko & Covin, 2008). Innovators may lose faith in both their leaders and their own ideas (Clegg, Unsworth, Epitropaki & Parker, 2002).

Organisational Performance

Organizational performance is achieving established goals including the efficiency of changing resources into public goods and services, the quality of outputs, the results and the efficiency of government operations during a process of achieving its planned goals (Cai Zhonghua & Wang Ye ,2012). Georgopoulos & Tannenbaums, (1957) defined performance as the extent to which organizations are viewed as a social system that fulfills their objectives. Performance evaluation during this time was focused on work, people and organizational structure. This definition focused on the objectives of the firms during 1950s. Late in the 60s and 70s, organizations had begun to explore new ways to evaluate their performance, and performance was defined as an organization's ability to exploit its environment for accessing and using the limited resources (Yuchtman &

Seashore, 1967). In this context, the organizational environment and its ability to exploit such environment for accessing and using the limited resources, has been considered.

Managers have begun to understand that an organization is successful, if it accomplishes its goals (effectiveness) using a minimum of resources (efficiency). The complexity of objectives and how it is to be achieved when compared to initial consideration. Alchian and Demsets, (1972), and Barney, (1997) defined performance as the comparison of the value created by a firm with the owners regarding value expected to receive from the firm. Accordingly, performance is a set of financial and non – financial indicators on the degree of achievement of objectives and results. After Kaplan and Norton (1992), this definition has focused on non-financial perspective as well as the financial perspective. Flapper, Fortain and Stoop, (1996) cited by Mustaffa (2012) defined performance of organizations as all aspects of performance that are relevant to the existence of organizational as a whole and success as the way the organizational management carries its objectives into effect. It has focused on all aspects of performance which are relevant to the existence of organization. Swanson (2000) defined performance of organizations as the valued productive output of the system in the forms of goods and services. Performance of Organizations is a process to enhance both the effectiveness of the organization and the well – being of its members through planned interventions (Mustaffa, 2012). Performance of Organizations is defined as the outcome that indicates or reflects the organizations efficiencies or inefficiencies in terms of corporate image, competencies and financial performance (Khandekar & Sharma, 2006) and the extent to which the agent (s) fulfils the objective (s) assigned by the principal Bonvard, (2011). Albrecht (2011) defines performance as the extent to which an organization achieves a set of pre- defined targets that are unique to its mission. These targets will include both objective (numerical) and subjective (judgmental) indicators. The achievement has been considered as objective and subjective indicators to measure the achievement that are unique to the mission of an organization. However, there are a number of factors that influence performance of organizations, and Arnold, (1985); Srivastava et al., (2003); Khan, (2010); Bill & Stevan, (1990) explained that factors which influence performance of

organizations are staff motivation, working environment, training and development, innovation and management involvement. According to Chen et al., (2002), performance of organizations means the transformation of inputs into outputs for achieving certain outcomes. With regard to its content, performance informs about the relation between minimal and effective cost (economy), between effective cost and realized output (efficiency) and between output and achieved outcome (effectiveness). This shows that there are various ways to understand organization's performance.

Employee Behavior and Organizational performance

Aguinis (2009) stated that definition of employee performance does not include results of an employee's behavior but only the behavior itself. Author describes that performance is about behavior or what employees produce or the outcomes of their work. Also, there are two additional characteristics of behavior that label performance (Aguinis, 2009). One of the characteristics is evaluative and such behavior can be judged as negative, natural and positive which is associated with individuals and organizational effectiveness. In other words, the value of these behaviors varies and is based on where they make contribution toward the accomplishment of individual, unit, and organizational goals. Nevertheless, performance is multidimensional. Thus, there are much different patterns of behavior that have the capacity to advance or hinder organizational goals.

Public Sector Organization

There are many definitions regarding the public sector organizations. For the purpose of this study, it is selected as the definition of Institute of Internal Auditors. As per Institute of Internal Auditors (2011), the public sector consists of governments and publicly controlled or publicly funded agencies enterprises and other entities that deliver public programs, goods or services. Further, it states that the public sector consists of an expanding ring of organizations, with the core government at the center, followed by agencies and public enterprises. Dube and Danescu (2011) describe that some criteria to determine whether a particular organization is owned by the public sector or lies outside the ring. With reference to these criteria

the organization is considered to have established under government policy and deliver programs, goods or services that can be defined as public good and all organizations' funds are provided by government or determined by government policy that the organization is accountable to and reports directly to government including a government department or agency or a minister of government, government controls the majority of appointments; government is the major shareholder; employees in the organization are subject to adhere to the public service rules, and receive public service benefits, government controls directly or indirectly organizational policies, operations, administration, and service delivery and there is a legislative requirement for the organization to be audited by the government auditor or by a supreme audit organization. These criteria can be used to determine the mark or delineation of a boundary of a public sector organization and separate it from a private and non-government organization. Public sector organizations in Sri Lanka also possess these characteristics. Therefore, it can be considered that the organizations which possess the aforesaid characteristics as public sector organizations.

Organizational performance in public sector

As per Tangen (2004), Performance encompasses both economics and operational perspectives. Waring and Morgan (2006) described that performance aspect ties directly the basic footprint of any government program and program elements. Authors further explained that the elements of every government program are the inputs used to support the program, the processes that carry out the program are the outputs and the outcomes produced by the process. However, public sector organizations explicitly state the expectations against the achievements as it is planned or budgeted. In view of that, representatives in parliaments and stakeholders expect that organizations are used as resources in accordance with certain values such as efficiency, efficiently and economy. In this regard, governments are expected to obtain and use inputs economically, conduct processes efficiently and produce effective outputs that result in effective achievement of intended outcomes. In addition, it includes compliance with laws and regulations; reliability, validity and availability of information, maintenance of underlying governmental values, such as ethics, integrity, and equity, and continuous improvement.

Research Methodology

Research Design

The main objective of this research is to determine the impact of employee innovative behaviour on organizational performance in the public sector organizations in Sri Lanka. Quantitative method was employed at the data collection and analysis stages to provide answers to the research questions posed in this study. The questionnaire was designed for self-administration involving various aspects of subjects to measure determinants of employee innovative behaviour and public sector organizational performance. It also ensured confidentiality to obtain more genuine responses. A cross sectional study design was used with the survey method.

Target Population

According to Saunders Lewis, and Thornhill (2014), target population is the full set of cases taken into consideration from the total population. Cooper et al. (2015) state that those people, events, or records that contain the desired information and can answer the measurement questions as the target population. Hence, in this study, staff grade officers of Sri Lankan public sector were selected as the target population as of December 31, 2019. They are responsible for organizational administration and managing complex tasks of delivering public service.

Sampling Frame

Sampling frame is the complete set of all instances and contexts in the population from which the sample will be drawn (Saunders, Lewis & Thornhill, 2014). Hence, in this study, the sampling frame was considered as the staff grade employees in ministries, departments.

Sample

A sample is a sub-set of the population (Sekaran & Bougie, 2014, Cooper et al., 2015, Zikmund et al., 2016). The sample size was 400 for this study and that consists of staff grade officers in Sri Lankan public sector. Selection of the sample was the stratified disproportionate sampling technique as the sample to ensure representation of the population (de

Vaus, 2002). This sampling method offers significant advantages: it is more representative than other types of samples and also it permits an estimate of the accuracy or representativeness. Thus, it ensures inclusion of both types of officials—those who may have higher performance as well as officials with less performance. This sample consists of staff grade officers such as Additional Secretaries, Chief Accountants, Director Generals, Commissioner Generals Senior, Commissioners, Assistant Secretaries, Directors, Assistant Secretaries and Accountants. Thus, the sample seems to be homogeneous in their social and economic characters. Based on this sample, quantitative analysis was carried out.

Data Collection

Both primary and secondary data are required to identify and examine performance of public sector organizations and innovation in the public sector in Sri Lanka. For this purpose, various data collection methods, such as distributing a self-administrated questionnaire, and official records and documents as secondary sources of data were used.

Primary Data

For the first round of data collection, a comprehensive questionnaire was distributed among each of the target population. In addition, telephone discussions were conducted with any non-responding cases to ensure a higher response rate. Out of 400 questionnaires which were distributed among the respondents, 385 questionnaires were collected, there were four uncompleted questionnaires. For the analysis of quantitative data, 381 questionnaires were used.

Questionnaire Construction

In the process of the questionnaire construction, Cooper et al., (2015) suggested that the areas to be considered such as question categories, question content and wording. Zikmund et al., (2016) explain guidelines for constructing questions. Authors insist that the questions should avoid the complexity and use simple conversational language, avoid leading and loaded questions, avoid ambiguity and be specific as possible, avoid double-barrelled items, avoid making assumptions and avoid burdensome questions. Hoinville, et al., (1977) acknowledged that researchers have to keep four main design considerations in mind. Those are: (1) The

questions must be easy for respondents to understand and answer accurately and clearly; (2) The questionnaire must be easy for interviewers to administer; (3) The questionnaire should be constructed, so that the recorded answers can easily be edited, coded and transferred onto a computer file for statistical analysis; (4) The flow, structure and length of the questionnaire should encourage and keep up the respondents' interest'.

Items and Scales of the Questionnaire

Most items of the research variables of this study are empirically based. A nominal scale is used to measure the items of demographic variables. The rest of the items are measured by using five-point multi-item modified Likert scale. Also, no vague words are used such as 'often', 'most', 'frequently', 'many' and so on (Kidder Judd & Smith, 1986).

Secondary Data

Documentary Data

Organizational documents such as ministries annual progress reports, performance report and other related documents such as special publications, which are relevant to the study was also used to examine efforts and achievements of the responding organizational performance.

Managerial Questionnaire

A self-reporting, English language questionnaire was sent to the officials regarding their respond to be indicated by the required symbol indicated in the questionnaire. When developing the self-administered questionnaire, the literature review, innovation, quality of service, environmental perspective and performance issues in the organizations are taken into consideration for structuring the main content of the questionnaire. Then the questionnaire was pre-tested by selecting a few officials in the service and corrections (such as simple wording) was made for further improvement having taken to their comments into consideration.

Dependent and Independent Variables

Dependent Variables

The term criterion variable is used synonymously with dependent variable. This variable is measured, predicted, or otherwise monitored and is expected to be affected by manipulation of an independent variable (Cooper et al., 2015). Sekaran and Bougie (2014) explained that the dependent variable is the variable of primary interest to the researcher. It is the main variable that involves itself for the investigation as a viable factor and their variability is explained or influenced by independent variables. Hence, in this study dependent variable is performance of public sector organizations.

Independent Variable

The term predictor variable as a synonym for independent variable. This variable is manipulated by researcher, and the manipulation causes an effect on the dependent variable (Cooper et al., 2014). Independent variable is one that influences the dependent variable in either a positive or negative way (Sekaran & Bougie, 2014). When the independent variable is utilized by the researcher, the utilization causes an effect on the dependent variable (Cooper et al., 2014). The Independent Variable of this study is employee innovative behaviour.

Analysis and Results

Descriptive Analysis

The purpose of the descriptive data analysis to assess the summary of the main features of sample and data that were collected during the research. The measures of central tendency such as mean, median and measures of variability such as standard deviation, minimum and maximum are used to describe the data.

First part of the questionnaire was design to obtain background information of the respondents' gender, designation in the organization, services that they belong to, number of years they work in the organization, age group and their academic qualifications.

According to the field data about 56.7 percent are male and about 43.3 percent are female, which shows the majority is male. About 10.5 percent of the officials are Additional secretaries while 21 percent of officials are head of departments. Majority of the respondents are senior assistant secretaries; they are accounted for by 35.4 percent of the total. About 4.5 percent are Accountants in position. About 72.2 percent of officials are Sri Lanka Administrative service while 4.2 percent of officials are Sri Lanka Accountant service. About 45.7 percent of the officials have served in the same organization nearly 4-6 years. About 2.1 percent of officials have served more than 10 years in the organization that is the longest period indicated from the data. About 44.4 percent of officials hold Postgraduate and Master degrees while 25.7 percent of officials hold only Bachelor degrees. About 3.1 percent of officials are at the age between 55 to 60 and about 1.6 percent of officials at the age between 30 to 35 years. Type of organisations in which the officials work can be classified as government ministries, departments, and other organisations which come under the ministries. Table 1 shows the demographics of the sample.

Table 1
Demographic characteristics of the respondents

Profile of the respondents		N = 381	
Description	Frequency	Valid percentage	
1. Gender			
Male	216	56.7	
Female	166	43.3	
2. Designation in the organization	40	10.5	
Additional Secretary	80	21.5	
Heads of Departments	20	5.2	
Chief Finance Officer	89	23.4	
Director	135	35.4	
Senior Assistant Secretary	17	4.5	
Accountant			
4. Services			
SLAS	275	72.2	
SLPS	44	11.5	

SLAAS	16	4.2
SLA(A)S	37	9.7
SLSS	9	2
5.Number of years in the organization		
Less than one year	16	4.2
1-3 years	139	36.5
4-6 years	174	45.7
7-9 years	44	11.5
10-12 years	8	2.1
6.Age Group		
30-35 years	6	1.6
36-40 years	18	4.7
41-45 years	59	15.5
46-50 years	109	28.6
51-56 years	101	26.5
56-60 years	23	3.1
7. Academic Qualification		
PhD	3	0.7
MPhil	13	3.4
Master's Degree	169	44.4
Post-Graduate Diploma	98	25.7
Bachelor's Degree	98	25.7

Source: Survey Data (2019)

Descriptive Analysis of the Intensities of the Constructs

The research objective of this study is to identify the effectiveness of employee innovative behaviour on organizational performance in the public sector where the variables have been taken. The results of each construct are given below.

Innovative behaviour

The researcher has identified three dimensions by operationalizing the construct of innovative behaviour. The dimensions are namely, idea generation, idea promotion and idea implementation. Under these three dimensions, there were twelve questions relating to the construct of innovative behaviour. Table 2 shows the values of minimum, maximum, mean and standard deviation of the construct of innovative behaviour.

Table 2*Descriptive statistics for the construct of innovative behaviour*

	N	Minimum	Maximum	Mean	Std. Deviation
Innovative behaviour	381	2.83	4.50	3.5706	.39250

Source: survey data (2019)

As depicted in Table 2 the Mean Value Distribution is 3.57. The Standard Deviation is .39250 which is high. The minimum value is 2.83 and the Maximum value is 4.50 when considering the descriptive statistics of innovative behaviour. Therefore, the innovative behaviour level is above average among the staff grade officers in the public sector in Sri Lanka.

Organizational Performance

There are five dimensions called economy, efficiency effectiveness, environment and equity under the variable of organizational performance. And this variable is measured by 24 questions. Descriptive statistics for the construct are shown in Table 3.

Table 3*Descriptive statistics for organizational performance*

	N	Minimum	Maximum	Mean	Std. Deviation
Organizational performance	381	2.83	4.50	3.6060	0.36031

Source: Survey data (2019)

Based on the data depicted in Table 3 the Mean is 3.60 which falls into the category of moderate level of organizational performance. The standard deviation is 0.36031. This is a small value. As a result, the dispersion is small. The Minimum is 2.83. Therefore, the Minimum level of organizational performance is Moderate, when considering about the descriptive statistics. The Maximum is 4.50. By considering all, the researcher can say the respondents answered within the range of moderate to high. Also, most of the respondents agreed in the five-point Likert Scale of the construct of organizational performance.

Construct validation for factor analysis

Validity

Validity measures the degree to which the research achieves what it sets out to do (Smith, 2015). Sekaran & Bougie (2013) state that the validity of a particular instrument can be tested under three broad headings namely content validity, criterion validity and construct validity. According to Sekaran & Bougie (2013) construct validity which can be assessed through convergent and discriminant validity, provides evidence as to how well the results obtained from the use of the measure fit the theories around which the test is designed. The researcher selected construct validity to test the validity of the instrument. Construct validity was assessed by convergent validity.

Exploratory Factor Analysis (EFA)

The researcher selected SPSS for the factor analysis in this study. Williams, Onsman & Brown, (2010) point out that the KMO index ranges from 0 to 1, with 0.50 considered suitable for factor analysis. Tabachnick & Fidell (2001) suggest KMO index 0.6 as the minimum value for a good factor analysis. Prior to the analysis of exploratory factor analysis (EFA), the appropriateness of using the EFA is determined by the results of KMO and Bartlett's test of sphericity. Table 4 depicted the results of KMO and Bartlett's test relating to innovative behavior, and organizational performance. In other words, Table 4 depicted the KMO and Bartlett's test results.

The details in Table 4 show that all the constructs are above 0.5 according to the recommendation of Williams, Onsman & Brown, (2010) above 0.6 according to the recommendation of Tabachnick & Fidell (2001). This can be reported as fulfillment of sample adequacy. Moreover, Bartlett's test of sphericity is significant for all the constructs. These surveys results show that each construct correlates perfectly. In order to investigate these relations, Varimax rotation was conducted which identified factors with an Eigen value. In view of that, EFA is done for each construct.

Table 4

KMO and Bartlett's test for the construct (framework)

		Innovative Behavior	Organizational Performance
KMO measures of sampling Adequacy		0.650	0.763
Bartlett's Test of Sphericity	Approx. Chi Square	3434.441	2967.608
n is	Df	66	276
	Sig	0.000	0.000

Source: Survey data (2019)

EFA for Organizational Performance

There are five latent variables for organizational performance based on the theoretical perceptions namely economy, efficiency, effectiveness, environment and equity. The recommended level of factor loading is 0.5 or above (Dubey, 2016; De Vries, 2012). Exploratory factor analysis shows that there are five latent variables for organizational performance. The recommended level of factor loading is 0.5 or above (Dubey, 2016; De Vries, 2012). All the items are above the recommended level. Nunnally (1978), states 10 to 1 ratio: that is, 10 cases for each item to be factor analyzed is recommended. Pallant (2005) also gave recognition to this in his study. In that case the researcher decided to forward the items to reliability test for further investigation. Results of the EFA for organizational performance are shown in Table 5: EFA results of organizational performance

Table 5

Rotated Component Matrix

	Component 1	Component 2	Component 3	Component 4	Component 5
Q1	.911				
Q2	.857				
Q3	.854				
Q4	.852				
Q5	.848				
Q6	.847				
Q7	.761				
Q8		.928			
Q9		.894			

Q10	.867		
Q11	.852		
Q12	.759		
Q13		.884	
Q14		.875	
Q15		.871	
Q16		.842	
Q17		.778	
Q18			.926
Q19			.923
Q20			.880
Q21			.835
Q22			.953
Q23			.918
Q24			.845
Extraction Method: Principal Component Analysis.			
Extracted: Varimax with Kaiser Normalization Rotation			
Rotation converged in 5 items			
Source: Survey data (2019)			

EFA for innovative behaviour

Exploratory factor analysis shows that there are three factors for employee innovative behaviour. The recommended level of factor loading is 0.5 or above (Dubey, 2016; De Vries, 2012). Table 5 shows that all the factor loading is above 0.5. On the other hand, based on the theoretical predictions there should be three latent variables. Nunnally (1978) recommends a 10 to 1 ratio: that is, 10 cases for each item to be factor analyzed. Pallant (2005) in his study acknowledged these ratios. Under innovative behaviour, there are three latent variables. For the first latent variable, there are five items and in the second latent variable there are four items. For the third latent variable there are three items. In that case the researcher decided not to remove any item based on the EFA. All the items were forwarded to reliability test for further investigation. Results of EFA for innovative behaviour are shown in Table 6.

Table 6

EFA results of innovative behaviour

Rotated Component Matrix			
	Component	Component	Component
	1	2	3
Q1	.916		
Q2	.707		
Q3	.697		
Q4	.882		
Q5	.851		
Q6		.923	
Q7		.813	
Q8		.847	
Q9		.748	
Q10			.912
Q11			.826
Q12			.790

Extraction Method: Principal Component Analysis.
extracted. Varimax with Kaiser Normalization Rotation

Source: Survey data (2019)

Correlations Analysis

Correlation analysis is used to illustrate the strength of the relationship between two variables (Pallan, 2010). The correlation values range from -1 (perfect negative correlation) to +1 (perfect positive correlation). The nearer the value is to 1, the higher the correlation between variables. In contrast, the value that is near to 0 indicates a weak correlation or poor relationship between the variables. This study used the Pearson product moment correlation coefficient (Pearson, symbol r). The correlation result of this study is shown in Table 7

Table 7

Pearson product moment correlation result for research variables

		Innovative behavior
Organizational performance	Pearson Correlation	.848
	Sig. (2-tailed)	.000
	N	381

Source: Survey data (2019)

The result of the correlation analysis is .848. It shows that there is a strong positive relationship between employee innovative behaviour and the organizational performance in the public sector.

Regression Analysis

This study employed a standard regression analysis to evaluate the hypothesized relationship between variables. This study used a regression model to evaluate the employee innovative behaviour and organizational performance and its related hypothesis. Table 8 shows the regression results of the model.

The model prediction for employee innovative behaviour on organizational performance is significant. The results indicate that employee innovative behaviour positively and significantly affects on organizational performance as the hypothesis posed. They show a statistically significant relationship between the dependent variable and independent variable. R =.848, R square =.719, Adjusted R square=.718, F=968.548, sig=.000. In this result, R square value of .719 indicates that 71.9 percent of variations in organizational performance are explained by employee innovative behaviour at the significant level of 0.000. So there is a strong causal relationship between dependent variable and the independent variable.

Table 8

Regression results

Model Summary ^b									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.848 ^a	.719	.718	.19134	.719	968.548	1	379	.000

a. Predictors: (Constant), employee innovative behavior

b. Dependent Variable: organizational performance

Source: Survey data (2019)

Discussion and Implications

Public sector organizational performance is defined as achieving established goals including the efficiency of changing resources into public goods and services, the quality of outputs, the results and the efficiency of government operations during a process of achieving its planned goals (Zhonghua & Ye, 2012). Hence, contemporary Sri Lankan public sector faces many challenges in its development process with turbulence of economic environment and political environment and socio-environment which are volatile and unsecure. Consequences of these environments force public sector employees to be more creative and innovative in their workplace to achieve the planned goals to meet the organizational performance. Individual innovation has a significant role in the effectiveness of organizational innovation (Janssen, 2004; Kanter, 1988b; West & Farr, 1990), one that varies with the degree of innovation. The results of this study show that there is significant and positive relationship between employee innovative behaviour and organizational performance in the Sri Lankan public sector. It provides a formal structure on the best way on how an organization can achieve their objectives determined earlier and systematic approach in monitoring and examine their progress. Importantly, getting political support from leaders is important for idea promotion (de Jong & den Hartog, 2007; Janssen, 2005), but leadership and supervisory behaviour may make this difficult (Janssen, 2005). Therefore, leaders in public sector and political involvement are needed to create supportive environment in the workplace to generate new ideas, promote and implement them.

Implication for Policy Makers

The results of the study show that employee innovation behaviour contributes to the performance of the organization. The descriptive results also show that public sector organizations do not take employee innovation seriously. Thus, policy makers need to enhance their efforts, both in promoting innovation and monitoring the process, and at the same time providing reminders on the repercussion of the non-compliance. It is needed to formulate the appropriate policies which can be affected to enhance the processes that future oriented and sustainable.

Academic Benefit

To date, there seems to be no systematic analytical framework to explain relationship between employee innovative behaviour and performance of organizations in public sector organizations as per published literature and besides, existing theory in this regard is fragmentary or scanty. Hence, this study attempted to identify constituents or aspects of employee innovative behaviour and performance of organizations in the Sri Lankan public sector by addressing the existing gap. Thus, this study would contribute to the existing theory of innovation on performance of public sector organization in a broader perspective.

Benefit for Management

The findings of this study will lead to design better pragmatic public management reforms, which would improve the performance of public sector organizations.

Conclusion

While emphasizing the importance of a strategic approach for performance improvement in the public sector, employee innovative behaviour was discussed with a special focus on its effectiveness in terms of improving productivity and organizational performance with special reference to the Sri Lankan context since public sector organizational performance largely depends on its employees and their active involvement in workplaces. It is worth analyzing ways and means of increasing innovative capacities. Public sector reforms, therefore, have to be focused to create such environments at all levels of the organization. Also, policy formulations need to address and be able to tackle issues and reshape human resource management and performance management systems in public sector institutions to improve their organizational performance and tap potentials in human resources.

Limitation of the Study

Organizations were selected according to the performance levels which are appraised using state criteria from lower levels to the higher levels during the year 2019. Hence, staff grade employees in the organizations

were interviewed for this study. With regard to the public sector, the Colombo district was selected as there are many ministries and departments located within this district.

Due to resource and time limitation and constraint, the study only focused on a sample of 400 staff grade employees from respective organizations. The study excluded the state ministries and other secretaries in provincial ministries. Further, convenient time for interviews from the secretaries would also pose a limitation as these officers are busy with their own official matters. Hence, this method involves a considerable time.

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The impact of e-Government on Public Administration in Sri Lanka

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Abstract

There is evidence that public administration has been significantly influenced by the use of Information and Communication Technologies (ICT) in the government, which is generally defined as e-Government during the last 30 years. This paper intends to examine the areas of impact on public administration in Sri Lanka due to e-Government. This research found that in the process of implementation of e-Government, new policies, laws, regulations, standards, and guidelines have been introduced for implementing the public policy which is the focus of public administration. Similarly, the executive branch of the government which implements the public policy has also undergone some significant changes in the organizations considered in the study.

Keywords: *e-Government, Public Administration, Organizational Changes*

Introduction

The use of ICTs for providing better government services which, in general, is termed e-Government was introduced approximately 30 years ago (Gronlund & Horant, 2004). Heeks (2008) has mentioned that e-Government is “the use of ICTs to improve the activities of public sector organisations”. He has further stated that “governments have been practising e-Government for more than 50 years: using that first mainframe in the Statistics Office was ‘e-Government’; we just didn’t give it that name 50 years ago” (Heeks, 2008). Through such a wide approach, e-Government has spread to all corners of government, and it is possible that e-Government could make significant impacts on government organizations and how the government fulfils the requirements related to public service delivery. On the one hand, legal, policy, rules, standards, and regulations (which could be grouped as the set of instructions that shape the behaviour of government officers) are one area of the government that could be affected due to the implementation of e-

Government. This could lead to a change in management and service delivery practices and finally, it could become a cultural change in the government. On the other hand, the organizations themselves would undergo serious changes for enabling the proper adoption of e-Government. To effectively practice e-Government, the government organizations need to undergo institutional changes in the areas of structures, skills and knowledge of its cadre, information and communication infrastructure, and the physical infrastructure such as office layouts. This paper intends to examine the areas of impact on public administration in Sri Lanka due to e-Government.

Literature Review

Public Administration

There has been a great debate over the role and definition of Public Administration. In the Canadian Encyclopaedia, Kernaghan (2015) has defined it as “Public administration has no generally accepted definition. The scope of the subject is so great and so debatable that it is easier to explain than define. Public administration is both a field of study, or a discipline, and a field of practice, or an occupation”.

The major notion that one can draw from the above definition is that Public Administration is an academic discipline as well as the implementation of public policy. It is noteworthy that such definitions have referred to the executive branch of the government which implements public policies as a key component of public administration. This leads the study also to focus on the executive branch of the government (i.e. its practices, structures, hierarchy, and infrastructure) because when a completely new approach for practising public administration is adopted, the implementor could also get affected.

The United Nations Development Programme (UNDP, 2004) has defined that Public Administration refers to (i) the aggregate machinery (policies, rules, procedures, systems, organizational structures, personnel, etc.) and (ii) the management and implementation of the whole set of government activities.

Leonina-Emilia and Ioan (2010) have defined Public Administration as the activity exercised by the government, for the welfare of its state citizens, an activity which inspires itself from the procedures of management and public management...” According to them, for any government “the welfare of its state citizens” is a core activity which is implemented through the public policies.

Succinctly, almost all the above definitions highlighted that the scope of “implementation of public policy” as the key component of Public Administration and the executive branch of the government which implements e-Government. Therefore, in order to find a practical way of scoping out the impacts on Public Administration, only the impacts on machinery and mechanisms involved in the “implementation of the public policy” and the management (executive) branch will be considered in this study.

Hence the introduction of laws, policies, standards, regulations, and guidelines are studied in relation to the practice of the implementation of the public policy. In relation to the changes that occurred in the executive branch of the government, the areas such as structures, skills and knowledge of its cadre, information and communication infrastructure, and the physical infrastructure for instance office layouts were studied.

e-Government

There are many simple but broad definitions for e-Government such as the delivery of information and services online through the internet or other digital means (West, 2000). Montagna, (2005) defined e-Government as every governmental action that is based on the use of computer networks. He has also argued that this includes a huge range of applications in the areas of e-Voting, e-Health, e-Democracy, etc. The Cambridge Dictionary also has given a simple but broad definition as, the use of the internet by governments to make it possible for people to use government services and be involved in making decisions. One common aspect of all definitions for e-Government is the emphasis on the use of ICT for improving the quality of government services.

The Organisation for Economic Co-operation and Development (OECD) has come up with another simple but broad definition which suggests achieving a better government through administrative reforms. OECD defined e-Government as the use of ICTs, and particularly the internet, as a tool to achieve better government (OECD e-Government Studies, 2003). It is obvious that better online services alone would not make the government better. Improvements in the areas of efficiency, effectiveness, rule of law, transparency, accountability, and equity would need to be improved for achieving a better government.

The following two definitions for e-Government suggested two main aspects such as the need for administrative reforms to go hand in hand with technology and, governance as the key role of the e-Government.

(01) “e-Government refers to the use by government agencies of information technologies that have the ability to transform relations with citizens, businesses, and other arms of government. These technologies can serve a variety of different ends: better delivery of government services to citizens, improved interactions with business and industry sectors, citizen empowerment through access to information, or more efficient government management. The resulting benefits can be less corruption, increased transparency, greater convenience, revenue growth, and/or cost reductions” (World Bank, Brief e-Government, 2015).

This definition has emphasized more efficient government management which directs to the reforms and governance aspects.

(02) e-Government refers to efforts by public authorities to use ICTs to improve public services and increase democratic participation. e-Government aims to improve government efficiency through the reduced cost of electronic information management and communications, the reorganisation of government agencies, and the reduction of administrative silos of information (European Parliamentary Research Service, 2015).

The key message communicated through the above two definitions is that if implemented well, e-Government enables citizens, enterprises, and

organisations to carry out their business with the government more easily, more quickly and at a lower cost.

However, those definitions also imply that e-Government involves much more than just the ICT tools, but it involves reorganising processes and government agencies and changing the behaviour of public officials so that public services are delivered more efficiently to people. Moreover, the emphasis on less corruption, increased transparency, greater convenience, and increased democratic participation directs us to “better governance”.

e-Government vs. e-Governance

When the governance aspect which has been brought in by the above two definitions is analysed, it is inevitable to come across the term “e-Governance”. Since e-Governance involves the facilitation role for making the government ready for embarking on the journey of e-Government and enabling the government to practice e-Government, e-Governance plays a major role in e-Government as the following definitions show. Special attention has been paid to the following definitions to the requirement of developing and enforcing policies, laws, and regulations under e-Governance.

Kafle (2018) proposes that e-Governance is the development, deployment, and enforcement of the policies, laws, and regulations necessary for developing cooperation, networking, and partnerships between government units, citizens, and the business. Backus (2001) has also emphasized the importance of the role of e-Governance stating that e-Governance is the application of electronic means in (1.) the interaction between government and citizens and government and businesses, as well as (2.) internal government operations to simplify and improve democratic, government and business aspects of Governance.

Sheridan and Riley (2006) have highlighted that e-Governance deals with the whole spectrum of the relationship and networks within the government regarding the usage and application of ICTs.

When we analyse all the above definitions of e-Government and e-Governance we could identify that e-Government mostly refers to the use of ICT or implementation of ICT solutions while e-Governance is mostly attributed to the range of activities related to enabling and facilitation of development and use of such ICT solutions by the government.

Impact of e-Government on Public Administration

There have not been many research studies on the subject of the impact of e-Government on Public Administration. However, there is sufficient literature on how e-Government has impacted public services and increased public value. Many such studies have concluded that e-Government has improved public services (Petrakaki, 2008; Karunasena, Deng, & Singh, 2011). Among the very limited literature on this topic, Brown (2005) has mentioned that e-Government “has had a significant impact on public administration, changing the environment in which the public service operates, adding new concepts and methods to its operations and changing the relative weight and relationships among established elements of public administration”. He has further mentioned that e-Government has affected four areas of Public Administration such as (1.) Citizen-centered service, (2.) Information as a public resource, (3.) New skills and relationships, and (4.) Impact on accountability and management model. Petrakaki (2008) who has also commented on this topic has mentioned that e-Government attributes new roles and authorities to public officials and in doing so directs their conduct toward achieving and performing. Elaborating on the impacts of e-Government, he has indicated that e-Government mediates at two levels: (1.) they are used internally, for the reorganization and streamlining of government procedures, and (2.) they are deployed so as to improve public service provision.

The above literature on the impacts of e-Government on public administration has illustrated that e-Government has changed (1.) the environment in which government organizations operate by adding new concepts and methods of operations, (2.) relationships with its beneficiaries, (3.) required skills and, (4.) by attributing new roles and authorities.

Methodology

When attempting to assess the impacts of e-Government, numerous activities are involved in the facilitation and enablement of the use of ICT by the government which is the e-Governance factor. When the e-Governance factor is compared with the e-Government factor it is obvious that the e-Governance factor overrides the e-Government factor which, in general, has been defined as the “implementation and use of ICT solutions for government”. e-Governance activities include drafting and practice of the policies, laws, standards, regulations, and guidelines, as well as the coordination of solution development and usage activities, which are very significantly complex and arduous compared to the development of a technological solution.

Therefore, a quantitative survey was conducted to collect the data from 24 organizations covering the following aspects which are especially involved in e-Governance;

(See annexure for Table 1: List of Organizations Selected for the study)

1. Introduction of ICT policies,
2. Issuance of circulars for guiding the internal staff,
3. Introduction of laws,
4. Structural changes such as the creation of an ICT Service,
5. ICT infrastructure,
6. ICT skills of the government cadre, and
7. Physical infrastructure.

It was attempted to capture the situation before 2005 and after 2015 of those organizations by using structured survey forms. Google survey facilities were used for the creation of the survey forms and those forms were either sent by post or online as the research was conceptualized and carried out during the COVID-19 pandemic period. The Heads of Organizations, Chief Innovation Officers (CIOs), project owners, and project managers of the selected 24 organizations were provided with a Google survey form for assessing their projects whether they are successful or failures and identifying the critical factors which led to such results.

Although it was planned to conduct focus group meetings for the Heads of the Organizations, CIOs, and Heads of ICT Units to capture qualitative data, it had to be cancelled due to the COVID 19 situation prevailing in the country during the latter part of the year 2020.

Analysis and Results

Analysis of key officials who participated in the survey

The composition of the sample is depicted in Table 2 (in annexure). The sample contained third-tier officials, second-tier officials, Chief Information Officers, and Heads of Organizations (retired or current). Although the third-tier officials represent the majority in the sample, Heads of Departments and second-tier officials play a critical role in e-Government projects due to their authority and power representing 49% of the sample.

Structural changes in organizations

The research study found that the major structural change that occurred after the year 2005 is the setting up of the Information and Communication Technology Agency (ICTA) of Sri Lanka as a government-owned private company and the establishment of the Re-engineering Government (Re-Gov) Programme in 2005 under the ICTA. The Re-Gov programme has been functional from 2005 to 2015 and ICTA disbanded this programme in the latter part of 2015. This programme which has been set up on the principle that before implementing technology solutions, the government processes should be re-engineered, has introduced national-level information infrastructure projects such as Lanka Government Network, Lanka Gate, Lanka Government Cloud, and government web portal (ICTA, Re-engineering Government, 2012). It has implemented many information projects such as the development of over 1,000 websites for government organizations and implementing Government Information Centre-1919. The Re-Gov Programme has also introduced policies and standards such as the e-Government Policy and Information Security Policy. It has introduced standards such as Interoperability Standards, and Web Standards, for facilitating the implementation of e-Government (Nenova & World Bank, 2010), (ICTA, Re-engineering Government,

2012), (ICTA, Transforming the Nation: Main Projects, 2014), (LIFe, 2017). At the end of the e-Sri Lanka programme, the Re-Gov programme has become the de facto arm of the Government which is responsible for the implementation of e-Government in Sri Lanka as per the World Bank report published in 2015 (World Bank, ICR Review Independent Evaluation, 2015).

ICTA which has become the apex body of the country for transforming it into a digital nation has been instrumental in the facilitation of some other work areas such as Local Language Computing, “Nenasala” telecentres which supported to increase the ICT digital literacy and uptake of e-Government services (ICTA, Transforming the nation: Information Infrastructure, 2012), (ICTA, Local Languages Initiative, 2012). The Cabinet of Ministers has made many critical decisions related to the work of ICTA, and the Presidential Secretariat has subsequently issued circulars to enforce the government organizations to comply with such requirements such as e-Government policy and strategy (ICTA, e-Government Policy, 2012). Similarly, the annual capital costs and recurrent costs of ICTA have been significantly high. In 2018, the annual project cost has been Rs 2.006 Bn in addition to the operational cost of Rs 300 Mn, which is a significant annual investment by the government for improving e-Government (MTDI & Parliament, MTDI: 2018 Performance Report, 2019). Hence the establishment of ICTA could be considered a significant structural change in the government.

Another significant structural change that has occurred in the government organizations during this period has been the establishment of the new Information and Communication Technology Service (ICT Service) as a Combined Service under the Ministry of Public Administration. As per the website of the Ministry of Public Services (which has been the Ministry of Public Administration prior to 2020), the ICT Service was set up in 2009. Currently (October 2020), 1,935 ICT officers are serving at 638 government organizations. The direct annual human resource cost of the ICT service is Rs 65 Mn annually (MPSPC&LG, 2020). Table 3 (in annexure) shows the composition of the officers of the ICT Service.

Another important fact that has been reported by the key officials of the government is that the highest post of ICT service official is Director (IT) or the Head of the IT Unit. Officials who are holding the post of Director (IT) are unable to reach any policy level position such as Senior Assistant Secretary or Additional Secretary. Hence it is noteworthy that officials of the ICT Service are restricted to the operational activities of e-Government but could never reach the policy and strategic level of the organization.

ICT Units

Results of the survey revealed that by 2005, 40% of the organizations under the study have had IT Units and by 2015 92% of the organizations have established IT Units. As per the survey results, the cadre of such units has increased by many folds in all organizations. The organization which is having the biggest IT Unit has over 50 IT officials. As per the survey results, the Heads of the IT Unit in all organizations are senior staff officers except for one organization. In 60% of organizations studied, the Head of the IT Unit is a second-tier officer such as a Commissioner (IT) or Director (IT) who is reporting to the Head of the organization. In all other cases, the Heads of the IT Units are reporting to a second-tier officer of the organization. This indicates that still, most Heads of IT Units have no direct communication with the Heads of the organizations which could create a communication barrier during e-Government implementation.

When the cost of IT Units of the organizations is analysed, those which have had IT Units prior to 2005 show a very moderate increase in the IT budget. However, the organizations which have created IT Units after 2005 are found to have significantly high IT budgets. The highest IT budget of all organizations studied is Rs. 4 Bn and it is 10% of the total organizational budget. However, there are two organizations whose IT budgets are not extremely high, their IT budgets represent 60% and 42.5% of their total budgets. This shows a remarkable increase in the investment in e-Government by the government.

As shown in Table 5 (in annexure), the number of ICT officials working in the organisation, shows on average, that there are 10 officers serving in IT Units, but they have a wide range in cadre size ranging from 2 to 50

officers. Data shows that 15% of organizations surveyed have IT Units with over 15 ICT officials.

As per the data given in Table 6 (in annexure), on the funding sources of e-Government projects, the majority (70%) of e-Government projects are funded by the government.

When the e-Government solution approach is considered, as data in Table 7 (in annexure) shows, a very high majority of projects are reported to be implemented by outsourcing the solution development work. 75% of the senior officials who participated in the survey have mentioned that due to the e-Government projects implemented, their physical infrastructure (such as office layout, and 'open-office' layouts) has been improved immensely. Similarly, 80% of the senior officials have stated that the ICT infrastructure of their organizations improved extremely due to the e-Government projects implemented. Furthermore, 80% of the survey participants have indicated that the ICT skills of their staff were highly improved due to the e-Government projects implemented by them.

Laws, Policies, Rules and Regulations

The Government of Sri Lanka has introduced two important laws for facilitating and supporting the ICT work in the government and service delivery during this period. The Electronic Transactions Act No. 19 of 2006 and Computer Crime Act No. 24 of 2007 have made a reliable legal platform for the implementation and use of ICT in the government. The Cabinet of Ministers of the Government of Sri Lanka approved the e-Government policy in 2009 making the use of ICT mandatory in the government for its key activities. The use of electronic mail and websites as official communication tools and the use of Sinhala and Tamil Unicode for computer work in the government have been made compulsory through this policy. Although the active period for this policy has been cited as 3 years, no successive e-Government policy has been drafted so far (ICTA, Cabinet Approved e-Government Policy, 2012).

The Secretary to the President has issued many circulars stressing the need for using e-mail for official communication and the use of Sinhala and

Tamil Unicode for the official purpose (SL Web Portal, 2013). All government organizations which participated in this study have issued internal circulars for mandating the use of specific e-Government solutions as well as to guide the internal and external users of such solutions.

Government Online Services and Quality of those Services

The best source for assessing the performance of e-Government in Sri Lanka is the United Nations e-Government Survey and Index which is published biannually.

The data in Table 8 (in annexure) shows that Sri Lanka is doing moderately well in e-Government Development Index (EGDI) as the country was ranked 85th out of 194 countries in 2020. Sri Lanka has been identified as a country with a high EGDI and high Online Service Index (United Nations, 2020). However, it is intriguing that there is a very low uptake of Sri Lankan government online services when the country is having high EDGI value. For example, 5.6 Mn motor revenue licenses have been issued in Sri Lanka in the year 2018. Out of 5.6 Mn applicants, only 1.56% of applicants (89,261) have obtained their licenses online (MTDI & ICTA, 2018 e-Revenue License Statistics, 2019).

ICTA carried out a social media-based survey to identify the reasons for the low usage of the online service in 2019. As shown in Table 9 (in annexure), over 120 participants who have responded to this survey have identified ignorance, technical difficulties, and fear of using credit cards for making payments as the biggest deterrents to using the online service.

ICT skills of the staff

70% of the government Heads of organizations have mentioned that after 2005, their staff has been trained and the entire staff is capable of working with e-Government applications of the organization.

Discussion and implications

The biggest positive change that has occurred to the structures of the government during this period has been the initiation of the Re-Gov Programme of the Information and Communication Technology Agency (ICTA) which is a government-owned private company. ICTA was set up in 2003 by the Information and Communication Technology Act No. 26 of 2003.

As per this Act, ICTA is responsible for providing input to the Cabinet of Ministers for drafting the National ICT Policy and implementing the National ICT Policy. Despite the fact that this Act does not address e-Government in any specific manner, ICTA has created a programme area called “Reengineering Government” (Re-Gov) to address e-Government requirements. As per the e-Sri Lanka Project Report published by the World Bank which was the financial sponsor for the initial period of ICTA, the overall performance of ICTA up to 2013 has been satisfactory (Nenova & World Bank, 2010).

As per the ICT Act, No. 27 of 2003 ICTA has been created as a transition organization and the Act had legal clauses indicating that ICTA should be closed down after 5 years. However, the Act was amended in 2008 by removing the sunset clause that appeared in the Act making the organization perpetual. The HR strength of the organization has been going up and down. ICTA has utilized a significant extent of funds from 2005 to 2014, which is over Rs. 4 Bn in addition to the annual e-Government expenditures of the organizations which implemented key e-Government projects. Currently, ICTA has an annual budget of Rs. 2 Bn out of which Rs. 300 Mn is consumed annually for its staff and overheads (Nenova & World Bank, 2010), (MTDI & Parliament, MTDI: 2018 Performance Report, 2019).

As shown in the Digital Transformation Strategy of ICTA, it is expected to overhaul ICTA (ICTA, Digital Transformation for a Prosperous Sri Lanka, 2019). Although ICTA has made great contributions to the increase of digital literacy and has improved the e-Government ranking in global indexes, it is apparent that ICTA has not been able to take e-Government

to the levels required for fulfilling the expectations of the general public due to the fact that there is very low usage of online services despite the fact that Sri Lanka has a high Online Service Index value.

The second most important structural change has been the introduction of the ICT Service to undertake the technological responsibilities of e-Government. As the data shows ICT service officials are working in 658 government organizations and show a remarkable spread across the government. However, the Heads of organizations and key officials have reported that still, the officers of ICT service are not strong enough as a group of technologists to direct the technological initiatives of their organizations. This could be understood as the majority of ICT service officers are low-ranking officers as shown in Table 3, which is the composition of the officers of ICT Service in October 2020 (see annexure). It is also apparent that the level of knowledge of ICT Service officers is very low compared to the expected level (MTDI, Summary of training-needs assessment of officers of SLICT service, 2017). When compared with the human resource cost of ICTA as well as the IT sector salaries published by the Sri Lanka Association for Software Services Companies, it is apparent that the remunerations of officials of ICT Service are less (SLASSCOM & PwC, 2013). It was noted that 90% of the e-Government projects are outsourced. In that light, it is not clear whether the officials of the ICT service are making a significant contribution to the e-Government in Sri Lanka. However, the low salaries paid to the government ICT officials (compared to the same in the private sector) imply that government is unable to attract the best professionals in the ICT field to serve in the ICT Service which would lead to difficulties faced by the government organizations during the development and maintenance of their e-Government systems. However, the creation of ICT Units in government organizations and appointing top-level senior officers as the Heads of IT Units who report directly to the Head of the organization are critical steps in the implementation of e-Government. Similarly, significant changes have taken place in the organizations and hierarchy of government organizations.

The survey results show that 75% to 80% of organizations have tremendously improved their physical infrastructure and information

infrastructure and ICT skills of their staff. This shows a cultural shift in the Sri Lankan government as the organizations as well as their staff are adopting the e-Government practices. This is an excellent indication that the readiness of government organizations is very high, and the foundation is ready for the next level of e-Government initiatives.

Canadian Treasury Board President Scott Brison has mentioned that “In today’s world, you’re digital or you’re dead. We can’t be a Blockbuster government serving a Netflix citizenry. If a company fails to get digital right, it’s out of business. If a government fails to get digital right, it’s out of touch with its citizens” (Brison, 2017). His statement emphasises that the government should provide services to the citizens through the most convenient channels. When the uptake statistics of government online services are analyzed, it is apparent that there is a wide gap between the channel through which citizens prefer to obtain their services and the channels through which government services are delivered.

As per Heeks (2008) “e-Government is not limited to improving the quality of government services, the scope of e-Government has spread to all the activities of the public sector”. In that context, it is generally accepted that e-Government has spread to all activities of government organizations. When the type of e-Government solutions provided by the studied organizations are considered it is apparent that those organizations have all types of e-Government applications catering to the various organizational needs.

When the number of organizations that use internal e-Government applications and provide online services is considered, it is revealed that 90% of the organizations studied have at least 3 to 4 internal e-Government applications and provide online services. This indicates the permeation of e-Government into the interiors of all government organizations.

The service quality which was assessed only by inviting the service providers’ opinions indicates that the service levels based on the criteria such as accuracy and timeliness, are mid to high level. However, in a survey conducted in 2019 by using Facebook to identify the reasons for

citizens not using the online Motor Revenue License system a different scenario was presented.

The data in Table 9 and Figure 1 (in annexure) show the reasons for citizens not using the online Motor Revenue License system, explaining the low usage of Sri Lanka although it has a high Online Service Subindex value. The reasons expressed for not using the online Motor Revenue License are applicable to other online government services of Sri Lanka. The ignorance and fear of using the internet and credit cards are due to the low digital literacy of the citizens. Although Sri Lanka has a high Human Capital Subindex (United Nations, 2020), only 30% of Sri Lankans are computer literate (Department of Census and Statistics, 2019). Moreover, there is a wide gap between the knowledge and skills of the person who is able to use a computer (which is defined as computer literacy) and being able to use an online service. If ICTA would publish the usage data of the online services available in the Sri Lanka Open Data Portal, more informed decisions would have been made.

The Sri Lanka Government has taken long strides in the early stages of the life of ICTA as it has collaborated with legal authorities to enact two key laws such as the Electronic Transaction Act and the Computer Crimes Act. This has enabled the Government of Sri Lanka to offer online services and accept electronic money as fees for licenses, permits, etc. This concurs with the observation of Brown (2005), that e-Government changes the procedures and the environments in which government officials operate. However, it has taken a long time for drafting the Data Protection Bill which is yet to come out. The absence of the Data Protection Act makes all citizens and government organizations apprehensive of sharing their data which is necessary for offering as well as consumption of online services.

Similarly, the Government of Sri Lanka published the e-Government Policy and Guidelines in 2009 which has been implemented by issuing presidential circulars. The Information Security Policy also has been released by ICTA in 2012 parallelly. These two policies have been widely adopted and usage of local languages and online transactions have been made possible due to the above policies and laws. As Cordella (2007) has

mentioned these policies have been able to create a conducive environment for initiating e-Government work. Unfortunately, the validity period of the above e-Government policy has been limited to three (3) years and the government has not been able to issue any policy document related to e-Government or Digital Government afterwards. Moreover, there is no data on monitoring the implementation of the e-Government policy. The absence of a valid e-Government policy and monitoring mechanism has stalled the advancement of e-Government in Sri Lanka. Furthermore, the Sri Lankan Government has not updated its web standards and Interoperability standards, after 2012 as per the websites of ICTA (ICTA, 2020), (LIFe, 2020). This has also created a void as the government organizations have no technical guide for implementing their e-Government applications in the absence of such technical standards.

Recommendations

As discussed above, the structural changes that have happened already should be strengthened to ensure the success of e-Government implementation. The Heads of the IT Units should be second-tier officers in the organization to make it possible for them to access the Head of the organization for further e-Government activities.

It is also recommended in improving the legal structure by adopting and improving data protection and information security law regimes as, without such areas, the public administration could not fully adopt e-Government.

The government should take radical steps in improving the capacity levels of the ICT Service if the government plans to make e-Government sustainable. The current data shows the inadequacy of the capacity levels while there is a need for financial compensation of such officers to be on par with the private sector.

Another important observation made by this study is that the supply-demand of government e-services is in a greater imbalance. The uptake of the e-services is significantly low when compared with the availability of the e-services. The survey data shows that citizens have fears using

government e-services and credit cards for those e-services. The government should take measures to alleviate such fears.

The lack of research in the sphere of e-Government and the absence of open data for such research has also retarded the improvement in the adoption of e-Government in Sri Lanka. The current state of Sri Lanka's open data is very poor compared to the global status. Hence, the publication of open data related to the e-Government projects and activities should be encouraged and made mandatory.

Finally, the absence of a Cabinet-approved e-Government policy and strategy has become an impediment to the implementation and usage of e-Government. Therefore, it is recommended that such policies and strategies are officially adopted and converted into rules and regulations of the government.

Conclusion

The study revealed that all the organizations studied have implemented e-Government projects and have specialized ICT Units and ICT specialists to be in charge of e-Government. It is evident that the implementation of e-Government in Sri Lanka after 2005 has affected the two aspects of public administration significantly. In relation to the aspect of the implementation of the public policy, it was noted that e-Government Policy and guidelines, as well as Information Security Policy and guidelines, have been implemented across the government thus generating public value. Similarly, all organizations studied have issued internal circulars for adopting e-Government solutions in addition to the Presidential Circulars issued for adopting the e-Government policy, use of email for official communication, and use of Sinhala and Tamil Unicode for official work. Government has issued web standards, interoperability standards, and information security standards, and local computing standards for adopting common practices in e-Government. This is in line with the observation made by Brown (2005) that e-Government changes the environment in which the public service operates, adds new concepts and methods to its operations, and changes the relative weight and relationships among established elements of public administration. The

absence of the Data Protection or Data Privacy Act in Sri Lanka has become a barrier to e-Government implementation. Similarly, the absence of up-to-date e-Government and Information Security Policies, as well as up-to-date technical standards, were observed as an impediment to implementing e-Government.

It is intriguing why the usage of government online services is so low, while Sri Lanka commands a moderately good position in the international e-Government ranking. This demands further research on this subject.

In relation to the impacts on the aspect of the executive branch, it was noted that the structure of the government has been significantly affected by the establishment of ICTA and ICT Service. These two entities have a significant cadre resulting in a significant annual expenditure for the HR cost. New IT Units have been set up in government organizations to practice e-Government and senior officers who have direct access to the Heads of the organizations are commanding such units. The hierarchy of the Government has been affected by such units. A very high majority of government organizations have evidenced high-level improvements to their physical infrastructure, information infrastructure and the ICT skills of staff which could have also changed their organizational culture. This acknowledges the argument of Brown (2005) that e-Government creates changes in the skills of government officials. The level of contribution from ICTA and ICT Service are sources for further research activities. The effects on the organizational culture of the government due to the practice of e-Government is also an area worthy of further research. The survey results reveal that e-Government has made a significant impact on the government structure of the organizations studied.

The implementation of e-Government in Sri Lanka has made a considerable impact on the practices involved in the implementation of the public policy as well as the bureaucratic arm of the government which implements the public policy. Therefore, it is evident that the implementation of e-Government has significantly impacted the (practice of) public administration in Sri Lanka.

Limitations and Further Studies

Limitations

The limitation during the COVID-19 situation which prevailed from March 2020 up to the time of compiling data, did not allow authors to embark on a detailed study for using more data for testing the models by using the data of local e-Government projects by collecting more quantitative and qualitative survey methods. The authors understand it as a limitation of this research study. It is also understood that not being able to collect data from the local user groups of e-Government systems for assessing the service quality of those systems is a major limitation of this research.

Further Studies

There is a dearth of academic research in the area of e-Government in Sri Lanka. This study was conducted under severe COVID restrictions; hence the study had to limit the qualitative analysis of related focus areas. Therefore, further studies on the success and failures of e-Government in Sri Lanka and how it has affected the public administration should be undertaken. Special attention could be paid to understanding the low usage of government online services and the reasons for such low usage.

Secondly, to what extent public administration and policies have been changed due to the inroads made by e-Government, to understand the level of impact, should be studied. This could also be extended to assess the extent to which cultural practices in the public administration have been impacted due to the practice of e-Government.

Thirdly, further research should be undertaken to study how the public administration of countries which are successful in implementing e-Government has changed structurally, legally, culturally and in service delivery modes. This would tell us about the changes that the country should undergo to make the public administration conducive to implementing e-Government successfully.

Annexures

Table 1

List of organizations selected for the study

Name of the Organization		Name of the Organization	
1	Department of Excise	13	District Hospital, Dompe
2	Department of External Resources	14	Elections Department (National Election Commission)
3	Department of Immigration & Emigration	15	Ministry of Foreign Affairs - Consular Affairs Division
4	Department of Inland Revenue	16	Ministry of Health - Medical Supplies Division
5	Department of Land Commissioner General	17	Ministry of Land
6	Department of Languages	18	Ministry of Ports & Shipping - Merchant Shipping Secretariat
7	Department of Motor Traffic	19	Ministry of Public Administration
8	Department of Pensions	20	Ministry of Tourism
9	Department of Posts Sri Lanka	21	Parliament of Sri Lanka
10	Department of Registrar General	22	Provincial Commissioner of Motor Traffic (WP).
11	Department of Registration of Persons	23	Skills Development Project
12	Disaster Management Centre	24	Tertiary and Vocational Education Commission

Table 2

Categories of Key Officials who participated in the survey

Officer Category	No. of Officers	% of Officers
Heads of organizations (retired or current)	10	23%
Chief Information Officers	6	14%
Second Tier Officials	11	26%
Third Tier Officials	15	36%

Table 3*The composition of the officers of ICT Service in October 2020*

Class	No. of Officers
Class 1	65
Class 2	266
Class 3	1,604
Total	1,935

Source: Website of the Ministry of Public Services, Provincial Councils and Local Government (retrieved on 25-05-2021)

Table 4*Time periods the IT Units have been set up*

Year	No. of the IT Units set up this year
2000 and prior	10 (40%)
2001-2005	05 (20%)
2006-2015	06 (24%)
2016-2019	02 (08%)

Source: Data from the survey conducted by authors in 2019

Table 5*Number of ICT Officials deployed in the studied organizations*

No. of ICT Officials	No. of Organizations
a) 1-5	5
b) 6-10	5
c) 11-15	4
d) >15	4

Source: Data from the survey conducted by authors in 2019

Table 6*Funding sources of e-Government projects*

Projects are funded by	No. of Projects	% of Projects
Government	14	70%
Donors	6	30%

Source: Data from the survey conducted by authors in 2019

Table 7*System developers of e-Government projects*

Systems developed by	No of Projects	% of Projects
Outsourced Team	15	88.24%
In-House Teams	2	11.76%

Source: Data from the survey conducted by authors in 2019

Table 8*Performance of Sri Lanka in the UN e-Government Index*

Year	Position	e-Government Index	Online Service Index
2010	112	0.4	0.09
2012	115	0.44	0.38
2014	74	0.54	0.65
2016	77	0.54	0.65
2018	94	0.58	0.67
2020	85	0.67	0.72

Source: United Nation, 2020

Table 9

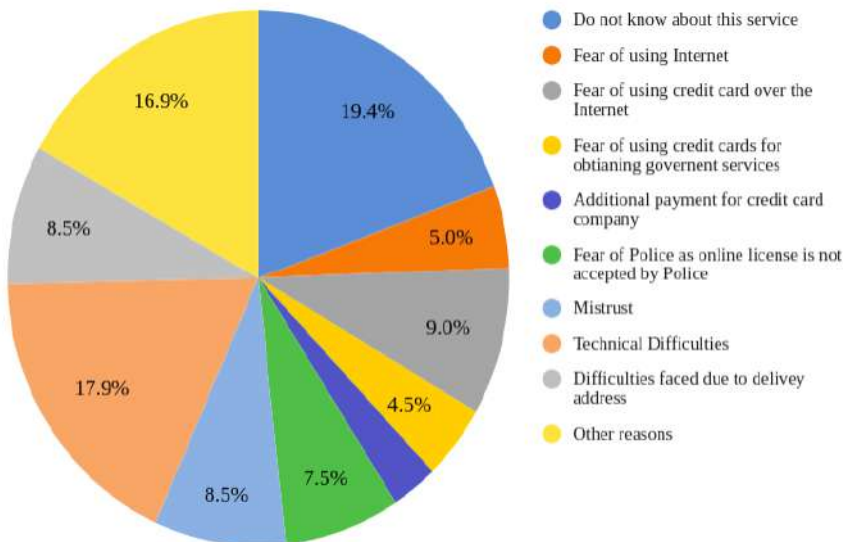
Reasons for citizens not using the online Motor Revenue License system

Reason	Participants	Reason	Participants
Do not know about this	39	Fear of Police that online license would not be accepted by Police officers	15
Fear of using the internet	10	Mistrust	17
Fear of using credit cards over the internet	18	Technical Difficulties	36
Fear of using credit cards for obtaining government services	9	Difficulties faced due to incorrect delivery address	17
Additional payment for credit card company	6	Other reasons	34

Source: A Facebook based survey conducted by authors (2019)

Figure 1

Reasons for citizens not using the online motor revenue license system



Source: A Facebook-based survey conducted by authors (2019)

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Critical Success Factors Influenced on Business Process Re-engineering Project: A Case Study of Dompe Hospital

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Abstract

From the viewpoint of citizens, obtaining health services from the public health system is often a cumbersome process that involves multiple inefficiencies, time-consumption leading to patient dissatisfactions. Lack of client care and unavailability of past health records aggravate the situation. Introducing novel technology coupled with a proper business process re-engineering exercise will be able to overcome this situation. Thus, the purpose of this paper is to examine the critical success factors influenced on business process re-engineering project in the Dompe hospital. Action research that is an iterative approach is commonly used for improving conditions and practices involved in a range of e-governance environments was used as the research method of the study. A survey was conducted to validate the CSF that was identified during the literature survey. Non-probabilistic expert sampling was used and all the respondents who participated in the study have played an active role during the Dompe hospital BPR project. The study found three critical success factors that influenced on the business process re-engineering project of Dompe hospital as policy interventions, people engagement, and process interventions out of which process factor has been identified as the most critical success factor in succeeding business process re-engineering project.

Keywords: *Critical Success Factors, Business Process Re-engineering Project, Dompe Hospital*

Introduction

Since the late 1980s, businesses have been making radical operational changes, referred to as business process re-engineering (BPR). BPR is the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance, such as cost, quality, service, and speed (Hammer &

Champy 1993). BPR of Dompe hospital is a case study with the similar experience of the fundamental rethinking of processes to streamline service delivery of a public hospital in Sri Lanka (Kulathilaka, 2013).

The health care system in Sri Lanka consists of 2,543 health service facilities, both private and public sectors covering both preventive and curative services. Healthcare in the public sector is free of charge. The public sector is the predominant provider for inpatient care, with approximately 95% of inpatient care being provided by the state health institutions, while the share of outpatient care is divided almost equally between public and private sectors (Ministry of Health, Nutrition and Indigenous Medicine, 2017). According to the service availability and readiness survey 2017, the general service readiness index score for hospitals in Sri Lanka was 79 out of 100, with a score of 77 out of 100 in public sector health facilities and 83 out of 100 in private sector health facilities (Ministry of Health - MoH, 2018).

It is stated that the services delivered by the public hospital system in Sri Lanka were impacted due to long queues, manual patient management, and drug management (Sabhpathige, Deerasinghe, & Ranasinghe, 2021). Even though certain governmental services are functioning online, the public health system is delivered by manual and conventional processes.

With this background, Dompe e-Hospital was introduced through business process re-engineering with the integration of information and communication technology (ICT) to ensure citizen-centric services delivery. The project was differently conceptualized compared to all other conventional e-Projects in Sri Lanka. It is an example of BPR with a bottom-up approach. The project was owned by the staff of the hospital and the community (Kulathilaka, 2013). A community-driven e-Society named 'Ape Reana' (English meaning: 'Our Team'), consisting of different professionals who are living in the area of Dompe, initiated the project with the support of the hospital staff and regional health authorities.

Subsequently, a BPR was conducted and six key processes of the Dompe hospital have been identified: i) Patient Registration Process, ii)

Emergency Patient Management Process, iii) Out-Patient Management Process, iv) In-patient Management Process, v) Pharmacy and Drug Management Process, vi) Clinic Management Process (e-Health Projects, n.d.).

Except for the in-patient management process, the rest of the processes were re-engineered according to the recommendations made by the BPR study. Certain soft and hard changes were applied to streamline the processes: i) environmental changes towards patient-centric medical service delivery and the introduction of the ICT based solution, ii) addition of an online appointment system, and iii) addition of the e-Medicine system (ibid). An open-source software of 'Hospital Health Information Management System' (HHIMS) was customized based on the BPR report, with the assistance of the Information and Communication Technology Agency (ICTA) of Sri Lanka, the apex body for implementing e-Government in Sri Lanka. In addition to the introduction of ICT into the process, changes in physical infrastructures, such as entry and exit gates, corridors were rearranged to minimize congestion and to eliminate long queues. A series of extensive change management programs were conducted to adopt the hospital staff with the new system: i) attitude development, ii) basic IT knowledge and skills, and iii) system training (Kulathilaka, 2013). With the above background, this paper intends to examine the key success factors influenced on business process re-engineering project of the Dompe hospital.

The Context: Dompe Hospital

Before initiate this BPR project the researchers visited the Dompe Hospital site in 2010 and had discussions with District Medical Officer (DMO), made their observations and conducted a document survey which revealed the information about the case study context as given below.

Dompe hospital consists of five wards and 102 beds, with approximate beneficiaries of more than 500,000, including residents and 20,000 employees of more than 60 industries. The hospital is headed by the DMO, who reports to the Regional Director of Health Services (RDHS), Gampaha. As the nearest public hospital for a large area, Dompe hospital was an asset for the local community, while collaboration efforts took

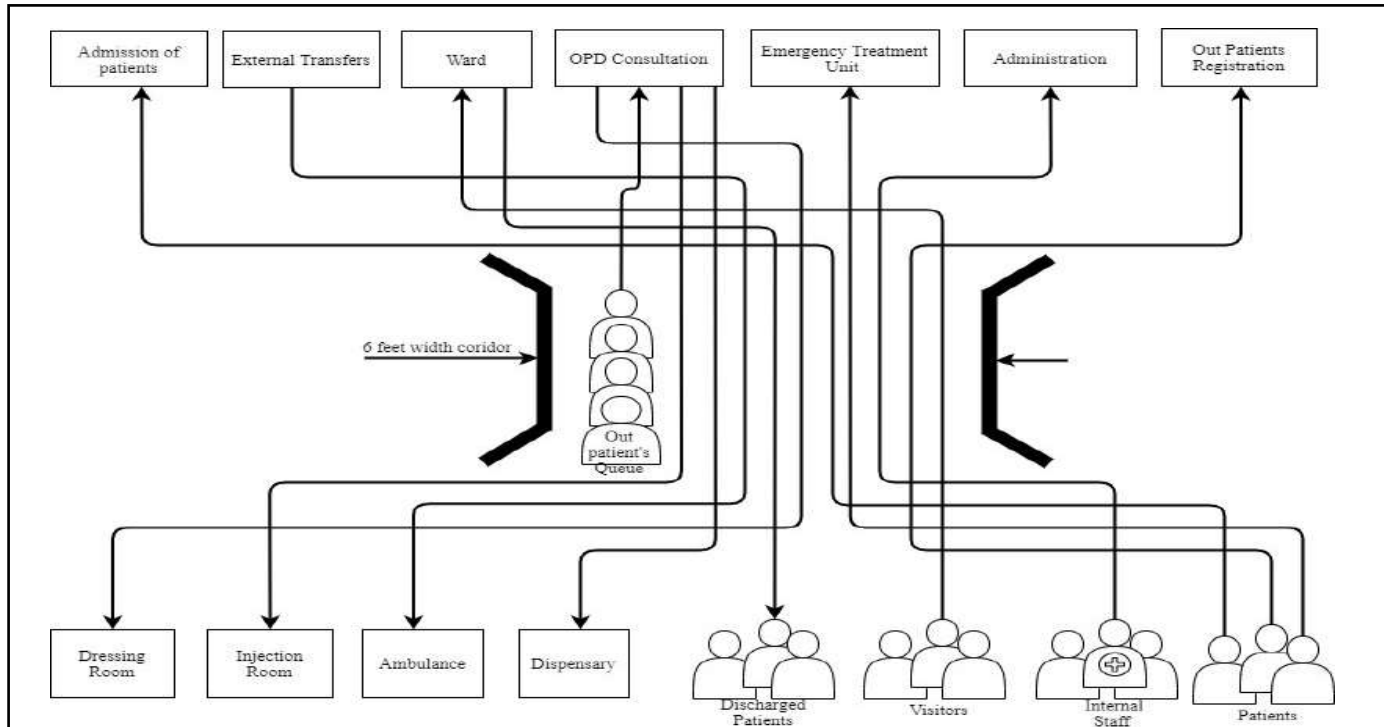
place with hospital and local community groups. On the other hand, the industrial organizations formed a collaboration with the hospital ensuring employees' health safety. These organizations made various monetary donations as a Corporate Social Responsibility (CSR) program to the hospital on an ad-hoc basis to meet the maintenance cost of the hospital. However, like many government hospitals in developing countries, Dompe was a disorganized, overcrowded hospital where little attention was given to the overall patient experience and where un-empathetic, discourteous health care providers and long delays were an accepted norm. The specific problems and challenges faced by the hospital were due to process-related issues: 01.) a long waiting queue of patients to get the appointments and also to see the doctors. (Since the response time is very slow the queue gets longer in a very short time. Due to this, the patients end up waiting for more than 2 hours in the hospital to be served.), 02.) messy and manual patient information management, 03.) messy and manual drugs information management, 04.) dissatisfaction and distrust of the patients due to the service delivery and due to this, they end up going to the capital city's general hospital, and 05.) change the mind-set of officers to think patient-centric and/or citizen-centric (Kulathilaka, 2013).

The public sector health service of Sri Lanka is free of charge. Health workers have their own designated salary, hence there is no mechanism to measure the performance of the worker. Therefore, the health service seeker was not considered as a customer. Customer relations and customer satisfaction are not considered in health service delivery. These issues were directly reflected in the considered case in the study (ibid.).

The other issue was physical space and queue management. There was only one narrow entrance gate to the hospital and one six-foot-wide corridor at the entrance was allocated to multiple services and patient transitions (Figure 1). In addition to that, the same space was also used by visitors who gained access to the wards. The physical arrangement of access to the hospital created unnecessary congestion during peak time.

Figure 1

Narrow physical space creates congestion - before changes



Source: Developed by Authors (2021)

As per the discussion with DMO of the Dompe hospital, it was disclosed that patient medical records are paper-based and kept manually in health facilities in Sri Lanka. These are stored in a separate record room and retrieval of these records is a time-consuming process. For each visit to the hospital, patients registered, queued, and waited to get a number before being seen by a doctor. Patients with previous medical records and prescriptions have to visit the record room and queue again to retrieve their medical history. The number-issuing counter opens at 7:30 a.m. daily, and patients begin as early as 6:00 a.m. morning. In certain cases, some previously registered patients registered again as new patients, lying about their medical history, in the hope of avoiding the records queue and getting faster service. This practice created duplicate and incomplete records for the same patient and adversely affected doctors' ability to perform accurate diagnoses and holistic treatments.

Moreover, patients are not given a chance to select a preferred doctor for the medication. Instead, doctors are allocated randomly for each visit to the out-patients. Patients therefore repeatedly visit the hospital until they meet their desired doctor. In such situations, they sometimes discard medications and advice received from visits with other doctors. Overall, there were serious problems pertaining in the Dompe hospital that are needed to be streamlined.

Literature Review

Public Services

The concept of service has been identified by literature in many ways. Ramaswamy (1996) suggests that service as “business transactions that take place between a donor (service provider) and receiver (customer) to produce an outcome that satisfies the customer” According to Ko (2000), service has three dimensions. First, service as a performance, which needs thorough interaction between service provider and customer. Second, physical resources and the environment play an important role in facilitating service delivery and consumption. Third, the service provides customer requirements. Zeithaml et al (1990) suggest that services are intangible as it cannot be seen, touched, or stored. With the development

of information technology and the internet, many public services have been transformed into services (ibid).

e-Service

e-Service and e-Government are terms that interdepend on each other. e-Service is the provision of service through the internet or electronic media, while e-Government is known as the delivery of government information and services online through the internet or other digital services. According to Dwivedi (2009), e-Government is targeted to deliver government services in the form of more accessible and responsive, adapted to the needs of the citizens. Abraham and Means (2001) suggest that e-Government is an electronic interaction (transaction and information exchange) between the government, the public (citizens and businesses), and employees. Therefore, e-Service delivery through an e-government approach may improve customer satisfaction.

Customer Service and Satisfaction

The impact of a negative experience with a public agency is more pronounced than the effect of a positive one. According to the research study by Kampen et al. (2006), the impact of a negative experience with a public agency is much more prominent than the effect of a positive one, which was derived by the empirical analysis. Arguably the most significant citizen-focused technology of the e-government era was customer relationship management (King & Cotterill 2007). Saha et al. (2010) argue that customer satisfaction can be used as a measure of the quality of service and success of the government project.

Re-Engineering of Public Services

Since the 1990s, organizations have paid special attention to “processes” (Albadvi et al. 2008), (Valiris & Glykas 2004). Various tools and techniques have been used to improve organizational processes since the 1990s (Chan & Spedding 2003). Business process re-engineering (BPR) is one such tool widely used in industry. It is a popular management approach, which enables organizations to handle rapid business and technological changes. BRP can be used to transform organizations radically to improve their business processes (Salimifard et al. 2010).

Hammer and Champy (1993) defined BPR as a fundamental redesign of organizational processes to create radical improvement in the quality of service and reduced cost. With the help of Information Technology (IT), BPR provides the opportunity to re-engineer the process, reduce radically the number of activities to carry out a process, and find new ways of doing things (Hammer 1990; Hammer & Champy, 1993).

However, Hall and Rosenthal (1993) claimed that 50 to 70 percent of business process reengineering (BPR) initiatives fail to deliver the expected results. Results of a study by McAdam and Donaghy (1999) show that many of the key CSFs identified for BPR in the private sector are equally relevant to the success of BPR in the public domain. In a different research study, Mcadam and Mitchell (1998) argue that it is unacceptable to apply those methods and methodologies developed within the private sector without considerable modification.

Hutton (1996) has highlighted the fact that sudden changes in policy in the public sector can take place which could have implications for BPR. Various researchers have conducted studies to identify critical success factors (CSF) decided on its success level of the BPR project. Hence the next section brings a literature review of CSF for the period of 1995 – 2011.

Critical Success Factors of BPR Projects

Various studies have been highlighted by Critical Success Factors (CSF) of BPR projects in the past 3 decades. Ascari, et al. (1995) has identified organization culture, processes, organizational structure, and technology as key factors that drive successful BPR projects. In a different study, Al-Mashari & Zairi (1999) recognized change management as one of the key factors while, management competency and support, organizational structure, project planning and management, and information technology infrastructure as other success factors.

As listed by Hutton (1996), several factors are to be considered in the public sector to implement radical change or BPR. These include rigid hierarchies, culture, multiple stakeholders, swift and dramatic changes in policy direction, the overlap of initiatives, wide scope of activities, and

staff resistance, which are crucial parts of public sector organizations. However, he argues that human issues should be mainly considered for BPR to be performed in the public sector. This is supported by Smith (2003) who stresses that communication at all levels becomes one of the critical elements here.

Understanding the organizational and needs is essential in BPR processes. According to Berrington and Oblich (1995), an organization needs to understand its structure first and to ensure the vision was accomplished to implement the re-engineering of business processes. Smith (2003) highlighted that BPR aims to achieve performance breakthroughs by applying innovative ways of doing business.

Maull, et al. (1995) suggest that the scope of change, performance measures, information technology, human factors, and business process architecture as key CSF of BPR, while O'Neill and Sohal (1998) argue that strategic alignment, senior management commitment, bottom-up redesign are most important as CSF of the BPR process. In another research study, Jamali, et al. (2011) summarize that “top management commitment”, “IT infrastructure”, “training”, and “adequate financial resources” are of critical importance in implementing BPR projects successfully.

Egalitarian leadership, collaborative work environment, top management commitment, supportive management, and the use of information technology are identified as key success factors by Ariyachandra and Frolick (2008) and Trkman (2010), Egalitarian leadership is frequently considered as the most important critical success factor in the BPR process as it will facilitate positive communication, equal distribution of knowledge and information among employees during the radical redesign of the BPR process. (Iqbal, et al. 2015).

Table 1
Literature of Critical Success Factors identified in BPR projects

Dimension	Critical Success Factors (CSF)	Studies
01. Policy Dimension	Policy changes	Hutton, 1996

Dimension	Critical Success Factors (CSF)	Studies
02. Process Dimension	Correct processes to be re-engineered	Ascari, et al. 1995
	Innovative ways of doing business	Smith, 2003
03. Technology Dimension	ICT infrastructure	Ariyachandra & Frolick, 2008 Trkman, 2010 Jamali, et al. 2011 Mauull, et al. 1995 Ascari, et al. 1995
04. Financial Dimension	Adequate financial resources	Jamali, et al. 2011
05. Human Dimension	Egalitarian Leadership	Ariyachandra & Frolick, 2008 Trkman, 2010
	Top management support/commitment and understanding of BPR	Jamali, et al. 2011 McAdam & Donaghy, 1999 Al-Mashari & Zairi, 1999
	Trained BPR Team	McAdam & Donaghy, 1999
	Commitment and understanding of BPR	McAdam & Donaghy, 1999
	Collaborative work environment	Ariyachandra & Frolick, 2008 Trkman, 2010
	Preparedness for organizational change	Ariyachandra & Frolick, 2008 Tarokh, et al. 2008
	Capacity building/Training	Jamali, et al. 2011
	Enlisting customers	McAdam & Donaghy, 1999

Dimension	Critical Success Factors (CSF)	Studies
	Understanding organizational hierarchy/structure	Ascari, et al. 1995 Berrington & Oblich, 1995
	Change management/Manage staff resistance	Hutton, 1996 Al-Mashari & Zairi, 1999
	Communication	Smith, 2003 Iqbal, et al. 2015

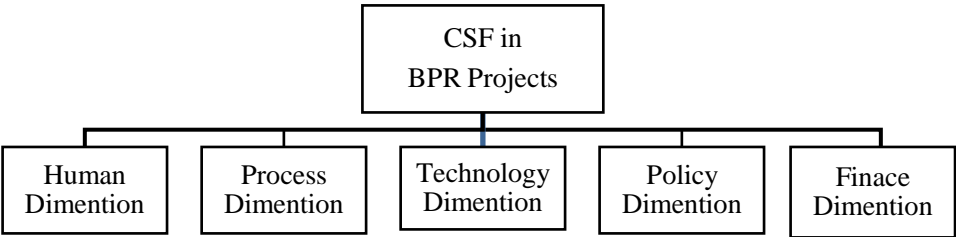
Table 1 illustrates the CSF identified by various research studies from 1995 through 2011 and subsequently authours categorized the suggested CSF into 5 main dimensions: Policy, Process, Human, Technological, and Financial (Table 1). Most CSFs are found in the human dimension, which clearly shows that the interaction of the human is the most critical dimension in the BPR.

McAdam & Donaghy (1999) suggest critical successes as follow: top management support, commitment, and understanding of BPR; communication; empowerment; alleviation of downsizing fears; preparedness for organizational change; choosing the ere-engineering team; enlisting customer and stakeholder support. They have pointed out that the most important factor for the successful implementation of BPR in public sector organizations was enlisting customers. They highlight the need for the preparation of their employees for change, in particular the radical change that is associated with a BPR exercise. Preparation for change involves a major human resource management effort (McAdam & Donaghy 1999).

It is suggested that, before executing BPR projects, it is necessary every organization have an exact plan for accepting change, initially for managers, and later for the staff, and then BPR projects are executed. (Tarokh, et al. 2008).

Figure 2

Dimensions of critical success factors of BPR projects



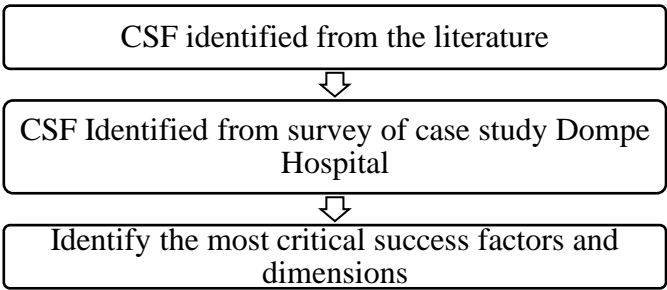
Source: Developed by Authors (2021)

Methodology

Action research is an iterative approach commonly used for improving conditions and practices involved in a range of e-governance environments was used as the research method of the study. A survey was conducted to validate the CSF that was identified during the literature survey. Non-probabilistic expert sampling was used to select population elements among the government and non-governmental entities. All the respondents participated in an active role in the hospital BPR project. Secretary to the provincial health ministry, regional director of health, director of the Dompe hospital, doctors who were involved in the BPR process, Director, Re-Engineering Government of Information and Communication Technology Agency (ICTA), hospital committee, and volunteers were among the respondents. The objective of the survey was to find out the applicability of CSF derived literature with the Dompe BPR project. Therefore, each factor was given a weighting factor to see the level of relevance of such factors in this project. Data collected through the survey was analyzed by using Microsoft Excel based on the identified CSF.

Figure 3

Data Collection

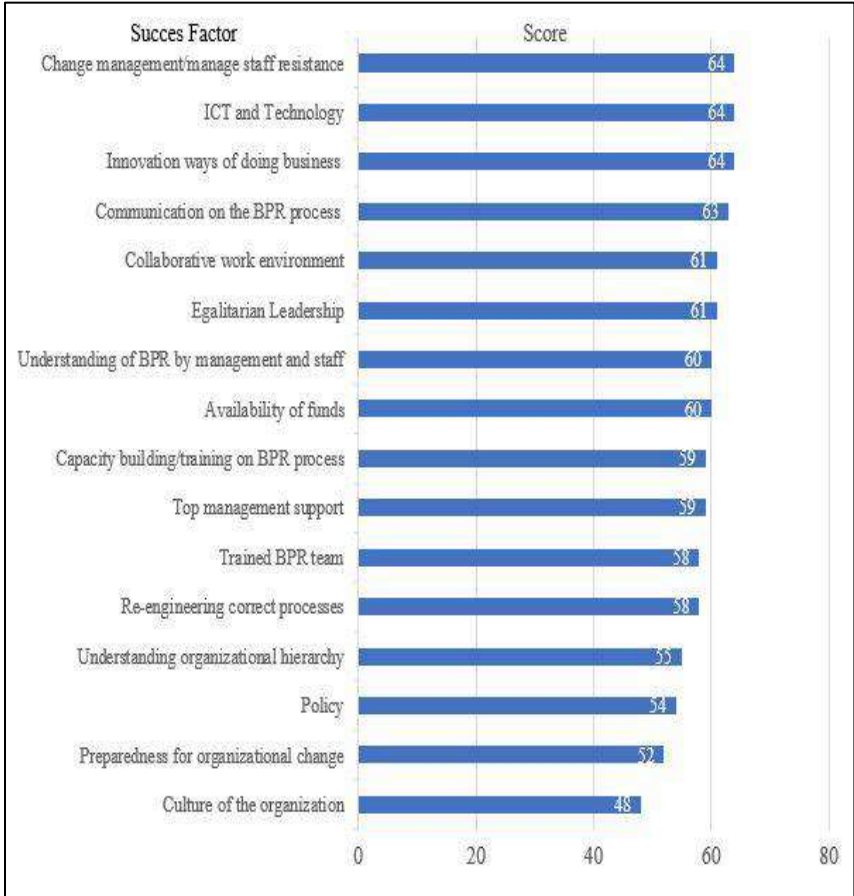


Data Analysis and Results

The survey was conducted to collect data for the study. The questionnaire was designed based on the factors identified in the literature survey. Questions were designed and investigated key success factors in five thematic areas: 01.) Policy, 02.) Process, 03.) Human, 04.) Technological, and 05.) Financial. Relevancy and importance of the CSF under each thematic area was measured by giving score from 1 to 5, where 1 as lowest and 5 as the highest. The ranking of the identified success factors scores in the Dompe hospital BPR project is depicted in figure 4.

Figure 4

Ranking of the identified critical success factors scores of the BPR project

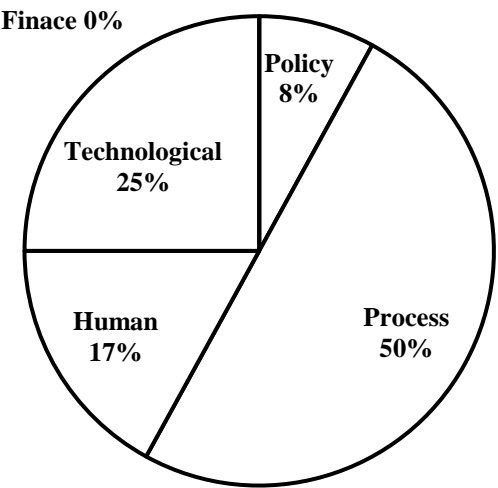


Source: Survey Data (2021)

Responses were also analyzed on percentage basis to determine the highest influential dimension to make the BPR project successful and it was found that process dimension is the most influential dimension (Refer Figure 5).

Figure 5

The highest influential dimension in the BPR project



Source: Survey Data (2021)

The results indicate that some factors are highly influential to the success of the BPR project, while some are less influential. The ranking of the identified success factors scores in the Dompe hospital BPR project (Refer Figure 4) illustrates the level of influence of critical factors to make the BPR project a success. Change management and use of technology top the list with highest score acquired in the survey while innovative ways of doing business, communication on the BPR process and collaborative work environment are the 3 other success factors respectively listed. It is envisaged that change management and technology has comparatively received highest score compared to others as these factors play major role in BPR project. Participatory approach together with transferring ownership would be the strategy in managing changes. By nature, people are reluctant to response for drastic change even though impact of such change is beneficial. The reason is employees and end users are preferred with conventional practices they have followed for years. On the other hand, they are preferred to be in comfort zone than taking extra miles to solve a problem.

Mean time technology and innovation are also equally important in a such project as all kinds of automation and digitalization are facilitated by the technological aspects. Innovative ways of doing business is a factor that relates to the innovation and thinking of out of the box. BPR is a process that sometimes makes radical change. As such, innovative ways and thinking out of the box would achieve new dimensions.

Even though the successful factors identified in the literature survey (Table 1: Literature of CSF identified in BPR projects) are individually extracted from the literature, these 16 factors have been categorized in to five key areas such as policy, people, process, technology and finance. The results are therefore discussed in relation to these dimensions.

National policies are significantly supporting the implementing and operationalizing any project. In this survey, it was revealed that the policy dimension has not been given significant weightage by the responders. Even though policies play an important role, users and beneficiaries may have prioritized these aspects less than other factors. E-government policy published in 2008 and medical health information initiatives introduced by the Ministry of Health were very useful in implementing this project successfully. However, the authors of this research recognized policies as one of the key success factors in successful BPR projects.

The human dimension also plays a key role in making a BPR project successful. In this research 12 factors were identified within the human dimension, out of which, change management, collaborative work environment, communication, and leadership have been identified as key factors with the highest scores. The change management aspect has been recognized as a key factor since the beginning of the project. As a result, a series of continuous awareness and training was delivered during the project implementation period, to introduce the new processes and changes. In addition to the changes introduced to the physical environment (Figure 6: changes introduced to the physical environment), certain process-oriented changes were introduced: patient registration, retrieval, and updating the patient database, prescription, and drug management. Ownership transfer of the BPR is a strategy used in this project to obtain internal support and to minimize staff resistance.

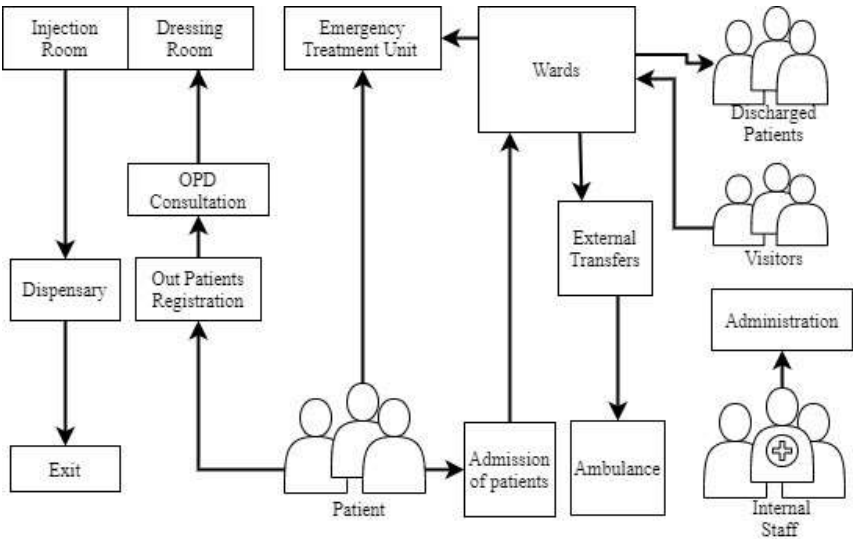
Communication of the new processes among staff is also aligned with the change management; proper communication will lead to minimizing confusion. Egalitarian leadership, understanding BPR by the management, and support from top management were a few other top management and leadership related aspects in the human dimension, which were significantly assisted to make the project successful. Policy guidance from top-level government officials such as the Secretary to the Health Ministry of Western Provincial Council as well as operational support from the Director of the Dompe hospital was equally recognized in this project. Several team building and leadership training workshops were conducted among the operational staff to adapt to the new process. The culture of an organization does not play a significant role in BPR projects, according to the responses.

The process dimension is the next most important aspect for the success of the BPR project. If correct processes are not re-engineered, the expected outcome and efficiencies will not be able to be achieved. Even though the re-engineering of correct processes obtained lower marks during the survey, responders were asked to nominate the most important and critical dimension out of the five areas considered. Almost 50% of the respondents answered that the “process dimension” as the most important and critical factor in considering a BPR project. Even though all other dimensions exist, if the correct processes are not re-engineered, the outcome of the project will not be achieved. Use of ICT and novel technology can increase the efficiency of a given process; therefore, correct processes need to be re-engineered to obtain effectiveness. Therefore, processes are more interrelated with effectiveness while technology relates with efficiency.

Technology covers most of the software, hardware, and communication components. It is true that technology also can play a significant role in BPR projects as it will improve efficiencies. Technology can provide data digitalization, virtual storage, retrievals, decision support, and transmission of data. Therefore, technology has a supporting role in BPR project.

The financial dimension is very straightforward as it will provide all the project inputs such as human resources, technology, and machinery, etc. Financial factor is therefore a generic need of any project; the argument is also valid for the BPR projects. Even though financial component is essential in BPR, it will not play critical role in making success of such project.

Figure 6
Changes Introduced to the Physical Environment.



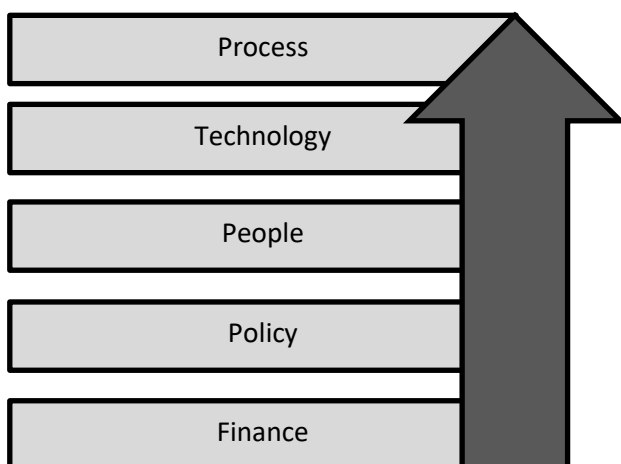
Source: Developed by Authors (2021)

Conclusion and Policy Implications

Dompe e-hospital project is the first e-hospital BPR project implemented in Sri Lanka, which made considerable success achieving its objectives. This paper has identified key success factors of the successful BPR projects implemented throughout the world and identified 5 key dimensions: process, people, policy, technology and finance.

Figure 7

Framework of the key success dimensions of BPR projects



Source: Developed by Authors (2021)

Dompe e-hospital pilot project implemented in 2014 was examined using lens of 5 key dimensions and 16 factors. The results confirmed that, the 16 factors identified in literature survey was conformed in relation to e-hospital project in Dompe. From the Dompe hospital experience, the survey results derived that, process dimension is the most important dimension compared 4 others. The outcome of any BPR project is not successful if correct processes are not re-engineered. In such a situation those projects can be called automation projects and not as a BPR projects.

Technology is also an essential make to improve processes from the efficiency point of view. Another outcome of this study is the people dimension; managing people for change, participatory approach and ownership transfer is important in considering the people dimension.

Based on the outcome of Dompe e-hospital project and domain knowledge of the researches, dimensions deemed most important for successful BPR in public sector organization are ordered as its criticalness: 01.) Process, 02.) Technology 03.) People, 04.) Policy, and 05.) Finance. It could be concluded that, relatively, process dimension is the most critical while finance as least critical dimension in succeeding BPR project

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Public Service Delivery in Local Governments of Sri Lanka: Problems and Prospects

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Abstract

The role of Local Governments is to provide the most essential services for its citizens in making their life easier. Local Governments of Sri Lanka perform various activities including regulatory and administrative functions, promoting public health and providing physical structure to enhance comfort, convenience, and well-being of the community. However, many Local Governments of Sri Lanka face several problems in service delivery and hence, are subjected to criticisms. The main purpose of this study is to identify problems and difficulties in service delivery, examine key factors affecting the effective service delivery, and suggest policy measures for improving the effectiveness of public service delivery in Local Governments of Sri Lanka. The study is based on qualitative research methods. Out of 48 Local Governments in the Western province, 12 Local Governments were selected, representing each level of Local Governments based on the purposive sampling method. 48 officials including the Secretary, the Accountant, an Administrative Officer, a Management Assistant, and two political representatives from each Local Government were interviewed. Descriptive methods were used to analyze the data. Lack of resources, unnecessary political interference, outdated laws and regulations, and human resource management issues-particularly in recruitments, and promotions and training and development and also ineffective procurement process are the main problems of Local Governments. Employees' commitment, managerial innovations, leadership skills, applications of Information Communication Technology in service delivery, obtaining people's participation, and performance evaluation were the key factors affecting the effective public service delivery in Local Governments. Policy measures are suggested to address the issues and difficulties and also to improve effective public service delivery in Sri Lanka.

Keywords: *Effective public service delivery, Local Government, Sri Lanka.*

Introduction

The main role of Local Governments (LGs) of any country is to provide the most essential services for the citizens, making their day to day lives easier. The LGs in Sri Lanka have a long and strong history. After the establishment of the Local Government by the British, it has evolved gradually. Sri Lanka has three levels of LGs, namely, national, provincial, and local which is the third and the lowest layer of the government. Local Government authorities have a significant role to play in fulfilling citizens' needs. However, a recent preliminary investigation indicated several problems and criticisms related to several LGs in Sri Lanka.

The existing Local Government is an area that is ailing due to systemic failures, and also the role and purpose of local institutes are neglected in the Sri Lankan context (Gunasekera, 2012). One of the major failures of LGs can be highlighted in the field of waste management which is a wider threat to Sri Lanka.

Nathaniel (2019) emphasized that even though local authorities are responsible to provide comfort and convenient services, local institutes do not play a key role in achieving their objectives, even though provisions are available to initiate development activities. There are more functions which can be handled by the Local Government but are not assigned by either the law or an act (Samarakoon, 2012).

Due to the complexity of the ethnic composition of the northern and eastern provinces, the segmentation of different communities, language differences, and the location of the administrative machinery has resulted in widespread ineffective service delivery and political conflicts (Amarasiri, 2009). Most of the population in the north and east areas are Tamil and Muslim, who are experiencing difficulties in accessing public services as most of the public officials are not qualified with language skills.

Even though Disaster Risk Reduction (DRR) is not under the purview of Local Government services, councils tend to avoid the responsibility of initiating DRR assuming that it will be dealt with by other organizations

(Malalgoda, Amaratunga, & Haigh, 2016). However, the Local Governments do not effectively perform their given functions. There are certain deficiencies in human resources because Local Governments are seriously resource-deficient in terms of skills, competencies, and manpower. Eventually, Sri Lanka has no adequate and qualified town planners and development officers in the Local Government (Kusumsiri, Alam, & Siddiqui, 2010).

The Sri Lanka Institute of Local Governance (SLILG) (2014) indicated that there is a noticeable amount of deficit in the financial performance of Local Governments in Sri Lanka for the year 2014. Most expenses occurred in the Local Governments for administration and establishment, human resource development, and consultancy services. The reports note that funds received from the central government to Local Governments are not at all healthy as it largely depends on political contact and patronage. This can be a crucial and controversial issue in the north and the east which may be a risk for investment efforts. Notably, the deficit in financial performance may be caused due to poor management, which is a major failure of local authorities, where the general public has lost their concern and trust. As evidence for that, past local authorities had a system to strengthen the lives of people from before birth to beyond death, but unfortunately, after 70 years of existence, the local authorities have been reduced literally to nothing in the eyes of the public, and main reasons for that are the weak management of enacted laws and poor allocation of funds (Gunasekera, 2012).

Considering the above discussion, there is evidence that several problems, difficulties, and failures are prevalent in-service delivery in Local Governments of Sri Lanka.

Even though, several researches are available in the field of service delivery in Local Governments in Sri Lanka, these researches have been conducted several years ago based on secondary data, and other studies were limited to one or two local institutes. Pradeep (2011), Yusoff and Ismail (2017), and Abeywardana (1997) have done several studies concerning the effective delivery of public service in Local Governments. Thus, this study will be based on 12 LGs with primary data.

This research tries to answer two main questions as; (i) What are the prevailing problems and difficulties faced by the LGs in service delivery, and (ii) What are the major factors affecting effective public service delivery in Local Governments of Sri Lanka. By answering the above questions, this study tries to answer the following research objectives;

- i) To identify the problems and difficulties faced by LGs in public service delivery.
- ii) To examine the major factors affecting effective public service delivery in Local Governments of Sri Lanka.
- iii) To provide suggestions to overcome challenges and difficulties and policy measures for improving the effectiveness of public service delivery in Local Governments of Sri Lanka.

Literature Review

The literature review overviews the Local Government system in Sri Lanka, empirical researches on effective service delivery and factors affecting service delivery at global level and local level.

Local Government System of Sri Lanka

Local Government is defined as “the authority to examine and execute measures within a restricted area smaller than the whole state” (Dainis, 2008, pp. 119). Local institutes expect to deal with problems relating to the day-to-day life of people in their localities. The LG system in Sri Lanka draws from a healthy tradition coming from ancient times. A system of Gam Sabha or Village Council seems to have existed before the advent of colonial powers in the 16th century (Leitan, 2006). Hence, Bandara (2016) noted that Sri Lanka had an excellent village administration called Gam Sabha right from the era of King Pandukabhaya in the fourth century until the origin of the Western colonial powers.

The beginning of LGs in Sri Lanka dates back to more than two millennia when King Pandukabhaya planned the city of Anuradhapura and established the position of Mayor (Fonseka, 2008). Thus, ancient Sri Lanka had a village-based administration, and those villages were independently ruled under the Sinhalese kings during the 4th century. In

that period, local affairs, grievances of the community and other minor disputes were administrated through Gam Sabhas.

LGs in that era had a centralized administration that was strong, hierarchically organized and were headed under the government agents who were appointed to each province (Leitan, 2006). In the pre-independence, LGs adopted a unitary administrative and judicial system that reduced autocratic powers of officials including the governor, executives and unofficial members (Britannica, 2019). However, the inadequacy of powers and finance was the main deficiency that was practiced by the marginalized institutes of government including LGs (Leitan, 2006).

In the years after independence Sri Lanka observed greater coordination among LGs which were away from the colonial administration while public utility services, agriculture and food production activities were accepted functions in the LGs (Leitan, 2006). Moreover, in 1968, mounted communal tension that took place in Sri Lanka that was threatening to decentralization could have strengthened LG history.

Today's context of LG is the result of various changes by several ruling parties from time to time. The Sri Lankan LG system already has recognized similar functions as before, namely, public health, roads, thoroughfares, and public utility service. Hence, apart from the traditional functions, the Pradeshiya Sabha Act has authorized to undertake community development projects, promote rural women development activities, organize employment programs, construct various infrastructures, improve village works, engage in integrated development schemes of specific villages etc. (Leitan, 2006).

Functions of these three councils are assigned through by-laws and mainly raise revenue, incur expenditure and issue licenses which are essential functions done by the third tier of local level (Dainis, 2008). However, as usual, LG is hampered by the lack of financial powers, skills and capacity and excessive powers on the central government.

Effective Public Service Delivery

Effective public service delivery is a combination of frontline employee's performance, adaptability to individual customer needs, employee coordination and the control of the process (Lodorfos, 2015). New Public Management (NPM) has embraced many new theories such as Managerialism, Market-based governance and Entrepreneurism which widely emphasized the validity of effective public service delivery (Khalil, 2012). Innovation is another kind of reform which is used as a strategy to improve the productivity of service; thus, public sector innovation basically enables to improve the performance of Local Governments.

Empirical research on service delivery of LGs

The services at local level are derived from the Municipal and Urban ordinance and Pradeshiya Sabha Act such as, public health, public utility services, thoroughfares and generally the protection and promotion of comfort, convenience and welfare of people and amenities of its area with the charge of regulation, control and administration (Mendis, 2008).

Simply, service delivery is a set of institutional arrangements that are adopted by the government to provide public goods and services to its citizens, and it critically influences the performance of public service delivery (UNDP, 1999).

In Nigeria, ineffective local institutes are generated because lack of mission, insufficient structural changes, quality of staff and lack of funding and eventually these issues influenced the quality of services (Majekodunmi, 2012). Similarly, a few shortages regarding service delivery in the Nigerian public sector are insufficient qualified personnel and finance, inaccessibility to communities, political instability, and a high degree of leadership turn-over (Adeyemo, 2005).

A survey conducted by Gupta (2017) expressed that emerging issues in the Indian context that are a threat to Local Governments are: low funds, low technology, administrative incompetence, no expert/ professional guidance, corruptions, low people participation and awareness about the importance etc. Khalil (2012) also argued that to have an efficient and

effective service delivery in the public sector, funding, managerial accountability, and leadership quality should integrate together.

In Uganda and Tanzania, the lower levels of governments are lacking the capacity to manage public finance and maintain proper accounting procedures (Ahmad, 2005). The major problem faced by Nigeria is inadequate finance in local level responsibilities and because of incapacity to generate funds from local and insufficient transfer from the central level, if an adequate level of finance is less, it greatly affects the performance of the Local Government (Enemuo, 1999).

China commits to enhance their fiscal capacity in LG through raising funds in various illegal sources, for an example, local authorities collect unauthorized fees from poor regions which have become a more serious issue in the rural sector (Liu, Song, & Tao, 2006). Similarly, in the Philippines, corruption is almost always present in many Local Governments, politicians get cuts through the big projects and earn much from illegal activities like drugs, quarrying, narcotics, land grabbing and illegal mining (Reyes, 2017).

Also, local level staff members are not recruited based on knowledge and experience. Majekodunmi (2012) argued that local level functions are practiced with a lack of qualified staff because Nigerian employment of Local Governments is highly based on political interference, favoritism, nepotism and ethnic status. Since personnel management is a vital fact in effective service delivery, when it is in an awful manner the whole process of services collapses. According to the author, the problems in personnel management which have irregular payment of salaries, political biases and poor physical working conditions and all those problems negatively affect in the Local Government service delivery.

Generally, the involvement of the general public has been identified as a useful strategy in increasing the satisfaction of the public service. Therefore, the quality and effectiveness of public service delivery depend on regular citizens' feedback with their satisfaction. Fiszbein, Ringold and Rogers (2010) stated that the main dimensions of service delivery as overall satisfaction with government performance, utilization, redress with

service delivery, and quality services are responsive to the needs and preferences of clients, perceptions of service quality and grievance redress mechanisms when emerging the dissatisfaction of employees and so forth.

Many developing countries including Thailand have a poor management system and lack of capacity of providing quality service by its public sector and in addition, the general public is dissatisfied with the service because public officials get weak incentives to make quality service (Suphattanakul, 2014). The government should develop their public participation in order to empower the grass-root level and effectiveness of service delivery in Local Government, and Suphattanakul (2014) has revealed that even though Thailand has attempted customer-oriented reforms, still the Thailand bureaucracy has a lack of public participation in decision-making and poor service delivery.

Also, the agenda for sustainable development in Asian and Pacific cities which was developed by Tjandradewi (2016) noted that most critical factors in empowering local institutes in best-practicing countries are: decentralized from the national government, good governance that entails active participation from various stakeholders and a clear roadmap of sustainable development goals of Local Government.

In the Nigerian context, the local level leadership is strengthened by the community participation which is more important to enhance the productivity of service delivery (Majekodunmi, 2012). Denmark has engaged similarly to enhance citizens' participation and it is established through the experimentation of E-governance practices which deliver information and administrative services and IT based panels provide independence to citizen's participation (Denmark, 2009).

Rathnayake (2018) noted that training and development programs conducted by the Colombo Municipal Council and other local institutes are not viable, and administrative bodies were reluctant to organize relevant training programs because of the high cost. Under the performance evaluation, there are no specific performance standards and performance measures, and no system to provide feedback which responds to the evaluation. Also, the promotion scheme has certain issues such as,

most of the promotions are based on seniority, no proper promotion policy and training and development programs are not subjected to promotions (Rathnayake, 2018). Most of the local authorities have emerging issues which exhaust the quality-of-service delivery. Performance appraisal is an important factor for improving organizational performance in service delivery. Eneanya (2018) noted that services should be provided regarding a suitable assessor for sustainable service delivery.

Benton (2000) also argued that the performance embraces the planning-oriented approach where accountability and transparency are given much importance in improving effectiveness and quality of service. Shah (2005) also noted that performance reporting mechanisms are existing in few governments such as USA and Canada which are encompassed with performance plans and the author has recommended designing a performance management system which leads to a better outcome and enhances the service quality while oriented to citizens.

Generally, public trust about the performance in service delivery by the government should be reliable and align with the preference of the general public; however, developing countries have lost this trust considerably (Shah, 2005). A similar situation can be seen in the Sri Lankan context that the public trust is lost in the government by their own mistakes. Most importantly, the main problem that hindered the proper service delivery and its performance is the attitudes of political and administrative bodies. The annual report of the Sri Lanka Institute of Local Governance (SLILG) further declared that there are many awkward things in service delivery which can be slowed or stopped by barriers such as resistant to change by employees, formal and informal political groups of employees, personal jealousies, group rivalries, as well as powerful people. Those factors which are related to the attitudes are highly influential to the insufficient service delivery in Local Government (Anuradhanayaka, 2014).

Mexico Local Governments have developed innovations in regulatory frameworks, structures and system of organization in advance (Martin, 2014). As an emerging area of interest in government, e-government is a good innovation which enhances the effectiveness in delivering public service that is vital for every kind of government (Kraemer & King, 2008).

Denmark is practicing E-governance as a new implementation and currently, nine out of ten homes have access to the internet approximately (Denmark, 2009). Thus, Denmark has an effective service delivery system because the required resources have been allocated in an effective manner.

According to a police report of the Asian Development Bank (2013), many Asian economies have adapted to a rights-based approach in implementing specific social services and necessities. This report highlighted two factors that have improved governance and public service provision in developing Asia as citizen participation and monitoring of service providers, and the use of Information and Communication Technology (ICT) to streamline bureaucratic processes which widen access to information and embolden the people's voice.

India has enacted some reforms called Bhoomi to use information technology for farmers, Agenda Task Force to change operations in several municipalities and development of women and children for providing credit, skills, confidence, and autonomy to women which substantially succeeded and improved the effective service delivery (Manor, 2004).

Krishnamohan (2016) stated that even the Sri Lankan Local Government has long been a well-established system; however, due to operational needs, Local Governments rely heavily on provincial and central government councils. Therefore, local authorities should depend on the availability of resources to improve planning skills, steering the network, strengthen the organizational structure and other development purposes (Krishnamohan, 2016).

The empowerment of officials and public participation will assist in reducing bribery and corruption as well as improve good governance. A former senior civil servant and a diplomat, Lionel Fernando argued that Sri Lanka needs a bottom-up development for mass benefits in service delivery, because the fundamental thing in local government is to be close to the public with providing excellent service by maximizing the level of satisfaction of people (FT, 2012).

To uplift the quality of public officials, countries are engaging in several training and development programs. Gunasekara (2012) noted that there should be sound training and development programs to improve the performance of officials in practice by not limiting to just participating in the event, as quality programs lead to increase the development of officials towards effective service delivery.

Thus, human resources are the most required element that can be controlled rather than other factors in an efficient manner and achieve organizational objectives visibly. Currently, the context of personnel management in the public sector has five main institutes including the Sri Lanka Institute of Development Administration (SLIDA) that helps to build the capacity of LG staff through the regular conducting of training programs (Fonseka, 2008).

As evident in Sri Lanka, a computerized system called e-governance which is funded by the World Bank was proposed to address poor service delivery in local authorities as a good innovation, but the project is not at a satisfactory level due to non-availability of both physical and human resources. Only 30 authorities across the 24 districts out of 341 local institutes have accelerated the project of E-governance and there should be a plan to expand the project in each institute to provide its benefits to the people (Profile, 2017/18).

Fonseka (2008) recommends several techniques to develop service delivery with the touch of a management information system (MIS). Those are Information Technology (IT), data-banking and retrieval methods, Geographical Information Systems (GIS), Environment Information Management Systems (EIMS) and local area networking which are the upward trending practices for various applications both at local and national level. Innovative subjects can meet both the aspirations of the public and provide fruitful services at the same time.

When a local authority is facing any problem or challenge, the head or fellow councilors have to dedicate themselves to serve the general public impartially by displaying their leadership qualities, abilities to motivate the staff and obtain the support and guidance of legislators. Thus, Fonseka

(2008) proposed significant ideas to open a path for the productive workforce at local institutes to service delivery, mainly by better team-building skills, motivated reward system and incentives, leadership qualities, conflict-resolution, and counseling.

Hence, inadequate resources for delivering an effective service is a recurring shortcoming in the Local Government of Sri Lanka caused by irrational utilization of limited resources, inadequate financial planning, weak revenue collection and inadequate counterpart funds to help absorb external funding (Dainis, 2008) and these causes have led to lack of orientation to development.

As per Kumarasamy and Jeevaratnam (2017) the reasons for the inefficiency in waste management of LGs are due to poor management, unskilled health personnel, disposal methods which are unsustainable, financial difficulties due to lower allocation for waste disposal from the budget and less special strategies which have been established at the local level. Even though the Central Environmental Authority enacted the regulations regarding waste management, it still remains as a problematic area.

Financial fluctuation is another considerable issue that Local Governments face. For instance, the local authority cannot afford to purchase a tractor or a backhoe or a sewerage bowser which costs millions of rupees even if the need is high and many of the councils have browsers which are more than 25 years old, therefore the councils run at risk by not being able to fulfill primary duties and still the government is not that eager or generous to allocate funds (Gunasekera, 2012)

Pradeshiya Sabhas also depend entirely on the funds allocated by the central government. For example, the Mullaitivu area does not have large business areas, as mostly poor residents live there. Under this situation, the local councils are not in a position to generate much revenue on its own. Due to this condition, those local councils are unable to meet the demand of local residents. On the other hand, Mullaitivu is rich in resources that are beyond the control of local institutes at present (Theiventhran, 2018).

According to Fonseka (2008) the major shortage of Local Government administration is the inadequacy of finance resources, specially, annual grant and other fiscal allocations are inadequate on the one hand and capacity and commitment of planning the resource generation and utilization are not enough on the other hand.

The current Local Government system has many weaknesses which are not rectified yet, such as lack of data management system, lack of public confidence in Local Government, lack of civil society participation, obsolete systems and inefficient resource and revenue management, lack of accountability and responsiveness in service delivery and lack of facilities, and a meaningful democratic representation is also important in order to maintain an effective service delivery mechanism (Hattotuwa, 2009).

According to Fonseka (2008) each Local Government needs to make, annual goals, regular reviews in each subject, transparent public complaints procedure, in-depth SWOT analysis, structural and systematic approach to personnel development, integrated service delivery system and participatory development strategies to ensure the service delivery effectiveness.

Research Methods

A qualitative approach was used to answer the research questions of factors affecting effective public service delivery and to identify the problems and difficulties faced in service delivery of the LGs of the Western Province of Sri Lanka. There are 341 third level Local Governments including 24 Municipal Councils, 41 Urban Councils, and 276 Pradeshiya Sabhas in Sri Lanka (Profile, 2017/18). The Western Province consists of 48 Local Governments including 07 Municipal Councils, 14 Urban Councils, and 27 Pradeshiya Sabhas. Twelve (12) LGs including Municipal, Urban, and Pradeshiya Sabhas in Colombo, Kalutara, and Gampaha Districts were selected for this study. From each Local Government, 4 officers and 2 political representatives were selected through the purposive sampling method. In-depth interviews were conducted to collect the required data and a descriptive analysis method was used to analyze the data.

Results and Discussion

This section identifies the main problems and factors affecting the effective service delivery of the selected Local Governments in Sri Lanka

Problems and Difficulties faced by the LGs

Inadequacy of human resources, improper personnel recruitment, shortages of training and development are the main problems and difficulties faced by selected LGs which will be discussed in the proceeding section in detail.

Lack of Human Resources

The shortage of human resources is one of the main problems being faced by LGs in general. However, when compared to PSs and UCs, there is a majority of lower grade staff (clerks, office assistants, laborers, drivers, and sanitary workers) than executive grade staff (administrative level officers, engineers, development officers, and management officers). The job description of the staff of the lower grades is not specific and also a shortage of staff at managerial level is a common problem in those LGs. Even though there is a cadre provision for these positions, sufficient staff cadre vacancies have not been filled yet.

Also, there are several less qualified officers at executive-level such as Secretaries, Accountants, and Administrative Officers who have been appointed in recent recruitments, even though there are top-level employees who have experience of a minimum of 20 years. Even though, these employees have passed examinations of the Sri Lanka Administrative Service (SLAS) and Government Accountant (GA), most of them have less experience in working in the public sector.

Generally, the majority of women serve as Management Assistants, Development Officers, and Administrative Officers and most of them are new to the public service. At present, the service from retired employees and acting officers was obtained due to the absence of high-level staff. In particular, the position of technical officer vacancy has not been filled.

Thus, there is evidence of poor human resource management in LGs in Sri Lanka

Generally, LGs have failed to recognize the complex and changing community needs. Also, details of cadre positions have not been updated for a long time and the existing positions and their duty list have not yet been modified to cope with the needs of the community. The majority of Management Assistants and Development Officers are disappointed due to the bulk of duties which were not clarified and specified in the duty list. As a result of that, there is a higher rate of absenteeism that creates considerable delays in service delivery.

Research and information officers could investigate the needs of employees and design appropriate training programs accordingly. But there is no such position in LGs. For example, there is no provision to compensate workers for an accident.

At the service delivery, the LG needs to collaborate with other public sector organizations to serve the community in a better manner. However, the service delivery is not happening on time and efficient manner in many cases due to a lack of coordination with relevant authorities such as the Urban Development Authority, Central Environmental Authority, Sri Lanka Police, etc.

Fonseka (2008), Majekodunmi (2012), and Kusumsiri, Alam & Siddiqui (2010) have noted several issues of human resource management. Also, the inefficiency of local authorities is severely impacted by the scarcity of other resources, such as financial, physical resources, and time.

Inadequacy of Financial resources

Estimated budgets are often inadequate to meet the desired goals and objectives of LGs. There are no additional allocations compared to the previous budget and the existing items are not regulated and updated correctly to match current requirements as all expenditures are usually pre-planned. Even though the Western Province is the richest province in Sri Lanka, it does not generate sufficient tax revenue. Due to the lack of

speediness in policy making and implementation, LGs have lost their actual income. The Appraisal Department has failed to evaluate the existing properties that prevent the generating of additional revenue.

However, officials of LGs blame and criticize the Central Government due to the insufficient financial grants, and the LGs have not generated additional revenue by considering new sources (Eg: taxes from residents for waste, increase existing rates to cope with today's value, increase the number of customers). Thus, the major issue of LGs is the inability to cope with rising expenses from declining income day by day.

Waste management is one of the main functions of LGs, but they face many financial difficulties as they do not have their own land, thus, the LGs have to pay a higher rate for waste disposal. Many LGs are subject to criticism due to the misuse of financial resources. Kumarasamy & Jeevaratnam (2017), Gunasekara (2012), Kraemer and King (2008), and Dainis (2008) have highlighted the same difficulties.

Inadequacy of Physical resources

Some LGs suffer from a lack of physical resources such as limited office spaces, lack of computing facilities, lack of vehicles, etc. that lead to inefficiencies in service delivery. For example, the lack of vehicles and machinery is a hallmark of LGs for some essential services, such as waste management, health services, and other administrative activities. The Western Province generates the largest quantity of waste but there is no place to dispose of its garbage. On the other hand, people around landfill sites frequently protest against LGs. Khalil (2012), Country profile (2017), Ahmad (2005), Enemuo (1999), and Dainis (2008) revealed the same difficulties in the service delivery in LGs.

Improper employee recruitments

In a Local Government, there are two ways of recruiting employees such as institutional and non-institutional recruitment. Non-institutional recruitments are done by the public service commission and the provincial public service commission according to a given circular. Institutional appointments are given after an interview without merely considering educational qualifications.

However, the political interference on appointments is evident at a large scale even if the vacancies are published. Mostly, political appointments are given to health workers, but after a few days of appointment, those sanitary workers work as office assistants. Majekodunmi (2012) revealed similar findings related to the problem of recruitment.

Ineffective promotion schemes

The LGs provide promotions based on government-approved examinations and seniority, based on experiences of administrative level employees. Institutional appointments are promoted as extracted in the establishment code. To get a promotion, laborers, office assistants and health workers have to wait for 10 years. But those employees do not have sufficient knowledge about their job description and their promotion process. Thus, Grade 111 employees retire in the same grade without any promotion. Also, employees who have been recruited to the labor service are employed in other kinds of jobs like driving and office assistants who are not entitled to the privileges of other positions.

Generally, employees are frustrated with the promotion scheme of the Local Government because all the officer level promotions are granted by the public service commission or the provincial public service commission with several examinations. Therefore, employees who perform well will have to wait a long time and if they are unable to pass the exam, they have to remain in the same position until their retirement. Normally, the scope of exams does not cover the job description of employees; it is somewhat unfair for well-performing employees.

Ineffective procurement process

The procurement process is a series of stages to acquire goods or services. Generally, LGs have a long process to acquire the required goods and services. Hence, officials have to follow a complex and lengthy procedure to request and receive equipment from the procurement process.

Outdated laws and regulations

The Municipal and Urban Council Ordinance was developed in the British period, and still, the councils are running under these ordinances. Some laws and regulations of the LGs are outdated and need to be revised. For example, Act number 61 in 1939 needs to be updated as the registration fee of the bicycle is still Rs.5.00. The amount of these charges is not sufficient, and LGs have to bear the extra burden at the implementation of these laws.

Unnecessary political interference

Although LGs have planned certain programs and projects, unnecessary political interventions have created a big conflict among officials and politicians which cannot be easily resolved. Hence, LGs have been unable to make plans according to the necessity of the community.

The decisions and plans could not be effective because of the political interference as politicians are seeking private benefits. Also, due to opposing views of politicians and administrative bodies the decisions cannot be reconciled. Thus, internal conflicts have become common phenomena and politicians force officials to undertake unnecessary projects.

Compared to previous years, the number of politicians has more than doubled and it causes several direct and indirect effects in all the LGs causing inefficiency in council activities. Hence, a higher percentage of political members than the staff that performs services have a huge impact on the inefficiency of the public service. Sometimes, politicians could not understand certain kinds of issues and sometimes they assign duties that are not realistic. Political intervention is very high at the institutional recruitments and contract basis recruitments of LGs in Sri Lanka.

Training and development

In most cases, training programs conducted by LGs are not effective. Even though the performance evaluation process needs to recognize the requirements of training programs for each employee, due to a lack of better performance appraisal programs, the identification of appropriate

training and development programs has not been successful. Gunasekara (2012), Fonseka (2008) also pointed out the necessity of training and development programs to enhance the quality of service.

Key factors affecting effective public service delivery

This study identified several factors affecting effective public service delivery of LGs namely, employee commitment, leadership skills, managerial innovations, usage of ICT, people's participation, and training and development. These are detailed as follows:

Proper Performance Evaluation System

Performance evaluation helps employees to accomplish both personal development and organizational goals. But, performance evaluation of LGs is based on performance sheets and attendance, whereas the effectiveness of duties and complaints of the general public are reviewed by heads of the departments, heads of the divisions, and municipal secretary and commissioner.

The measurements have not been used to predict efficiency in implementing significant evaluations. The government conducts annual performance and measure productivity through measurement competitions, but it is only for appearance. The evaluation criteria are based on similar specifications used in the previous year. Mainly, the results are reviewed as proper maintenance of the documents rather than assessing innovative activities, plans, employee commitment, etc.

Certain LGs are not aware about evaluations of performances, and they perceive it as a time-wasting activity. LGs measure the performance of employees only by attendance, arriving on time, and the number of leaves. Thus, LGs have no acceptable performance evaluation methods and indicators. Performance appraisals are not linked with appropriate measures such as training and development programs, reward systems, merit-based promotions and annual salary increments. Buchner (2007) noted the importance of performance evaluation to be effective in-service delivery.

Employee Commitment

Unnecessary political intervention is one of the main reasons for decreasing motivation to work and hence their commitment. Since 1992, a new regulation has been introduced regarding the transfer of employees between several units, such as accounting, legal, and health. As a result, employees are forced to work in positions that are not appropriate.

Some employees are not satisfied with their monthly wages. For example, health workers' rewards except for their salary and increments are based on circulars of the central government. Also, those workers are not given any insurance facilities other than the national (named as Agrahara) insurance benefits.

Managerial Innovations

As LGs face resource constraints and other difficulties, innovative solutions are essential to address people's complex problems. It seems however, that LGs are reluctant to introduce new (innovative) ideas for service delivery. Apart from traditional waste management practices, LGs have not introduced innovative programs in service delivery. Due to the lack of financial resources, LGs have not implemented sustainable projects for waste management such as generating electricity, and composting. The LGs have not taken sufficient measures to recycle the waste without disposing of them.

LGs plan and implement several projects to improve the comfort and convenience of the community but none of them have been successful as they are not concerned about new changes. There are several best practices from other countries such as the Japanese 5'S system, Kaizen technique which have not yet been adapted to standardize the working disciplines. Fonseka (2008), Martin (2014), and Slater (1997) highlighted the usage of innovation in service delivery.

Leadership Skills

The LGs lack effective leadership qualities and sometimes, the conflict between administrators and politicians is a common feature in Sri Lanka

as there is no good cooperation between both parties. Poor leadership is a critical factor that determines the effectiveness of service delivery.

Even though inadequate physical resources are indicated as one of the major constraints in LGs, in reality, the major problem is the lack of skills of the leaders. Even though the LGs make good plans, at the implementation it fails due to poor leadership who have lack of managerial skills to address challenges of the LGs. Samihah Khalil (2012), Malalgoda, Amaratunga & Haigh (2016), Pradeep (2011), Kassa (2015), and Wijesinghe (2004) pointed out the importance of leadership skills in service delivery.

Usage of ICT

LGs have the database of personnel information, and assessment tax information, but most of the LGs do not have computer-based databases. The websites of LGs are not updated, and the officials do not commit to improve and update their websites due to a lower level of internet users which is also one reason for their lack of interest. The main failure of usage of electronic devices is the lack of experience of the officials of LGs.

Most of the LGs have not enhanced their ICT to cope with new technological applications. E-local government has to be developed in all local authorities in Sri Lanka but there are certain irregularities in use due to the lack of knowledge of planners, users, and customers.

Waste management is the foremost service to the community. But almost all LGs have not utilized ICT to address this burning issue. LGs have no accounting packages to record their transactions accurately and most of the ICT projects are still at an experimental level. Still, LGs have not either hired an ICT officer or established the ICT department. However, some LGs use ICT for some projects, but at the implementation stage, those projects have not been started due to various reasons including financial inadequacy, issues of plans, policy-makers and formulators depend on earlier reviews rather than being practical and updated, political changes, etc. Fonseka (2008) also highlighted various aspects of the usage of ICT

to deliver quality service and noted that several techniques which are effective to follow in quality service delivery integrated with ICT.

People's Participation

Almost all LG's have not recognized the value of people's participation and most of the officials' perception is that public opinion is impractical. Some politicians have recognized the importance of community participation, but some officials' perception is that the community's ideas are not realistic in preparing the budget. Mustapha, Dharmadasa, Fernando and Hettiarachchi (2016), Kassa (2015), and Figuee, Eigeman & Hilterman (2008) also pointed out the importance of people's participation in grassroots activities

Recommendations

The following section provides recommendations to address the issues and improve the effectiveness of the service delivery of the LGs of Sri Lanka.

Recommendations to address problems in service delivery

Human Resource Management

Recruit, select, and promote candidates through transparent, open, and merit-based processes to guarantee fair and equal treatments. When institutional recruitment is being practiced, there should be a minimum level of corruption and fraud by politicians and officials. LGs could use an outsourced interview board to prevent favoritism. It needs a better performance evaluation method to identify relevant training requirements, promotions, and remunerations. LGs need to forecast the future needs of human resources to recruit the right person at the right time.

Proper utilization of Resources

LGs are required to get community participation in the process of decision making. All officials of LGs are required to understand the legal framework, and obtain adequate physical resources, perform teamwork, good leadership, and proper administration. LGs should utilize resources with the collaboration of other institutes such as the central government, provincial councils, central environment authority, waste management

authority, etc. Also, there should be a better plan and management of effective cash flow, internal and external audit system, result-oriented budgeting, and raising local funds through revenue collection and fund-raising.

Updated plans and Regulations

LGs need to update some laws and regulations to address complex problems, because some of the existing laws had been developed during the British era. Local Governments need to follow annual plans instead of depending on incremental budgeting which has no incentive to address various emerging issues of the people.

A minimum level of Political Interference

LGs are governed by political and administrative guidelines. Politicians are elected by the citizens to decide on public policies to render effective public service delivery while administrators are employed to implement those policies. The mechanism of LGs should be balanced without over intervening of politicians. Otherwise, administrators may conflict with maladministration, abuse of power, improper conduct, inexcusable delay, poor service delivery, and lack of commitment of staff due to over political influence.

Training and development

Effective training programs are needed to uplift the capabilities, attitudes, and behaviors of employees towards the working culture.

The management should increase the number of employees in the participation of training and development programs. Similarly, LGs should provide incentives to motivate employees to take part in training programs and employee information and their performances should be transferred to the responsible training and development authorities. By adapting to the training cycle of analyzing training needs, designing and developing training programs, delivery, and implementation of training programs, measuring and evaluating training outcomes will help to improve cadre provisions in an effective manner. Importantly, identifying

the needs of proper training programs to develop the necessary skills and competencies by creating a learning culture and environment is vital.

Recommendations for improving the effectiveness of the service delivery

Employee Commitment

To get the employee commitment, LGs need to implement effective motivational programs. Jayasinghe (2017) and Fonseka (2008) have noted the importance of employee commitment. LGs need to design a progressive career path because employees are not satisfied with the prevailing system. Also, LGs need to maintain a clear communication channel and the top-level employees should encourage team work to develop a strong collaborative network. Strategies are needed for improving employee engagement and restoring a better working climate.

Managerial Innovations

The ability of innovation is one way of improving the performance of any organization as it leads in transforming the knowledge and concepts into new products, processes, and systems. For example, waste minimization technologies and processes should be utilized to reduce costs and build proactive and innovative projects with the collaboration of the central government. Incentives have to be introduced for employees who initiate new ideas that increase the organizational performance. Hence, recruiting employees with creative skills is essential.

Effective Leadership

An effective leadership is necessary for restoring a better service delivery that would lead to organizational performance. Leaders must be competent with communication skills, directing employees, decision-making capabilities, delegation and empowerment, creations and innovations, and empathy. By enhancing the abilities to identify people's needs, action plans can be devised to attain the intended goals that will generate good leadership skills and leaders should encourage teamwork and delegate the job/responsibilities to the qualified team members. Leaders must be honest, forward-looking, intelligent, and fair-minded. The implementation of training programs both in-house and outside will help to foster the

acquisition of desired leadership skills and will build a better organizational environment.

Applications of ICT

Organizations including government bodies are increasingly recognizing the ease of accessing public services mainly through ICT that has proven to be one of the crucial drivers of efficiency in service delivery. The utilization of ICT will reduce workload and help to maintain accuracy and service reliability, and LGs should incorporate qualified resource persons to develop ICT based applications. LGs should establish the concept of “ICT to all” and upcoming ICT applications should involve a more transparent process and accountability.

Performance Evaluation System

A periodic performance appraisal system is required to measure the role of administrators while ensuring transparency. Most importantly, strengthening the quality of internal audit by enhancing competence, quality of work, career and development, and independence of staff could minimize the negative effects of political interference.

People's Participation

The LG, as the people's closest authority, is responsible for providing basic necessities of its community. Thus, LGs need to identify needs and problems, and proposals of the people by getting community involvement because without understanding their necessities, plans and decisions may not be effective.

The general public is not directly involved in decision making, but they indirectly inform their problems and suggestions through the members of the council. According to the existing regulations in Sri Lanka, there should be a participatory budgeting system.

Participatory budgeting should be created to correct social inequality and ensure transparency of the taxpayer's money. However, currently, most local authorities do not take public participation in the estimation of

budgets due to the public's ignorance of the budget, and the budget for the current year is estimated by making slight adjustments to the previous year's budget. Due to its easiness, officials and politicians do not tend to focus on performance budgetary techniques like program budgeting and zero-based budgeting.

Participatory budgeting helps to enhance transparency and accountability, and it reduces the level of corruption and irregularities, increases efficiency, gains and rational administration.

Establishing a transparent government information network, encouraging participatory budgeting and decision-making in other committees, and strengthening the power of village-level committees will also enhance the participation of people in the decision-making process.

Conclusion

Effective public service delivery is nothing more than satisfying the general public. Service delivery will be effective when the LGs fulfill both the requirements of customers and employees. If the employees are satisfied with the working environment, that will lead to customer satisfaction. Thus, the effectiveness of public service depends on the level of fulfillment of people's needs. Hence, the LGs need to be closer to the general public. Thus, effective public service delivery could be defined as satisfying the community with better utilization of resources (financial, physical, human resource, ICT, time) and providing quality service.

This study identified specific problems and significant factors affecting the effectiveness of the service delivery in LGs. Despite the criticism of the public services, LGs are providing essential services to the general public. To address the prevailing weaknesses of the LGs and also to enhance the efficiency and effectiveness of the service delivery of the LGs, adoption of managerial innovation, enhancing leadership skills, adoption of ICT in service delivery, proper training and development, getting peoples' participation, minimizing unnecessary political interference, and initiating proper performance evaluations systems are suggested.

As this study is limited to the selected LGs of the Western Province, findings of this study could not be generalized to the entire LGs of Sri Lanka. A further study with a larger sample could be undertaken to validate these findings.

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Political Culture and Public Policy Failures in S Lanka: A Study of Two Stages Gate Keepers

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Abstract

The main focus of the present paper has been to explore the relation between political culture and its impact on the policy outcome with special reference to Sri Lanka. The study argued though Easton's Conceptualization of Inputs and outputs analysis within the political system theory seems redundant, it could be helpful to understand why certain public policies did not deliver the stated policy goals or objectives, if the studies draw insights provided by the scholarship on the particularities of political cultures of different societies. The study helped to recognize two stages gate keeping within the public policy process in Sri Lanka, the first stage starts with the policy proposal developed by the higher-level political elite. Then it was the gate keepers in the public policy process that started mobilizing voters eyeing electoral victory. If it won the election and formed the government, the gate keeping functions continued to filter beneficiaries under public programme. In the case of poverty alleviation programme in Sri Lanka, due to particular political cultural characteristics, both beneficiaries and grass roots implementers tended to share certain syndromes in common resulting in political construction of beneficiaries barring the efficient and effective policy performance ultimately leading to policy failures. The study was based on data set the researcher collected in 2010 and 2017 together with new set of qualitative data collected in 2019. The study concluded the existence of two stages gate keeping eliminate principal agency problem causing policy failures producing unintended results.

Keywords: Beneficiary, Political Construction, Policy Failures, Political Culture

Introduction

This paper is on the link between public policy failures and political culture in Sri Lanka. It has attempted to study the gate keeping function within the public policy process of the country. The literature on public policy making revealed important roles played by the gate keeper of political systems. The idea of gate keepers in relation to public policy

formulation as developed by David Easton placed gate keepers in between the social demands and the government decision making process (Easton, 1953). It was through his conceptualization of inputs and output analysis. According to the conceptualization, inputs have been the demands made by society to allocate social values through the authoritative sub system of the society. Gate Keepers have been conceptualized as important forces capable of filtering issues/demands for governmental consideration (Leslie, 1972). The present study argues that, if drawn from the insights of scholarly works on the link between public policy failures and political culture in relation to Third World context like Sri Lanka, gate keeping within the public policy process does not cease at filtering demands of the society to the government decision making process but continues at the stage of policy implementation as deciders of beneficiaries of public policy. The crux of this article is that there exists two-stage gate keeping within Sri Lankan public policy process. The first stage is mobilizing voters in an around public policy programme in relation to poverty and social welfare with promise of future benefits for the party supporters. It seems that windows of policy making is open by electoral gain calculation by the political elite rather than responding to social demands to make or unmake public policies (Keeler, 1993). The second stage is gate keeping at policy implementation stage through constructing deserving and non-deserving beneficiaries which caused policy failures (Arapoglou, 2004). The conceptual foundation of the article is informed by knowledge on the gate keeping in relation to inputs and outputs analysis elaborated by the David Easton within system analysis. The author argues gate keeping in the public policy process in Sri Lanka takes different form and perform different functions. It proceeds as follows: Gate keepers in the country intervene into to the public policy process at the policy formulation stage as mobilizers of voters in support of the competing political elites within electoral politics as well as at the policy implementation stage by filtering beneficiaries of the public policy and their intervention causes public policy failures (Abeyrathne, 2005). As this study intended to examine the role of gate keepers in the public policy process and their impact on public policy, the paper is comprised of literature survey, clarification of objectives, methodology, and significance and limitations of the study. It has been followed by discussion on Sri Lankan political culture to clarify the conceptual construct of the study and analysis of data and conclusion.

Literature Survey on Public Policy Failures

The political analysis at present rarely relies on the system theory and it seems almost redundant within political science and public policy analysis (Agassi, 1960). Yet, it can be used to understand how demands were made by people, the possibility of those demands entering into the political agenda and political construction of beneficiaries via gate keepers. It was premised that such an effort would become fruitful if it was drawn from the insights provided by academics in relation to the political culture of different societies. The System Theory assumed political system as the dominant or authoritative subsystem of the general social system. The political system has been the subsystem capable of making authoritative value allocation for the entire society (Easton, 1965). Its decisions have been binding over the entire society. David Easton applied system theory to explain how public policies were made by the government through invention of the idea of inputs and outputs in a political system. According to the conceptualization of inputs and outputs, inputs of the political system have been demands made by society on its authoritative system to allocate social values. Outputs have been defined as responses of the government to those demands made upon it, i.e., public policies to resolve issues of society. David Easton had recognized the power relations of different layers of society and the role of gate keepers in filtering those demands into the political agenda of the government. Accordingly, almost all the demands made by society do not enter onto the agenda of the government. The gate keepers, such as pressure groups, media, political parties etc. that possess a certain amount of power decide what kind of demands are allowed to reach the political agenda of the government. According to him, there exists a group of agents who decide and facilitate those demands to enter into the agenda of the government consideration or the political priorities of the government. The scholarship on the policy making process had attempted to explain as to why some of those demands reached the stage of policy agenda of the government while others are not allowed (Crick, 1967). However, the above perspective alone provides insufficient explanation as to why some public policies have been unable to deliver stated outcomes or impacts in relation to intentions of the public policy. The scholars have recognized incidence of non-implementation of public policy though they reached the policy formulation stage of the

policy cycle as well as implementation failures though actions have been taken to implement public policy in its entirety (McConnell, 2015; Dialoke & Veronica, 2017).). For the purpose of the present study, policy non-implementation is defined as not taking initiatives to implement the decisions of the government while policy failures are defined as inability to deliver intended outcomes and impact of the public policy despites of making deliberate courses of action to implement the public policy as declared by the authorities in the political system. The literature on public policy failures has made passing remarks on the link between public policy and political culture of different societies (Moore, 1977). The scholarship that concentrates on the issues related to policy making offered explanations like inability to grasp public policy problem in its entirety (Abeyrathne, 2005), programming to fail due to power politics (Heclo, et.al., 1978), demands for favorable treatments in cultural situations (Riggs, 1964:15), utility of the policy to gain power, human beings' rational, egoist and profit maximizing nature (Pierson, 2002:65, Downs,1957), the vagueness of policy,(Appleby, 1949). Politicization of bureaucracy (Wijeweera, 1989,) bureaucratization of politics, (Peters, 2004:30), elite capture effects of the public policy (Uphoff & Esman, 1984) and beneficiary implementor syndrome (Abeyrathne, 2013) etc. Further, other scholars have noted politics does not clearly demarcate boundaries for politicians and implementers of public policy as assumed by the pioneers of public administration. For instance, Woodrow Wilson thought there exists a dichotomy between politics and administration. The function proper for politicians is the public policy making while taking detailed decisions to implement public policy is left for public administrators who were thought of being politically neutral and normatively believed as a group of personnel that would behave like technocrats. Yet, later scholars have questioned the validity of the assumption as it was revealed policy making continued because the implementers of the public policy changed public policy content substantively in implementing them (Lowi, 1967). Those reveals led to problematize the entire assumption of Eastonian conceptualization public policy making process and the role of gate keepers in the public policy cycle.

The Scholars that focused on the political culture of different societies found an existence of close connection between political culture and public policy process (Moore, 1977; Uphoff, 1996). The role and functions of gate keepers varied from one type of political culture to another and the place where they came into play the role in the political process had differed. If we are to adopt the notion of input and output analysis to comprehend why public policy failures take place, it requires an examination of the political culture of societies and its relationship to public policy process.

The scholarly works on Sri Lanka as well as other third world or developing contexts had recognized existence of particularized demands instead of generalized demands as a political cultural phenomenon. Generalized demands referred to those inputs people make over the government to change or improve or do away with existing public policies with broader appeal to the welfare of the public. The specificity of those demands was that they aimed at demanding government to make policies at the policy formulation stage. Particularized demands referred to those demands made by individual voters at the policy implementation stage seeking preferential treatment which had been discriminatory (Oberst, Malik, Kennedy et al., 1987). The voters demanded for favourable treatment on an individual basis while discriminating others. The particularized demands have erased the principal agency relation which was a necessary condition for effective implementation of public policies according to the classical formulation of public administration within democratic governance (Wilson, 1887). Further, particularized demands and patron client relationship resulted in politicization of bureaucracy. This cultural phenomenon of patron client relationship and particularized demands has resulted in two stages gate keeping within public policy cycle in certain societies like Sri Lanka. It took place at the policy making stage but differently and the other at the policy implementation stage as deciders and facilitators of patron client relationship between the politicians and the voters (Abeyrathne, 2010). The present paper attempted to study the link between political culture and public policy failures in relation to gate keepers in Sri Lanka and it marks the departure point of the present study from the rest of the studies in the field.

Objectives of the Study

Within the broader objective of examining the link between the public policy failures and political culture, the following sub objectives have been pursued. They were as follows:

1. To understand the political culture of Sri Lanka,
2. To understand the places where gate keepers present in the public policy cycle within political cultural milieu of the country,
3. To analyze the role and functions of gate keepers in the public policy cycle and
4. To develop a model of public policy cycle with reference to gate keeping in Sri Lanka.

Methodology of the Study

The present study has been a result of continuous working in the field of public policy implementation in relation to poverty alleviation policies in Sri Lanka. Implementation of public policy and implementation failures have been long time research interests of the author of this paper. The paper could be termed as the result of critical reflection of data set collected by the author since 2010 and 2017 and some qualitative data collected in 2019 in relation to public policy programme on poverty alleviation by the Government of Sri Lanka, i.e. Samurdhi Programme. The researcher's interests on public policy implementation originated in 1996 when an attempt was made to explore impacts of participatory development strategy adopted by government to alleviate the poverty in Sri Lanka. The research interests continued further. The researcher had conducted a second phase research to examine the impact of political cultural phenomenon of particularized demands made by voters in the country and its impact on creating divergence between stated policy objectives and policy outcomes in 2005. The third phase has been conducted in 2010 to examine the role of public policy in shaping the political behaviour of the poor in Sri Lanka. All of the studies convinced researcher of another missing link in relation to public policy failures namely that of agents or gate keepers of public policy process with reference to Sri Lanka. It prompted the researcher to look into the role of gate keepers and where they are present. Critical reflection has convinced the researcher to make use of data set collected in 2010 and 2017 with

new round of primary data collected for the purpose of the present study. However, it must be noted that the bulk of the data was extracted as indicated previously.

It must be noted that the secondary data sets that the author has employed in this analysis was filtered in relation to Niyagama Divisional Secretariat Area of the Galle District, Sri Lanka. The Second study conducted covered three districts of the Southern Province of Sri Lanka which included Niyagama as one of the stratified samples for the study in its attempt to examine role of public policy in shaping the political behaviour of the beneficiaries. As Niyagama area has covered in all rounds of studies, the same area was considered appropriate for the present study and relevant set of data was extracted in relation to the role of gate keepers in the public policy cycle. Further, the new round of data was collected by the researcher through interviews with officers who have got a stake in implementing Samurdhi Programme during May and June in 2019. The method of data collection at the last stage was qualitative in essence and interviews were employed covering Samurdhi Development Officers, Managers and Divisional Secretariat Officers. The author has used descriptive statistical techniques to present and analyze data while drawing from the qualitative data to substantiate the findings and arguments. However, it must be noted that this analysis is a descriptive one rather than one attempting to establish causal relationships with dependent and independent variables.

Significance and Limitations

The present study intended to fill a major gap in the existing literature because it has made an attempt to explore the two-stage gate keeping in Sri Lanka's public policy cycle. As the study aimed at developing a model of public policy cycle with specific reference to gate keepers and their role and impacts on public policy outcomes, the future researcher may employ the ideas of the present study in quantitative research in establishing causal link between dependent and independent variables. Yet, those students of public policy and administration who make use of the findings and conclusion of the present study must be aware of the case specific nature of the study which is categorically spelled out here.

Sri Lankan Political Culture and Two Stages Gate Keeping in the Public Policy Process

There have been a few scholarly works on Sri Lankan Political Culture that directly concerned with its impact on public policy outcome. However, this does not imply that there are no significant insights produced by scholars which could be useful in understanding political cultural impacts on public policies. The problem is that they remained scattered. Those ideas needed to be collected and linked to understand the nexus between public policy and political culture. The link between political culture and ethnic problems with reference to public policies has been already examined (Abeyrathne, 2013) Its special focus has been the link between the country's political culture and emergence of ethnic problem. The above study has characterized Sri Lankan political culture as fragmented wherein parochial identities such as locality, ethnicity, caste and the like become prominent while integrative aspects of shared and common identity lacking largely due to failure of constitutional making exercises and public policy on ethnic relations. It has been also a subjective political culture if compared with the typology developed by Almond and Verba (1985). As political culture being subjective in essence, people have little understanding of the political process of the country, but it was not effective. Further, they had not been in the habit of thinking that they could affect the political outcomes of the governmental actions while displaying an inability to evaluate the goodness or badness of outcomes of public policies enacted by the government. In that setting of political culture, people think of themselves as subjects rather than bearers of rights and equal in terms of public policy process with others in the society (Mendis, 1995). In a subjective political culture, the cognitive, affective and evaluative orientations of the people with regards to political system, actors and political process take different forms, content, attitudes and norms among the people (Abeyrathne, 2005). The above situation needed to be contextualized within its historical evolution. The democratic form of parliamentary government in Sri Lanka was superimposed during the colonial period, and half-hearted reforms during the period continued to haunt politics (Rahman, 2008; Warnapala, 2013). Sri Lankan has witnessed the co-existence of traditional value systems shoulder to shoulder and side by side with the modern egalitarian norms of democracy (Jayawardene, 2002). Despite universal suffrage and comparative high-

level election turn outs at elections, the majority of seats in the legislature had been occupied by the elite layer of the society (Namasivayam, 1951). These insights lead to question some of the assumptions such as maturity of voters and political knowledge of the electors in relation to Sri Lankan political process. For instance, Oliver Henry's assumption, the high level of political participation and Robert Kearney's assumption about the high level of electoral turnout can be pointed out as cases in point (Oliver, 1957; Kearney, 1973). The later generation of scholars revealed the existence of mismatch between the representative form of government and practical functioning of democracy (Oburst, 1985). Roberts C. Oburst revealed that representatives in Sri Lanka are not an active agent that takes the demands of the people into agenda of the government, a supervisor of government in action and policy maker but distributor of particularized demands at the policy implementation stage of the policy cycle (Oburst. 1985). This particular context of Sri Lankan society also resulted in different role types for the gate keepers in the policy cycle largely due to patron-client politics in the benefit allocation process of the public policies. It was also observed that representatives in the above cultural setting tended to regard representation as an inheritance from their elite family background rather than delegated public trust by the people of their society (Rahman, 2008). The above is reinforced by the existence of second level of elite within their respective electorates in a hierarchically organized society wherein ascribed values going to play a role in the political construction and determination of beneficiaries of public policy programmes.

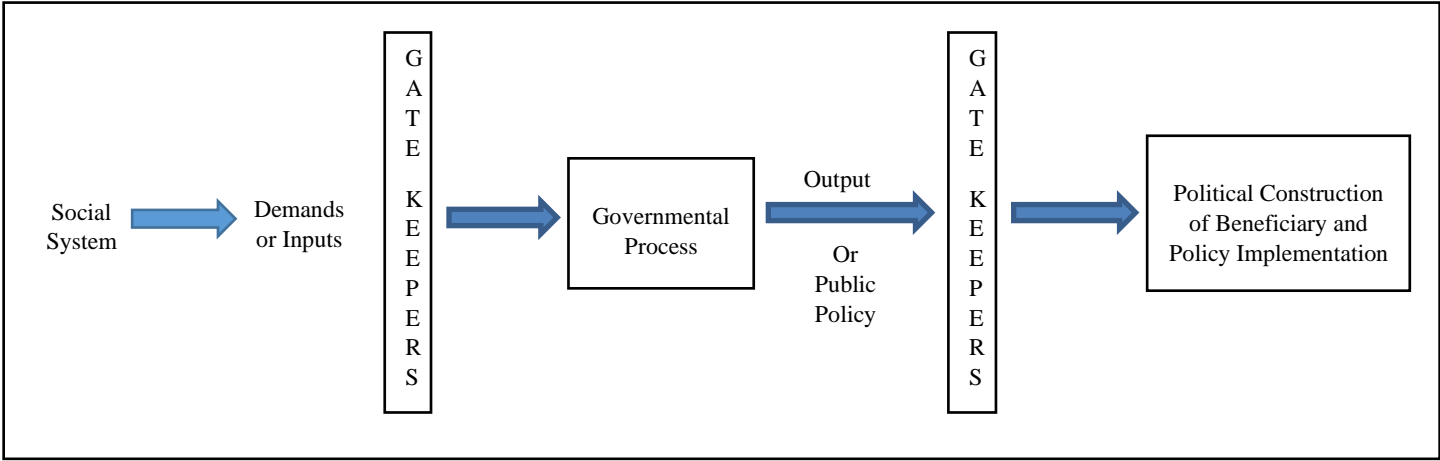
The cumulative result of this political culture is the feudalization of politics and public policy. The change of government has not resulted in any substantive policy change but the changing of the group of elite that manned government. The government became an institution that made public policies openly but authoritatively (Wijesiriwardene, 2000).

The scholarly understanding of the impact of the political culture on public policy cycle and gate keepers in above context is very little. According to Kingdom (1984), public issues emerged out of three but interrelated independent streams, i.e. problem stream, political stream and the policy stream. Problem stream results in attracting the attention of the general public on the necessity of governmental action to resolve public problems

and the policy makers on the necessity of their involvement through examination of the socio-economic data by competent authorities in the political system or by specific incidence such as riot and rebellion etc. and feedback process of existing public policies (Kingdom, 1984). The second stream is the political stream where the power of the groups of the society involves, and the political agenda of the government is decided. This stage is influenced by interaction among the national mood of the social system, organized interests and the dynamics of the government system wherein gate keepers in the political system such as pressure groups, social movements, civil society and political parties performing the task of filtering demands of the society into the authoritative subsystem of the society to be resolved through authoritative allocation of social values. In the Western Political Cultural Setting, it was thought that the gate keepers will perform the significant function of issue filtering into the political agenda of the government through the exercise of power. It was also thought, politics would cease to influence policy process after that activity leaving for professional implementers to decide technical and detailed decision making to achieve desired objectives by society. The third stream, i.e. policy stream is the stage where specification of alternatives to solve a public problem are categorized. It is the stage where decision makers were given decision alternatives which are intellectual and private which have been put forward by non-political actors such as policy analysts. Public policy is an outcome of interaction of all the three stages according to the theoretical construct of three policy streams. The scholars that have focused on cultural impact of the public policy failures has come up with the idea political cultures such as Sri Lanka recognized two stage gatekeeping in the public policy process, one just before the agenda setting and after the formulation of the public policy, i.e. policy implementation stage by deciding worthy and no worthy beneficiaries. Thus, it is proposed to apply the following model of input and output analysis by modifying the original scheme of David Easton (1953). The model is depicted in figure 1.

Figure 1

Inputs and Output Analysis and Two Stages Gate Keeping in a Fragmented Political Culture



Source: Developed by the Author drawing insights from David Easton and others' Works on Political Culture

Analysis of information

Sri Lanka has adopted participatory development strategy since 1988 to alleviate poverty (Gunathilaka et al., 1993). It was partly a strategy gain political power and to ease the burden on the poor resulted through the introduction of structural adjustment policies during 1980s and after (Musgrave & Musgrave, 1989; Munasinghe, 1992, pp 114). The Samurdhi Programme is the major poverty alleviation programme carried out by the government of Sri Lanka (Sandarathne, 1991). Samurdhi Development programme has co-opted the participatory development strategy which had been put into practice by civil society organizations (Mitrarathna, n.d.). However, the organizational structure of the programme composed of governmental bureaucracy as well as the beneficiaries' organizations. The lowest layer of governmental organizations is comprised of Samurdhi Animators/development officers and Samurdhi Managers.

The stated goal of appointing Animators and Managers has been to work as change agents entrusted to empower the poor and organize them against the status quo (Mitrarathna, n.d.). Official policy stated that villagers would choose the Samurdhi Animators as someone who would genuinely represent the poor and the needy. However, it was the local level political elite that recommended them to become animators through the patronage network of the party in power. The discretion of whether to appointment them or not was left to the organizers of the electorate of the ruling party. Thus, from the very beginning of the programme appointment was based on patron client politics of the country wherein the appointee was required to dance to the tune of local level party elite. Later on, the government absorbed the officers of the Samurdhi Programme to the traditional bureaucracy recognizing their utility at the political market place as mobilizers of votes during elections. As the hidden objective has been to strengthen the position of the party that proposed programme and mobilized voters with promise of future benefits under the programme, recruited most loyal youth in the village as grass root implementers of the project activities overlooking equality of opportunities and requires knowledge and skills solely on the basis of party loyalty since 1994.

Yet the issue has been the consideration of academic and technical competence to get appointment into the higher echelons of implementing

bureaucracy. Consequently, the higher-level bureaucrats have treated them as a group, sharing many things in common with the beneficiaries of the programme. According to that perception on grass root level implementers, share many syndromes in common with the beneficiaries. There have been beneficiaries included in the programme who had not been eligible to receive benefits according to the criteria for selection, there exist a group of animators that were appointed overlooking more qualified and skilled. (Abeyrathne, 2005 - Annexure 02). Their appointment was made on the sole ground of their generational or continued allegiance to the political party that initiated the programme.

The incidence of the strong allegiance of grass root level implementers to the patronized party of their appointments negatively impact on economical, effective and efficient delivery of policy outputs and outcomes in relation alleviating poverty in the country. The scholarship on policy implementation studies had long recognized “principal and agency” issue as a key impediment for non-achievement of policy goals and objectives. However, the politics of patronizing appointment to the grass root level of the implementing poverty alleviation programme did not result in positive outcomes. Rather, it has resulted in producing negative output and outcomes. The principle and agency problem argument held that political master found it difficult to control the agent, i.e. the bureaucrat implementing the public policy in its true spirit. What was found in relation to the poverty alleviation programme of the country was that patronized appointment eliminate the issue of the principle and agent issue yet produce negative impacts and outcomes. One of the stated key objectives of selecting a youth from among the villagers themselves has been the proper targeting of needy and worthy poor while doing away with the elite capture effect of programme aimed at wellbeing of the poor. However, the evidence had suggested the other way round. Both officers and the beneficiaries accepted the fact that there have been beneficiaries which could not have been included in the poverty alleviation programme if the criteria for the inclusion were followed truly. In the study conducted in relation to Niyagama Divisional Secretariat Area of Poddivela Grama Niladhari Division, there had been a total 126 families receiving benefits under the project. It was revealed that there were only 26 families that deserved benefits under the project, if the criteria for selection, i.e.

monthly income less than 1500, inability to work by the members of the family that need to be put under the permanent safety net, and the number of dependents of a household according to the income level of the families in the area. Further, the beneficiaries themselves had pointed out that there have been 5-6 families that did not deserve benefits under the programme because they had been well off in terms of prosperity.

However, in the case of Samurdhi Programme in Sri Lanka, the issue of agent making other decisions rather than the decision of the political master is impossible because the implementer is recruited with the full blessing of the master. Yet, look from the angel of targeting the real poor that deserve public support to survive and empower, inclusion of non-deserving into and exclusion of the deserving poor from the programme causes policy failure because it leads to produced unintended and harmful results. It is revealed that Look from the perspectives of the criterion of income of the family, there were only 26 families out of 150 families in the Niyagama Divisional Secretariat area in 2005 (Abeyrathne, 2005, 136). The beneficiaries themselves have estimated that there had had 5-6 families left out of the benefits allocation process within their neighbourhood due to unknown reasons to them. They beneficiaries also accepted that there were five to eight families on average who were well off when compared with the poor of the village and according to the criteria recognized by the government to become eligible for support under the programme (Abeyrathne, 2010). Further, the beneficiaries also accepted the incidence of leaving off deserving beneficiaries due to various reason including party allegiance and relationship with the Samurdhi Animator etc. The issue that the researcher had to grapple with was to find an answer to the inclusion of persons who become not eligible and leaving out of the programme who had been eligible according to the stated criteria for inclusion.

The qualitative data collected pinpoint to the nature of political culture that resulted in eliminating principle and agency issue in the public policy process of the country, as discussed in the preceding paragraphs, the lowest level of the implementation chain and the beneficiaries share some syndromes in common. The most basic feature is the political determination of their status. The political determination of suitability to

recruit as Samurdhi officers has paved the way for eliminating principle and agency issue in implementation of the public policy. As Oburst (1985) observed, representatives spent little time on policy and deliberation over the government but attended more to the constituency matters who had been in the habit of making particularized demands, i.e. preferential treatment at the policy implementation stage. The representatives as the patrons were required to attend to the client voters because their future electoral fortune depended on the patron client network within the political culture. The voter, quiet naturally tended to approach the most immediate associate of the member of parliament or the organizer of the ruling party and together with recommendations of continuous allegiance to party and the personally to the organizer or the member of the parliament by the beneficiary request preferential treatment in the benefit allocation process of the public policies.

The 48 per cent of beneficiaries that received benefits under the programme stated in 2005 and 45 per cent of beneficiaries in 2010 declared that they were not included into the programme at the initial stage but later through appeal to the political authority. A grass root level officer went on explaining the pressure inserted by the above political influence as follows: “We cannot work according to our social conscience, i.e. to decide who is to receive benefits or who is not to receive benefits according to the common social norms and criteria of the government. We are supervised whether we are truly acting in the interest of the party which have given our appointment. The village level close associate of the M.P. or the organizer of the party is keeping an eye on us whether we are working in the best interest of the party’s continuation in power. The poverty alleviation programme provides the party easy access to voters whenever an election is nearing”. According to the above observation, that hinder the efficient and effective implementation is filtering of the lowest level of bureaucrats to implement the public policy at grass root level on party allegiance and filtering of beneficiaries on party allegiance into the public policy programmes.

The patron client politics of benefits allocation barred the using objective selection of beneficiaries according to the criteria for selection set in the original and stated policy. A Samurdhi Development officer explained the

situation as follows: “We have to accept our allegiance to our patron and the party and our connection with political party. Our political conscience dictates us to think of the continuation of our party in power. Consequently, we try our best to include as many as possible those who support our party in elections. We are also unable to go beyond the party bosses at the village because tracking off their whims means getting transfer to distant places. We are also required to invent some mechanism to include as many as possible within the programme, not violating the criteria set in the original policy. We sometimes asked people to apply for separate household registration though they are living in the same house and then apply for benefits. That strategy allows us to give benefits to more and more families without violating the law. That may be one of the reasons for the high visibility of beneficiaries categorized as that in need of protection of permanent safety net as envision in the programme”.

The explanation drew the attention of the researcher to the question of the aged old assumption of the public administration. Traditionally, it was held that politics would end after formal declaration of public policy by the competent authorities in the political system. However, the evidence suggested that policy making continues even at the policy implementation level in causing substantial changes into the public policy by the grass root level officials.

Related to the above has been the difficulty faced by the officers of the higher echelon of the bureaucracy in managing the lower echelon of implementation chain. Though they were responsible for the personnel management of this layer, they found it extremely difficult track them properly to achieve the intended outcomes of the public policy on poverty alleviation due to their political power. An officer had observed the situations as follows: “According to norms governing the appointment to the Divisional Secretary, the officer concerned must be a class I officer of the Sri Lanka Administrative Service. However, due to lack of sufficient officers in that grade, it has become customary to post lower rank officers to rural areas and they prefer to stay in those areas because they can enjoy benefits of the higher rank post”. The higher-level officers like divisional secretaries and others accept that there is a necessity of targeting the truly deserving poor to be included into the benefits allocation process.

However, targeting genuine and deserving poor and keeping the underserving poor out of the benefits allocation process is very difficult due to the political allegiance of the lowest level of offices in the implementation chain. It is stated that if they intervened into the process of targeting, they had to face the political repercussion of such intervention under the politicized system of administration in Sri Lanka, paving the way for posting in urban areas with lesser perks and benefits.

An explanation as to why such policy failures took place required relating to the political construction of beneficiaries into the poverty alleviation programme. The political culture of Sri Lanka as discussed in the preceding section of this article is characterized by a community that had not been in the habit of demanding public intervention at the policy formulation stage which aimed at changing the status quo or general welfare of the community. It was observed that the problem stream analysis of issues rarer in Sri Lanka despite occasions such as youth violence and unrest in 1970s (Wejeweera, 1989), and political violence experienced in 1980s (Government of Sri Lanka, 1987). The second stream of opening window for public policy making where power struggle among various groups involved is also less significant in Sri Lanka as it is rare the activities of independent organized interests' groups or pressure groups. The trade unions or other pressure groups had been sponsored by personal cult centric political parties (Withanawasam, 1996). Public policies in major areas of social life such as poverty alleviation and social welfare had emerged during elections as a strategy to gain electoral victories. Major social policy measures had been proposed by the political leadership alone. Based on such a proposal, secondary and tertiary level elite ranging from national to rural had acted as gate keepers of the possible benefits allocation under proposed public programme in the future if the party had got a chance to come into power. Consequently, they tended to start the gate keeping process of possible beneficiaries which had required open declaration of allegiance by active commitment of canvassing in the campaign and ceremonial and open declaration of shifting allegiance from one party to the other during elections. The role they assumed at this stage has been that of mobilizing voters in and around the parties and persons of high political elite. The gate keeping elite's role

in the public policy cycle had not ended after election, but it continued to the future.

Findings and Conclusions

The study found that there has been two stages gate keeping within Sri Lankan public policy process. The first is at the stage of policy proposal by power contending elite in the electoral political space. The specificity of that stage was that gate keepers were mobilizers of voters in and around the political party and its leadership promising future benefits if that particular party had come into power as the result of election. In that particular political cultural context, people in the country were not demand makers to formulate public policies. The political culture that characterized patron-client relationship together with subjective and fragmentation among the people on parochial identities made them unable to affect and evaluate the outcomes of the public policy process. However, the patron client politics together with hierarchical organization of the society allowed to exist different elites from top to bottom of the policy implementation stage. Consequently, there occurred a second stage of gate keeping filtering the possible beneficiaries based on party allegiance because the beneficiaries were in the habit of demanding particularized benefits at the policy implementation stage. By extension of the patron client politics, the very lower level of poverty alleviation programme officers has become a kind of beneficiary of the policy rather than implementor of policy in technocratic manner. The substantial evidence suggested the politics and policy making continued after the formal declaration of public policies by the competent authorities in the political system. In fact, the changes they made and their invention of criteria for deciding deserving and non-deserving beneficiaries had been policy making by implementers of the public policy leading to question some of the established normative assumption within traditional public administration and theory of policy implementation. Thus, it can be concluded there is the necessity of linking public policy failures with political culture of Sri Lanka. The author considers, the normative political theory needs to focus on those dimensions to make public policy process more plausible.

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Role of Mass Media in Enhancing Public Accountability: An Ethical Approach

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Abstract

Since the world has been tightly interconnected, the role of mass media is much more visible today compared with the early era. Due to the advancements in information and communication technology, contemporary society can access information swiftly, which makes people informed and concerned about the incidents that occur world-wide. Consequently, people are expecting more and more responsible and accountable governing systems while upholding public accountability. Hence, keeping a watchful eye on politicians and administrators is necessary to guarantee that power and authority are not misused by any means. Therefore, public accountability and the role that mass media performs are pivotal in contemporary democracies. Mass media is capable of informing and inspiring other stakeholders in the direction of careful self-reflection of their responsible conduct only if they are founded upon an ethical foundation. Thus, the focus of this paper is to demonstrate the role of mass media in enhancing public accountability in the light of ethical premise and to propose a conceptual framework. Accordingly, the author has identified that the role of mass media in public accountability does not limit to being a forum of accountability, instead it performs four roles as spark, forum, amplifier and trigger, as suggested by Jacobs & Schillemans (2015). Further, the conceptual framework suggested that mass media needs to function in its role upon the identified five key ethical principles of trust and accuracy, independence, fairness, humanity and accountability. Succinctly, the performance of the four roles of mass media based on the identified ethical principles would be expected to enhance the public accountability, which is immensely helpful to improve the governance of a country.

Keywords: *Mass media, Public Accountability, Ethics, Democracy*

Introduction

Today, mass media has become a powerful instrument that serves as a watch dog of society and influences the public opinion of the citizens, particularly in a democratic environment. The role of media is

multifaceted, i.e. to inform, to instruct and to get participation of the people (Schramm, 1966) which are fundamentals of democracy in action. Hence, mass media is a whistle-blower embedded in the governing system of a country. Any manipulation of power in the administrative system is signaled through the mass media and is led to uphold public accountability in an egalitarian society. On that premise, this paper intends to examine the role of mass media in enhancing public accountability considering identified key ethical principles and to propose a conceptual framework.

This paper is organized in a way to understand the nature of mass media in the contemporary world and defines public accountability and introduction to ethics in mass media based on five ethical principles. Also, the author discusses about the ethical role of mass media in the public accountability process in which the author introduces four specific roles as identified in the literature. Finally, a conceptual framework is presented combining the five ethical principles identified as the boundary within which mass media is expected to perform its four specific roles in order to enhance public accountability.

Mass media in the contemporary world

At the forefront it is essential to distinguish mass communication from mass media. Mass communication is an information transmission to a larger slice of the population. Ideally it might be performed using either one or many different sorts of media (Understanding Media and Culture, 2016). Media as the means of transmission can take many forms. It can be either print, electronic, or even digital. Mass media holds this interesting characteristic of being able to reach a wide audience. Examples for mass media platforms include newspapers, magazines, books, radio, television, and digital media such as blogs, podcasts and videos sharing platforms. (Understanding Media and Culture, 2016). With such a wide coverage of audience through several platforms, mass media collectively has a larger effect on what is heard and seen by the people.

A prominent idea is that the effect of mass media is not limited to what the audience hears and sees (i.e. which they are exposed to) but the way they hear and see (Siepmann, 2005). In mass media the profit stack depends on the size of the audience successfully attracted to the program; the logical

aim is to muster the largest conceivable audiences by providing to the lowest common denominator of taste (Siepmann, 2005). When the stakes are so high, it is understandable that mass media is playing it safe. Nowadays mass media is capable of bringing the world to your palm in a flash and equally capable of isolating you from reality and your true self in the same swiftness. (Siepmann, 2005). As it is stated, one obvious and critical characteristic of mass media is, whether it is a book publisher, newspaper editor or even TV and radio directors and editorial boards, the content we hear or see is decided by an external party. The audiences are passive stakeholders (Gilmore, 2012). While developed nations have set-up independent bodies to ensure the check and balances of these institutions, unfortunately less- developed democracies are deprived of this feature (Gilmore, 2012). State media monopolies are always evident and, in most cases, a formal or maybe an informal elite seems to be dictating the content of state media (Gilmore, 2012). It is noteworthy that in order to protect freedom of opinion and expression in a society, uncensored, free and diverse media is fundamental. Moreover, for a democratic society, freedom of expression is the basic building block. It should be borne in mind that communication of information and ideas on issues between citizens and elected representatives which are public and political in nature in a free manner is also crucial. Interestingly, the sudden rise of online media platforms has provided a novel channel for the aforesaid communication between citizens and elected representatives. It is evident that many politicians are better aware of the news developments communicated via online news media.

Yerlikaya and Aslan (2020) stated that the early 2000s, witnessed an eminent growth in online news media. One of the major concerns of online news media is the possibility of like-minded people being insulated from contrary perspectives and effective interactions with people of other beliefs. This phenomenon is called “echo chambers” or “filter bubbles” in which people with same beliefs and ideas get together and the possibility of arguments and debates with the people of contradictory views are almost zero (Yerlikaya & Aslan, 2020). Since in most cases the information these bubbles would receive can be different from the truth, it leads us to the concepts of misinformation and disinformation. The definition of misinformation is providing wrong information

unintentionally (Li & Su, 2020), while an act of intentional distortion of information is regarded as disinformation. In the wider sense, the news that is verifiably false and intentionally distorted to mislead the reader can be identified as fake news (Li & Su, 2020). In fact, this strengthens the Yerlikaya and Aslan (2020) argument that the world has entered into a post-truth era in which the value of the truth is lost. Interestingly in this era, perceptions are considered as more important than the truth. Although the recent developments of the dynamic world of media are such, still nobody is capable of overwriting the role of mass media in the public accountability process.

Mass media can be identified as a catalyst in empowering the citizens' right to oversee the actions of both incumbents as well as public servants who are paid from the wallets of the general public. However, considerably pintsize attention has been given to the role of mass media as a "fourth estate of government". Thomas Carlyle referred to mass media as the 'Fourth Estate of the Realm' (Newton, 1995). Such identification illuminates his viewpoint that mass media ideally can perform the role of a watchdog of the public interest and constitution while becoming a vital part of the government. Keane (1992) highlights the importance of mass media playing a key role in sustaining and developing democracy. Keane (1992) further comments that it is the responsibility of the media to present full, fair and accurate account of news while covering a wide array of political views and stances in order to educate the citizens properly.

It is a well renowned fact that the recognition of citizens' rights to participate in the decision-making process lies in the utmost core of democracy. In order to facilitate that, it requires the citizen to be equipped with crucial information and allowed access to different opinions since they need to make informed choices, because an ignorant society can never be a democratic one.

The then-soon-to-be president, Nelson Mandela, was less lengthy when he laid out the issue in Prague in 1992 (Harber, 2014):

"I cannot overemphasize the value we place on a free, independent and outspoken press. Such a free press will tamper the appetite of any government to amass power at the expense of the citizen."

It is evident that, the basic information exchange between the government and citizens to empower citizens with more informed decision-making and the watchdog function to ensure the transparency in the government operations has to be accomplished by the mass media. “In this regard one could assess mass media by its boisterousness, its freedom to speak out critically, and its ability to engage in vigorous public debate, confront authority, and expose wrongdoing” (Harber, 2014).

Nonetheless, modern era writers apprehensively state that mass media is not performing the democratic role that they ought to play any longer. Instead of playing the fourth estate, mass media has revolved into a fifth column and begun to pose a threat to the democratic process from within (Newton, 1995). Independent news media are capable of collectively playing a critical role in holding governments accountable because citizens depend heavily upon independent news media for valid information about governments’ true behaviour; however, to make that aspiration get realized, government control and commercialization of mass media must be minimal (Woodring & James, 2012). Empirical studies have found that countries with higher government ownership of mass media had less media freedom and lower levels of political and economic freedom for citizens. On the other hand, independently owned media are subject to other forms of political influences such as licensing requirements, taxation, dependence on government advertisements and subsidies, and various laws. Djankov et al. (2001) stated that in most instances owners of mass media enjoy close ties to government officials, which makes the journalists self-censor and less likely to engage in watchdog reporting.

Nevertheless, liberal theorists’ argument is that healthy existence of an independent and free media, inside every state or a political system is a prerequisite to the democracy (Amodu, et al., 2014). They back freedom of expression, thought and conscience while further strengthening the governments’ responsiveness and accountability, and encouraging good governance to all citizens. Hence, this paper focuses on the role of mass media in the spectrum of public accountability and the key ethical principles underlying such a role.

Defining Public Accountability

It is said that the people are sovereign, that government and its various establishments exist for them and to their ends. Yet, these ideas seem to be only visible in constitutional and political imagination. We inherited a tradition, a history and day-in-day-out practice that encouraged a conception of government as the publics' master and not its servant. Congenial to politicians and comforting bureaucrats, this has led the nation towards public vulnerability instead of public interest due to the lack of accountability.

Public accountability has been the buzz word of modern governance in recent times. The uprising importance of "accountability" in public discourse given a burgeoning attention to the role is that mass media ought to perform in the same phenomena.

With the increased attention over the past decades, accountability can be considered as a notion that has taken on new shades of meanings. While many authors have shown the preference to develop their own definition of accountability, the process has led them to elaborate a bewildering and ever-growing variation of overlapping and competing concepts of accountability. Nonetheless, amidst all this confusion socio-psychological literature becomes handy in identifying the relational and communicative core of accountability. Here most writers define accountability as the expectation that one may be asked, often by an authority or one's superior, to justify one's thoughts, beliefs, or actions (Schillemans, 2016). The accounting literature is concomitant with the socio-psychological approach. In this, "the agents' obligation to provide an account of his behavior to an external party is aiming to verbally bridge the gap between action and expectation" (Bovens, et al., 2014).

The above paradigms generally focus on individuals, managers, firms, organizations, or book-keepers in accounting aspects. The public administration literature on the other hand, often moves the spotlight towards overarching perspective of government, public institutions, or policy fields. In contrast to other accounting and social scholars who pay attention to non-public and informal accountability, public character of formal accountability is the adamant focus of public administration

(Bovens et al., 2014). In the initial usage, accountability is envisaged as a virtue, as a necessary quality of government organizations, firms, or officials. This is lavishly reflected in the emotive use of “accountability” in many legislatures and acts. Yet, assessing accountability in the public spectrum turned out to be rather tricky.

In assessing public accountability Bovens et al. (2008) suggest three different normative perspectives as i) Democratic perspective, ii) Constitutional perspective and iii) Learning perspective. In the democratic perspective it is stated that accountability measures should effectively link government actions to the democratic chain of delegation. The constitutional perspective depicts the essentiality of accountability arrangements to prevent or uncover abuses of public authority. Finally, in the learning perspective, accountability is utilized as an effective tool to prompt governments to deliver their promises (Bovens, et al., 2008). All the aforementioned perspectives illuminate the importance of public accountability in one way or the other.

Moreover, on the importance of public accountability, it is one of those eminent concepts that no one argues against. Every person instinctively agrees to the fact that public institutions should be questioned day-in-day-out for the manner in which they practice their mandate and spend precious public money. It is a must that the power of the government be checked on a regular basis to avoid any slight possibility of waking up in an authoritarian regime one day. Accountability is often seen as a tool for the citizens to force the parties who are vested with public power to declare the truth. And we all know the unspoken truth that power corrupts its holders and far worse unchecked power corrupts more; hence the more public accountability there is, it is better. As the author briefly stated previously, access to information is an indispensable characteristic of accountability. As a matter of fact, all accountability relies on the obtainability of timely and relevant information.

The fundamental question about accountability is who is accountable to whom and for what. However, different people seem to have different and often conflicting ideas about what constitutes or meaningfully satisfies as ‘public accountability’. To further enlighten this fact let us take a quick look at a couple of such diverse explanations. Economic development-

related agencies have a tendency to describe public accountability primarily in terms of rationalized and transparent systems of bureaucratic control (Dowdel, 2017). Meanwhile human rights activists perceive it in terms of popular participation in and supervision of political decision-making. On the contrary, legal development agencies often realize it in terms of judicial enforcement of legal norms. So, it is obvious that while there is a common perception of an accountability issue, observable deep dissections also do exist about its exact causes and nature (Dowdle, 2017).

Furthermore, issues brought up by the public through avenues of accountability can be roughly separated into two sections. Ones where justification or redress is sought in relation to decisions made in the individuals' or groups' own particular case known as 'Particular Accountability'. Others where citizens pursue to question or influence general government policy, or the general behavior of an institution known as 'General Accountability' (Mulgan, 2000).

Predominantly the initial discussion of public accountability begins 'Westminster' model of accountability, in which the formal accountability lies in the hands of the ministers responsible to parliament while public servants are only accountable to their immediate superiors in the chain of accountability without any short-cuts to parliament or the public (Parker, 1980). On the contrary many scholars now lay emphasis on the variety of channels of public accountability, especially for public servants. They are deemed to be accountable not only to the immediate supervisor but also to various other external formal and informal parties such as parliament and its committees and reviewing authorities such as the Auditor-General. Most importantly they are accountable to the public themselves and in most cases to their conscience as well. Nonetheless the approach to the public accountability must be more diverse given the fact that in a modern pluralist society, both the "government" and 'people' have turned out to be complex concepts. The government at present includes a wide array of different institutions such as the cabinet, individual ministers, government departments and statutory bodies, all of which interact with the public and each other in various means. By the same token, 'public' itself comprises of a range of diverse groups and individuals with conflicting values and interests and different organizational means of interrelating with the

government (Mavanyisi, 2002). In such a complex political system, the accountability of government to the public prudently calls for a range of alternative channels instead of unrealistic and traditional single channel implied by the model of a solitary chain of ministerial responsibility.

Given the weak nature of the official mechanisms to guarantee that public power is utilized effectively, a strong argument can be built in favor of the role of an independent mass media to function as a watchdog for the public. However, the press does demonstrate an interest in reporting cases of bribery and corruption in junior public employees (Hulme & Sanderatne, 1996). Yet, the tradition of investigative journalism is developing sluggishly to explore the more significant cases of abuse of public funds. In cases when the press reports such unscrupulous use of public funds, time and again governments have been forced to respond to these criticisms (Hulme & Sanderatne, 1996).

Ethics in Mass Media

There are codes of conduct for every mass media organization. But still the ethics in journalism have been repeatedly questioned by the public and also other institutions in society (Understanding Media and Culture, 2016). Irresponsible, irrational behavior of journalists has been often criticized by them (Understanding Media and Culture, 2016). Privatization, deregulation, and processes of media liberations have led to an unprecedented decay in mass media practices. It should not be disregarded that in the modern competitive and briskly changing world, journalists oppressed by deadlines, bottom line imperatives and corporate interests can easily miss sight of the ethical implications of their work.

Mass media can be identified as a platform to exercise free expression and is a sensitive medium. As the author already stated on several occasions, through mass media information is disseminated to the audience in real time. Ethics is a branch of philosophy that favors social obligation. In mass media, ethics assist in upholding professionalism as well as help to fortify the quality of moral choices a journalist must make in their day-to-day life. This section of the paper is expected to describe five core ethical principles identified in mass media as suggested by the literature (Gautam, 2017).

They are truth and accuracy, independence, fairness, humanity and public accountability

Truth and accuracy

The cardinal principle of journalism is to get the facts right. As we recognize in journalism, credibility is the heart of it. For any mass media organization to survive in this competition, audience trust is the pivotal element. And the easiest way around it is credible news. It wins the heart of the audience. Mass media holds an implied contract with its audience. Ultimately, the audience has been asked to trust the mass media; what it says should be true and not misleading. But interestingly, accuracy isn't a synonym for the truth. One could provide an entirely accurate report of an untruthful matter.

There is a traditional dissimilarity between 'fact' and 'opinion'. While facts are true, the opinions may not always be true. Opinions are subjective hence they can either be truthful or untruthful. Yet, media reports both facts and opinions (Ethical Journalism Network, 2020). One could argue that reporting untruthful opinions is miserable. But we live in a democracy and every citizen is entitled to free speech. However, accuracy is something beyond getting objectively verifiable facts such as names, places, dates of birth, quotes, right. Accurately reporting opinions expressed by those who you report is also coming under accuracy.

"All truths – even the laws of science – are subject to revision, but we operate by them in the meantime because they are necessary and they work," is written by Kovach and Rosenstiel in their book 'Journalism' (Kovach & Rosenstiel, 2007). And they further comment, "...thus seeks 'a practical and functional form of truth.' It is not the truth in the absolute or philosophical or scientific sense but rather a pursuit of the truths by which we can operate on a day-to-day basis." So, it must be made clear that 'Journalistic Truth' is a process which begins with assembling and verifying facts. Then the journalist tries to express an unbiased and a trustworthy account of their findings, subject to further investigations. Even in this contemporary world of ever-expanding voices, 'getting it right' is the foundation upon which every other sequel is constructed.

Moreover, Journalism goes beyond merely reporting comments, claims, or remarks. It in fact verifies while giving the relevant context, providing the whole story and acknowledges the absence of any information (Cook, 2019). In the public accountability process this holds a high significance. Unverified sparks could lead to unnecessary fires. Hence being truthful and accurate at the same time is the need of the hour for the journalists in the public accountability process.

Independence

Journalists in mass media must be independent voices. Any political, corporate or cultural interest should not dictate their style of reporting or the news they report. In case of a conflict of interest whether it is a political affiliation, financial arrangement or any other personal attachment, it should be disclosed to the audience in order to allow the audience to fairly judge and make decisions on the reports the journalist provides. It is said that independence can be considered as a cornerstone of reliability. On a different note, it can be identified as not being intimidated by any power, or not becoming seduced by any source and most importantly compromised by self-interest. But on a deeper note, it speaks of an “independence of spirit and open-mindedness and intellectual curiosity” that allows a journalist to see beyond their own class or economic status, ethnicity, race, gender, religion, or ego (Kovach & Rosenstiel, 2007).

Independence allows the mass media professionals to report all sides of a probe or an allegation without any partiality. This becomes critical in public accountability as the chances of getting seduced with financial or non-financial sources could lead to a biased and covered mass media practice abusing the first principle of truth and accuracy as well. There are instances where intimidated by power, independent journalism walked away from reporting public accountability- related issues. Add to that self-interest powered by ego, ethnicity or religion etc. could lead to violation of the independence principle. Many public accountability forums either have been neglected by the mass media driven with biasness or unnecessarily highlighted forming a false public opinion in order to help another stakeholder. Anyway, independent coverage and operation of mass media is a must for a successful public accountability process.

Fairness

Fairness means not being prejudiced towards or against any particular side, and to be balanced while reporting (Abbey, 2020). This is a tough pill to swallow. As all journalists have their own point of view and yet, to deliver comprehensive and balanced coverage of matters, they must rise above their clouds of personal views. Only by reflecting the diversity of opinion fairly and correctly we can hope to offer an accurate picture of what is really happening. This becomes a focal area of attention when it comes to controversial issues. In such cases journalists should be accurate and impartial and keep their own ideas firmly in the locker. Fairness comprises of two aspects. The first aspect is 'Objectivity' which implies that one's own personal opinions are not forced upon the audience in the reporting process (Sambrook, 2012). The second aspect is 'Impartiality' that denotes when there is a dispute, not being biased. This also includes presenting all wings of a dispute in a fair manner. It is called as balance. According to Brewer (2011) impartiality means, (i) Providing a balance of issues and views, (ii) Reflecting on a wide range of opinions, (iii) Exploring conflicting views and (iv) Ensuring that no significant strand of thought is under-represented.

However, in practice though the journalist has strong sentiments about a matter, he or she must not use the news to convey or highlight their own arguments; they must not attempt to offer extra time or better coverage to people with opinions that they agree with and a smaller amount of time or worse coverage to those with ideas they disagree with (Sambrook, 2012). Also, in case one side of the story is reported, the journalist should always be ready to provide the other involved parties a chance to reply to any accusations, allegations or opinions which are against them. All these are related to public accountability reporting and its roles that the mass media is supposed to perform.

Humanity

It is said that words are more dangerous and powerful than swords. Hence journalists in mass media should understand the fact that each and every word they report can either have a positive or a negative impact on someone's life. Professional ethics are greatly effective when they pour from human values, emotions and, of course, actions. The goal of a

journalist isn't merely informing the people (Silverman, 2012). But, to build up a connection with the people through stories, their experience and sharing developments of the world are important. In order to enable that, they need to act with humanity and through the values and emotions that inspire human connections.

One benevolent quality is empathy. It is a pleasingly human word and characteristic. It's also fundamental to storytelling and ethical storytelling. Most mass media organizations are neither impartial nor balanced. They are opportunistic (Silverman, 2012). In such an environment, lies can be good entertainment materials. Another such quality is the privacy of the parties involved, which is a critical matter of discussion. The current mass media seems to violate the privacy of the parties involved in the public accountability process. It must be stated that the disclosure of the accused parties in cases where a probe is in progress and a final verdict has not been given is completely unacceptable. As far as the law is concerned every suspect is innocent until he or she is proven guilty after a fair trial. A journalist's profession is to report reliable facts to the public and update the public debate upon an issue so that the people can make informed and educated choices. Journalists are neither the judge nor the jury concerning what is right and what is wrong in the society in which they function. Journalists have a right, and a duty, to explore stories in the public interest, but they must not in any instance consider themselves to be a force or an actor beyond the law. They must have an idea about the hurt and damage that their digging might cause. But mass media seem to be in a bit of a hurry to decide the convict and convey it to the public. Thus, the damage they create to the reputation of the parties who later get the conviction overturned and are found to be innocent, is inhuman and, in most cases, unrecoverable. Hence out of all ethical principles, humanity holds a higher significance.

Accountability

Journalists of mass media who are playing a critical role in the public accountability process should be accountable for their conduct. The Society of Professional Journalists (SPJ) has established some benchmarks of accountability for professional journalists that comprise "encouraging the public to express its grievances against the news media, admitting

mistakes and correcting them promptly, exposing unethical practices of journalists and the news media, and abiding by the same high standards to which they hold others” (Gautam, 2017). In mass media when something is written and published, there must be someone who is accountable for the consequences of the message that has been circulated. The burgeoning mass media and unprofessional journalism practices have again and again raised the question about the mass media’s credibility. In the contest of growing viewership, exaggerating news, low level of accuracy in the sources and verification of the sources being lacked has repeatedly generated confusions (Gautam, 2017). Escalating trend of online players claiming themselves as news media, as well as so called big players in the mass media of the nation being a part of the same race have become an issue. Despite the blunders, not being ready to correct errors has transformed journalism to be one of the least trusted professions in the modern era.

Role of Mass Media in Enhancing Public Accountability

As Keane (2009) stated, we are living in a ‘Monitory Democracy’. In the 1940s many scholars agreed that majority-rule electoral democracy had become quite corrupt and deceitful, to the point even the word democracy was manipulated in a deliberately dishonest way. So, the inevitable question arose. How can democracy redeem its lost integrity? The importance of a new form of a democracy was illuminated by many as a type of post-electoral democracy which is infused with a strong dedication towards casting out the blemishes of arbitrary and publicly unaccountable exercise of power. According to the wise words of C.S. Lewis (1898-1963) “the real reason for democracy is that human beings are fallen creatures, so that ‘no man can be trusted with unchecked power over his fellows.’” Monitory democracy is described by the hurried development of many extra-parliamentary, power-scrutinizing mechanisms. These new establishments are rooted within the domestic fields of government and civic society as well as in cross-border settings. This new tendency has led to numerous alterations in the architecture of self-government, especially by weakening the dominant grip elections, political parties and parliament had on citizens’ lives. Democracy is evolving to mean more than elections. The tangible effects the independent monitors have begun to display are prompting to keep politicians, parties, and elected governments

permanently on their toes. Monitoring democracy turned out to be ideal for human rights. It did more than functioning as a long-lasting reminder that who gets what, when and how should depend on the permanent public scrutiny of power.

The monitoring functions as the author stated above have shifted from parliament to a set of non-parliamentary institutions, stretching from independent regulators to societal establishments and the mass media. However, the requirement of a connecting mechanism between these institutions cannot be written off (Jacobs & Schillemans, 2015). That is when critical mass media enters the playing arena. It is a shame that a systematic investigation of the theoretical connection between mass media and public accountability has not come into envision of the scholars more frequently. This paper expects to confer the theoretical models developed by scholars and the importance of identifying a clear-cut relationship between mass media and its role in ensuring the public accountability paying close attention to the ethical considerations.

When it comes to the mass media audiences of the contemporary world, they experience soft news of no social or political value spewing from mushrooming cable television networks and narrow-minded opinion enclaves being exacerbated by blogs. Such current anxieties about the well-being of journalism reflect a distress for the mass media's presumed task of sustaining a well-informed citizenry. Well, the concern does not end at that point. Add to that, journalistic vitality in holding public bureaucrats and organizations accountable is also imperative. Schudson (1995) argues "The press can serve as a stand-in for the public, holding the governors accountable – not to the public (which is not terribly interested), but to the ideals and rules of the democratic polity itself". Nevertheless, the chronic and gradual deterioration of tough-minded investigative journalism in the mass media field has endangered the realization of the above stated function of holding governments accountable (Ettema, 2009).

When it comes to accountability forums, public sector organizations are encountering different types of accountability forums both formal and informal (Jacobs & Schillemans, 2015). The mass media can be seen as an informal forum which demands accountability from public sector

establishments. There is an implication that these formal and informal forums might influence each other along the road. The mass media at times publish critical articles about public sector institutes in response to serious inquiries in parliament or after recommendations from inspectorates. It is notable that a converse relationship, in which a media report triggers a parliament scrutiny or inspection is also possible. Jacobs and Schillemans (2015) present a key model to understand the role of mass media on public accountability. They stated that the accountability process initiates an information phase in which information on an actor's conduct in the broadest sense of word is completely disclosed. However, this process completes in a consequence phase, in which the accountability forum passes a consequential judgment on the accountable party with probable formal sanctions supporting the judgment. Sanctions may fluctuate from public disapproval on the one end to dismissal or termination on the other.

Traditionally, mass media has played a twin role in the process of public accountability democracies which is, from one angle, the mass media report on public accountability practices. A case in point is telecasting question time of the parliamentary sessions or by writing news reports on formal accountability processes. From the other angle, journalism has historically perceived itself as a forum of accountability in its own right. "The ideal goal of traditional journalism has been to make power accountable: to keep ordinary citizens apprised of what the government is doing, and how it affects them both individually and with respect to the groups and values that they care about" declares Entman (2005).

Accountability and media can be discussed in two aspects. The first one is the logic by which accountability efforts are steered with. Generally, when it comes to formal accountability, it is goal-oriented; accountability is purposefully utilized by the forum to deter fraud, encourage organizational learning, or advance democratic control. The prominent feature of this process is that it is predictable and also guided by an institutional logic. However, when mass media is involved, the actor and forum relationship may not necessarily be oriented in the direction of the same accountability goals. Usually, Journalists are motivated by a media logic that persuades them to chase news that is interesting to their perceived audience. Hence the general public may not be in the first position as far as the priorities

are concerned for the journalists who are hunting for news regarding public accountability, or to be precise, the lapse of public accountability. But through the manner they gather their news could arise a public accountability process. Journalists in mass media ask public organizations for their information and in cases of noncompliance to the required guidelines, the mass media will criticize the behavior of such organizations. Holding a specific organization to account can be healthy for the broader goal of improving and protecting democracy and as a by-product, improve organizational operations or discourage corruption. Therefore, the standard democratic, constitutional, and learning goals of accountability (Bovens et al, 2008) can be achieved as unintended by-products of journalistic inquiries, but still they cannot be considered as the focal objective of accountability to mass media.

As informed by the available literature, the role of mass media in public accountability has been discussed by the scholars in many circumstances. However, most of them seem to be attentive towards the direct role of media as forums of accountability (Maggetti, 2012). Yet, it should not be undermined that mass media can both act as accountability forums and could potentially play an active role in the formal accountability process. This brings to the surface numerous possible roles for mass media to perform. Jacobs and Schillemans (2015) in their research work identified four different roles of mass media namely, spark, forum, amplifier, and trigger which could perform in the context of public accountability.

Spark

The first role, spark is directly the natural duty relevant to mass media. The mass media simply covers a story about an organization to satisfy its news hunting purpose. Still, it is not assured whether the organization will initiate an accountability process or not. Accountability in response to a mere media report is not a guaranteed subsequent result. Nonetheless it is a well-known fact that public sector decision makers are highly media sensitive (McCombs, 2005) and in most cases media coverage triggers anticipatory reactions within an organization (Schillemans, 2012). Since media coverage of a public sector establishment could potentially lead to a formal public accountability process, Jacobs and Schillemans (2015) in their models used the metaphor of the spark to elucidate the first role. A

spark may potentially lead to a fire; but it requires additional fuel from outside. As we know, a lot of sparks do extinguish themselves. Yet if you notice a spark inside your establishment, you are well advised to react and treat them all as the same.

Forum

As far as the second role is concerned, mass media performs as an accountability forum itself. This role is tantamount to mass media's classical protagonist of 'Watchdog journalism'. Mass media can question public administration critically about variances or mishaps based on their own agenda or based on the evidence uncovered through investigative journalism. From the perspective of accountability forums, they possess quite a few opportunities to establish their oversight over accountable actors. McCubbins and Schwartz (1984) make a distinction between police-patrol oversight, which entails "a forum that inspects some organizations at its own initiative, 'with the aim of detecting and remedying any violations of legislative goals and, by its surveillance, discouraging such violations'". Fire-alarm oversight on the other hand comprises 'less active and direct intervention', as a 'system of rules, procedures, and informal practices that enable individual citizens and organized interest groups to examine administrative decisions (McCubbins & Schwartz, 1984).

Amplifier

The third role of the mass media is it acts as an amplifier of accountability: usually the mass media reports on formal accountability procedures. They at times broadcast parliamentary question sessions or publish official reports of inspectors. However, the mass media then boosts and amplifies the potential effects of accountability. In fact, it matters for the accountability forums whether their critical comments 'hit' the media or not (Kepplinger, 2002) and lead to a persistent news-cycle that follow accountability demands.

Trigger

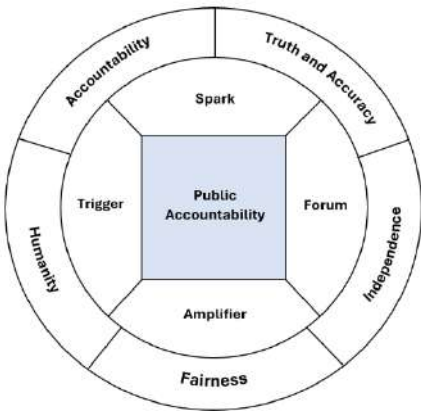
The fourth role of the mass media is extended from the third role. There are possible circumstances in which mass media triggers the formal accountability processes. In this scenario mass media functions as a trigger for the formal accountability process. This part is close to the fire alarm oversights, as elucidated by McCubbins and Schwartz (1984). One could argue that this role is similar to the spark. It is important to keep in mind that these roles are theoretically distinctive but not mutually exhaustive, while some roles may act as a precondition for the other roles. For an instance a critical media report (forum) could trigger a formal accountability process in parliament.

However, this paper attempts to expand this typology of the roles in media presented by Jacobs and Schillemans (2015) by introducing cross cutting ethical themes to the framework. The mass media ethics which were discussed earlier namely i) truth and accuracy, ii) independence, iii) fairness, iv) humanity and v) accountability will be introduced to the proposed conceptual framework as cross-cutting ethical themes. These are often disregarded and neglected by the mass media and yet have proven to be vital areas of discussion. Though scholars have discussed about these derelict themes individually, an attempt to incorporate these in a mass media and public accountability related framework are rarely found.

Proposed Conceptual Framework

Figure 1

Proposed conceptual framework



This paper intends to articulate the role of mass media in enhancing public accountability in the light of ethical premise and to propose a conceptual framework. Hence, the focal point of the proposed conceptual framework is to enhance public accountability within the scope of mass media. Since mass media is largely involved in the public accountability process it is required to perform responsible roles yet in an ethical manner. Therefore, the author has already established that the role of mass media in public accountability does not limit to being a forum of accountability, instead it performs four roles as spark, forum, amplifier and trigger as suggested by Jacobs and Schillemans (2015). Further, the conceptual framework suggested the mass media to function in its role upon the identified five key ethical principles of trust and accuracy, independence, fairness, humanity and public accountability. In conclusion the performance of the four roles of mass media based on the identified ethical principles would be expected to enhance public accountability, which is immensely helpful to improve the governance of a country.

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Central Bank Governance: Trends, Outcomes and Issues

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Abstract

Central banks are entrusted with specific mandates to achieve price stability and financial system stability in order to create a conducive environment for economic prosperity. In the pursuit of achieving such objectives, modern central banking emphasizes the need for ensuring governance of central banks in terms of strengthening various institutional attributes, which ensures central bank credibility. This paper surveys and reviews conceptual underpinnings of central bank governance along with the trends and outcomes of governance by reviewing the existing literature, while discussing applicability of the concept in the emerging country setting, while paying special attention to the Sri Lankan context. The paper suggests that governance of central banks across the world has significantly improved, particularly in the context emerging market countries, including Sri Lanka.

Keywords: *Central Bank Governance, Independence, Accountability, Transparency, Monetary Policy*

Introduction

The term ‘governance’ broadly refers to the process by which an organization is directed, controlled, and held to account, reinforced by the principles of openness, integrity, and accountability (Amttenbrink, 2005). Accordingly, the concept of governance is concerned with the structures and processes for sound decision-making and institutional quality, which ensures credibility of an organization. During recent decades, several advanced and emerging countries have attempted to thoroughly reevaluate the role of the public sector, while emphasizing the need for ensuring governance in the public sector (Koch 2007). As highlighted by the Organization for Economic Co-operation and Development (OCED),

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governance appears especially important in the public sector as government administrators and institutions are dealing with public funds.

Central banks act as public policy institutions responsible for achieving specific objectives such as attaining price stability and financial system stability, which are vital prerequisites to create a conducive environment for economic prosperity. Given such responsibility to achieve specific tasks, modern central banking emphasizes the need for ensuring governance in the central banks. As argued by Lybek (2005), good central bank governance suggests that the objectives and tasks assigned to the central bank are performed effectively and efficiently. In this respect, a combination of several attributes such as independence, accountability, transparency, etc. are considered. These aspects are crucial for establishing central bank credibility. Governance is also instrumental to avoid negative impact of central bank policies and operations on the general public (Schiffman, 2004). Increased focus on central bank governance due to academic contributions of the scholars as well as the continuous policy interactions and deliberations of several supra-governmental institutions have motivated the central banks to practically adopting best governance practices.

In this paper, a survey is carried out on the conceptual underpinnings of central bank governance along with a discussion on the trends and outcomes as well as current challenges faced by the central banks by way of reviewing the existing literature on the subject. The paper also discusses applicability of central bank governance in the emerging market setting paying special attention to the Sri Lankan context. The paper suggests that governance in central banks across countries has significantly improved, particularly in the emerging market countries, including Sri Lanka. The paper also suggests that central bank governance is a primary concern in the context of Sri Lanka as witnessed through various recent developments and challenges.

The remainder of the paper is organized as follows: Section 2 discusses theoretical and conceptual underpinnings related to central bank governance along with a literature review. Section 3 discusses developments related to key attributes of central bank governance, while

employing an emerging country example based on the Sri Lankan context. The challenges and prospects are briefly discussed in Section 4. Finally, Section 5 is the conclusion.

Conceptual and Theoretical Underpinnings of Central Bank Governance

The discussion on central bank institutional quality and governance gained traction even during the early-stage central banking. During recent times, the impetus for a discussion on central bank governance was ignited by the widespread inflation spirals witnessed in the 1970s. The discussions on the so-called ‘time inconsistency problem’ also contributed to the concentration towards central bank governance. As highlighted by Kydland and Prescott (1977) and Barro and Gordon (1983), a central bank with a high degree of discretion that attempts to conduct monetary policy would face constant political pressure to boost the economy and reduce unemployment, at a cost of high inflation in the long run. As suggested by Rogoff (1985), delegating monetary policy to credible inflation, fighting individuals and shielding them from the government would be a solution to this problem. Accordingly, greater independence appears to be helping the central bank to formulate policies necessary to achieve low inflation. Crowe and Meade (2007) suggest that the evolution of central banks in terms of institutional characteristics, reflect certain trends such as the emergence of discretionary policymaking by the independent technocrats and policy reforms to promote central bank independence and accountability; growing importance of global financial markets and the need for providing assurance to such markets; changes in the international order due to the failure of communism and increased pressure for reforms in the emerging markets following the financial crises; and the incentives for central banks, particularly for improved communication due to easier availability of information and technical innovations. Taken together, these trends have yielded shaping good governance of central banks as a mechanism to facilitate macroeconomic stability, sustainable economic growth, and a stable regulatory environment.

Delineating Central Bank Governance

Oritani (2004; 2010) suggests two dimensions of governance of the central banks: public governance and corporate governance. Public governance refers to the institutional framework, whereby the general public empowers a central bank through the legislative and executive bodies of the country. At the same time, accountability and corporate governance need to be a broader requirement than simply reporting to the legislature. Based on the Theory of Williamson (1999), Oritani (2010) argues that the concept of ‘probity’ is very important for central bank. As per the theory on the autonomy of public bureaucracy suggested by Moe and Caldwell (1994), central bank autonomy can be seen as a device to reduce the potential for and the cost of policy swings to a lowest level.

Moreover, based on the ‘agency theory’, Oritani (2010) argues that central banks should be entrusted with the independent agency status to limit the influence of potentially biased principals. Based on the ‘congressional dominance hypothesis’, Oritani (2010) further suggests that a political authority (principal) can influence the decisions of an independent agency (central bank), through actual or threatened sanctions given the authority of the legislature and/or the executive branch to appoint senior officials of such agency. Moreover, ‘public choice theory’ can also be used to provide another strand of reasoning for central bank independence from the legislative/executive branches in a democratic system. Accordingly, it appears that central bank independence along with a clear specification of objectives would ensure some protection against a diversion of monetary policy with the view to serve long-term public interests (Oritani, 2010).

As such, the new institutional economics suggests that the behaviour of political authorities is likely to be based on self- and short-term interest, and hence the delegation of authority to conduct central bank functions, particularly monetary policy, to an autonomous and accountable central bank with clearly defined objectives would lead to enhancing credibility and flexibility.

Key Pillars of Central Bank Governance

Independence (autonomy), accountability and transparency are considered as the most important pillars of central bank governance (Crowe & Meade 2007; 2008). The combination of these pillars, which can be termed as the ‘golden triangle of central bank autonomy,’ is considered as the essential basis of a legal framework of a central bank.

Central Bank Independence (Autonomy)

Central bank independence refers to the freedom of the central bank to define its objectives and instruments without material influence of the government/institution or an individual. The independence is important for a central bank to earn and remain credible (Lybek, 2005). An independent central bank with discretionary powers and expertise to conduct policies, in particular monetary policy, would ensure long-term stability of the economy rather than promoting short-term monetary goals.

In most cases, central bank independence is assured through legislation, i.e. de jure independence. Among the aspects related to independence, ensuring the insulation of senior bank officials from political influence, particularly for appointments and dismissals, enabling governors and members of the policy boards, staggering the terms of office of the board members, etc. remain vital provisions to ensure de jure independence of a central bank (Balls, Howat & Stansbury 2016; BIS, 2009). As suggested by Crowe and Meade (2007), legal characteristics broadly relate to four aspects of central bank independence: First, independence is greater when the central bank management is protected from political pressure by a secured tenure and the independent appointments of the key officials. Second, the central bank can enjoy greater freedom when the government cannot influence or override its policy decisions. Third, independence is greater when the monetary policy objectives are clearly defined in the central bank’s legal mandates. Finally, financial independence of the central bank relies on restrictions to limit lending to the government.

Central bank independence appears to be a widely explored phenomenon in empirical literature. For example, Cukierman, Webb, and Neyapti (1992); Crowe and Meade (2007) show that central banks have become

more independent compared to the 1980s. In particular, central banks in the emerging market and developing economies have experienced a clear evolution towards greater independence over the decades. Such empirical prepositions clearly suggest that there is a clear link between central bank independence and policy outcomes (Cukierman, Webb, & Neyapti, 1992; Alesina & Summers, 1993; Eijffinger & De Haan, 1996; Crowe & Meade, 2007).

A central bank may acquire more or less independence through practice than through the law, i.e. de facto independence of a central bank. To that end, it is also argued that greater independence for a central bank must be complimented with the requirements of institutional and personal accountability rather than merely in the central bank statutes.

Central Bank Accountability

Accountability refers to the obligation of being responsible for actions, which consists of disseminating full information and explaining actions as well as addressing issues related to those actions (Eijffinger & Geraats, 2006). As the actions and activities of the central banks could affect the economic and social conditions and political society as a whole, central banks need to be accountable and be open to scrutiny of the citizens and their elected representatives. Accountability is vital for central bank independence and ensuring public support for its autonomy and to strengthen its credibility (Faria & Streit 2016).

The accountability of independent central banks is assured both by limiting the mandate of the central bank and by requiring it to be accountable to the public (Debelle & Fischer, 1994). As Lybek (2005) suggests, accountability should ensure that an autonomous central bank uses its authority effectively and efficiently to achieve primary objective/s and manages its resources prudently. As a key action with regard to accountability, central banks are required to report and explain their actions to the legislature and the general public.

It is also witnessed that both autonomy and accountability are strongly interrelated. In fact, central bank independence is essential, but it cannot

be unconditional (Bernanke, 2010). As such, the delegation of tasks and powers to an independent central bank should be reconciled by accountability to assure appropriate democratic control and good governance. It is also argued that linking independence and accountability is the primary notion of transparency, which is a vital component that enables independent central banks to prove their accountability.

Central Bank Transparency

Over the years, many central banks attempted to enhance transparency in terms of specifying and quantifying the objectives and goals, publishing macroeconomic forecasts, announcing and explaining policy decisions, indicating the likely course of policy actions. In particular, enhanced transparency practices were seen as an important component of formal inflation targeting regimes. The rise of transparency indicates that central banks are more responsive to the public, and it has become a key element of central bank accountability, thereby enhancing the credibility of the commitments of central banks (Dincer & Eichengreen, 2014).

Geraats (2002) provides a rationale for increasing central bank transparency and the effects of different types of transparency: political, economic, procedural, policy and operational transparency. Among these different types, political, economic, and operational transparency would enhance the credibility of policy (Geraats, 2002). It is evident that a transparent central bank performs a good job in communicating its intentions to the public and thereby reducing the public's uncertainty (Blinder, Goodhart, Hildebrand, Lipton, & Wyplosz, 2001; Geraats, 2002).

Among the attempts to devise an appropriate benchmark to measure central bank transparency, Blinder et al. (2001), Eijffinger and Geraats (2006), Crowe and Meade (2008), Neuenkirch (2012) and Dincer and Eichengreen (2014) suggest that there has been steady movement in the direction of greater transparency. These studies suggest that the degree of central bank transparency has implications on average inflation and output as well as on the volatility of inflation, output, and interest rates. At the same time, evidence suggests that there could be some downsides of

increased transparency such as the impairment of the quality of discussion at policy meetings (Meade & Stasavage, 2008).

Other Attributes of Central Bank Governance

In addition to the above attributes, several other attributes related to central bank independence can be observed. Among these attributes, availability of the law and mandate, considerations related to the policy board, internal decision-making process, financial and risk management practices, the relationship between the government, and establishing ethical standards and whistle blowing policy remain vital.

Law and Mandate

An explicit and clear legal mandate is important for central bank governance. Clearly defined policy objectives are helpful in reducing the risk of political pressure and potential conflicts between the government and the central bank. It is also argued that central banks with multiple objectives face policy choices that may require assigning lower importance to the price stability objective. In that respect, it is argued that narrower mandate for the central bank remains effective which will also ensure adherence to governance principles and credibility of the central bank (Debelle & Fischer, 1994; Crowe & Meade, 2007). Lybek (2005) suggests that as the central bank is required to meet a quantified objective in implementing monetary policy, it is important to reach an agreement with the government based on a realistic target. An explicit mandate and contract agreements generally enhance both accountability and the credibility of the monetary policy framework of the central bank, while ensuring adequate communication between the central bank and the public. At the same time, central bank statutes and mandates should be open for timely reforms in line with the dynamics of the economy (Lybek, 2005).

Chief Executive and the Policy Board

A proper governance structure is vital to ensure effective management of the central bank and its policy-making process. For example, Lybek (2005) proposes certain attributes to ensure a competent governance

structure of a central bank: the governor/chief executive, deputy governors, and board members should observe certain qualification requirements, good moral standing and relevant experience; boards with oversight responsibilities should have a majority of external members; the nomination and appointment of the governor, and members of the board(s), should be done by separate institutions of the government to maintain some balance; the term of the governor and board members should be longer than the election cycle; terms should be staggered to ensure continuity and facilitate accountability; direct government representatives should be excluded from the policy boards. It is argued that if a government representative participates in a policy board, it should at least be without voting/veto powers. Lybek (2005) also suggests that any dismissal should be done only for breaches of qualification requirements, or misconduct. It is also argued that government directives to the central bank should be avoided and prohibited - unless those are considered necessary and urgent as a measure to be used only in extraordinary cases.

Internal Decision-Making Process

Although the executive management is formally vested with the governor of a central bank, most central banks formulate policy decisions, particularly monetary policy through deliberations of the committees. This trend has emerged since the late 1990s. For example, the reforms at the central banks in United Kingdom and Japan have led to replace the model of a single policymaker with a monetary policy committee. The presence of committees in decision-making processes has brought about certain advantages to the central banks, such as collating different views and information for collegial decision-making, creating synergies through expertise and experience, optimum allocation of skills and responsibilities among the officers, dedicating more time for deeper analysis, and imparting greater legitimacy as well as accountability in the decision-making process. Furthermore, decision-making through committees, which allows collegial act ensures standing against any external pressure or undue influence. Conversely, deliberation and decision-making could be more difficult and time-consuming as the size of the committee increases. In an artificial monetary policy experiment, Blinder and Morgan (2008) determined that committees with five individuals generally

formulate better decisions than the individual decision makers or the large groups.

Financial Management and Risk Management

Central bank finances attract special attention due to the ability of central banks to create money and to influence the economy. It is accepted that laws should ensure that the central banks are entrusted with sufficient financial autonomy to support their actions and policies, however, with corresponding financial accountability. The budget of the central bank should not be dependent on the government budget and should not be subject to normal annual appropriation procedures of the government. In contrast to the private firms, for central banks, policy objectives remain paramount and hence, profits are not considered as meaningful measures of the central bank's performance. However, sound financial management and financial strength are vital aspects for a central bank as they affect policy outcomes and credibility of the central bank (Perera, Wickramanayake & Ralston, 2013). It is also argued that only realized net profits should be returned to the government after making prudent provisioning by the central banks and appropriate allocations to general reserves.

The disclosure of information on central bank operations, for example, monetary operations, allows the external parties to review the central bank's usage of public resources, along with an indication of efficiency and responsibility attached to the use of such resources. Moreover, financial accountability of the central bank can be ensured by allowing external auditors and the auditor general to review the financial statements of the central bank prepared as per the relevant financial reporting framework and publishing the financial and other/non-financial information. Central banks aim at accountability and transparency with respect to their financial condition, usually through publishing the auditor's opinion and management letters. One of the key reforms in the governance structure of central banks is the establishment of the audit committees chaired by an independent director/board member. This committee ensures the integrity of financial statements and the systems of internal audit and controls.

As the central banks hold a significant quantum of foreign and local currency assets and liabilities, they could face substantial financial risks in their operations. At the same time, central banks could also face non-financial risks such as operational risks and reputation risks. Given that a significant amount of public resources is at risk due to such financial and non-financial risks, it is important that the central bank employs sound systems and frameworks to manage risks effectively. It is a common practice that central banks establish risk management committees with the direct involvement of the policy board.

Relationship with the Government

It is accepted that the central bank as an independent institution should be separated primarily from the government (Smits, 1997). It is also argued that such an arrangement should ensure an amicable relationship between the central bank and the government. Amtenbrink (2005) argues that the potential for disputes between the central bank and the government could be high when the central bank is assigned with high degree of independence. In this regard, adequate arrangements for coordination and communication channels between the government and the central bank have to be established to avoid misunderstanding between the two institutions. As such, institutionalized contracts between the government and the central bank could support effective interaction between fiscal and monetary policies. Nevertheless, it is also argued that the government officials with voting powers who are serving at the policy boards would pose influences on the central bank (Amtenbrink, 2005). In that context, in order to ensure functional independence of the central bank, officials who are directly attached to the government should be excluded from participating in the monetary policy decision process or at least, they should not have voting rights (Amtenbrink, 2005). On the other hand, clear resolution mechanisms should be established in case of potential conflicts between the central bank and the government.

There remains a broad consensus on the essential disconnection between the government and the central bank by way of prohibiting monetary financing of the government deficits (Tober, 2015). If not prohibited, direct credit to the government should be limited to being consistent with

the central bank policy objectives and targets. The central banks should not underwrite and/or participate as a buyer in the primary market for government securities and should not finance quasi-fiscal activities of the government.

Nevertheless, the circumstances related to the global financial crisis and the COVID-19 pandemic have influenced the views on central bank credit to the government. In particular, during the COVID-19 pandemic, a large number of central banks have responded by way of supporting the government to reduce the economic impact of the pandemic. For example, Moser (2020) suggests that central bank responses to the COVID-19 pandemic have been extraordinary in speed, in size and in scope in terms of pursuing ultra-loose monetary policies and massive liquidity provisions and credit disbursements.

Establishing Ethical Standards and Whistle-Blowing Policies

It is vital for a central bank to devise a strong ethical framework, which guides the decisions of the central bank with the view to safeguard integrity of central bank officials and to adequately mitigate potential reputational risks (Vásquez-Ruíz, 2016). Some central bank laws contain explicit general rules and ethical standards for central bank officials to prevent exploitation of conflicts of interest, preserve confidentiality and ensure good conduct. In addition to such provisions, central banks have also adopted codes of ethics for their staff requiring them to maintain confidentiality of information, disclose annual assets and liabilities statements, adhere to ‘cooling off’ periods, etc. As a mode of ensuring ethical conduct, the internal audit function can also play a key role to support the management for the purpose of reviewing and assessing anti-fraud and corruption controls as well as in performing other fraud risk assessments. Moreover, central banks implement whistle-blowing policy frameworks to strengthen the internal governance frameworks. The whistle-blowing is instrumental in providing a further channel for enhancing transparency, integrity and good governance in the central banks.

Central Bank Governance in Emerging Market Economies

Overall Observations

Central banks in the emerging market economies (EMEs) face special challenges in conducting central bank functions, especially monetary policy. Moreover, most emerging market economies operate with less developed financial markets, which constrain and complicate the conduct of monetary policy.

Importantly, central banks in EMEs inherit several issues in relation to the attributes of governance. For example, central banks in EMEs operate with a wider range of functions than in the central banks of the advanced economies. As Lybek (2005) observes, senior appointments of the central bank in most EMEs are carried out by the executive. Further, a survey of the Bank for International Settlements (BIS) suggests that the participation of the government representative in the meetings of the central bank's board is common in the emerging markets (BIS, 2005). While the benefits of central bank independence do not appear when less developed countries were considered (as observed by Crowe & Meade, 2007), such countries are considered as central banks with relatively low independence. In terms of restrictions on lending to government, EME central banks indicate diverse positions and practices.

EME countries have undergone several changes over the recent decades. Although financial repression was a common condition in EMEs, financial sectors of most such countries have been gradually liberalized and opened (Frankel, 2010). Similarly, it is observed that certain developments have been experienced in the context of central bank governance. For example, Crowe and Meade (2007) suggest that central banks in EMEs have moved towards greater independence over the past two decades than their advanced-economy counterparts. It also observed that central bank transparency of such countries has improved since the 1990s, particularly in the context of formal inflation targeting regimes (Dincer & Eichengreen, 2014). However, EMEs still have a relatively lower degree of transparency and openness than in the advanced economies (Ingves, Meyersson & Kahn, 2018).

Sri Lankan Experience

The Central Bank of Sri Lanka (CBSL), which is the apex financial institution in Sri Lanka, was established in 1950 as per the Monetary Law Act No. 58 of 1949 (MLA), with a sum of capital appropriated from the Board of Commissioners of Currency that operated with the provisions of the Paper Currency Ordinance No. 32 of 1884. Hence, prior to the establishment of the CBSL, the Sri Lankan monetary system was featured by a Currency Board System, where the domestic currency was issued against an equivalent value of foreign currency, i.e. Indian rupees lodged with the Reserve Bank of India.

Since the establishment of the CBSL, Sri Lanka followed a fixed exchange rate regime. Under such a fixed exchange rate regime, the CBSL did not possess active control over price stability and monetary policy, as domestic inflation was directly linked to foreign inflation. Accordingly, there was no need for an explicit anchor to manage inflation under the monetary policy framework. With the abandonment of the fixed exchange rate regime amidst the open economic policies, interest rates and monetary aggregates, which played a secondary role in the conduct of monetary policy, were assigned with a greater role. As such, in the early 1980s, Sri Lanka introduced a monetary targeting framework for the monetary policy conduct. Under this framework, monetary policy instruments were used to maneuver reserve/base money supply of the CBSL as the operating target and broad money as the intermediate target to achieve the objectives of monetary policy. Nevertheless, with the gradual weakening of the relationship between monetary aggregates, inflation and GDP growth and following the global trends and developments, the CBSL initiated an internal process in the late 1990s and the early 2000s to upgrade monetary policy formulation and implementation process (Weerasinghe, 2018). In 2002, major amendments were introduced to the MLA in order to streamline the objectives of the CBSL. At the same time, the announcement of the move towards a flexible inflation targeting in 2018 remains an important milestone of central banking and monetary policy conduct in Sri Lanka.

In line with the gradual developments in central banking in Sri Lanka, it is observed that certain attributes related to its governance have also evolved over the decades. While the legislative enactments can be considered as safeguards related to governance, several institutional developments witnessed over the last seventy-three-year period also suggest the efforts taken by the CBSL to enhance governance practices in line with global developments. The following section discusses the key features and developments in relation to governance practices of the CBSL.

Key Attributes of Governance

Based on the idea of the ‘Golden Triangle’, which ensures credibility of a central bank, i.e. autonomy, accountability and transparency, certain observations can be made in the context of central banking in Sri Lanka.

Although one could argue that the CBSL has neither de jure independence nor autonomy determined by law and direct references to independence have not been made, it is clear that the legal enactment relevant to the CBSL attempts to preserve its independence through various provisions. For example, it appears that certain concerns have been raised against John Exter, the architect of the CBSL, for making the Secretary to the Ministry of Finance a permanent member of the Monetary Board of the CBSL. The basis of this claim is that such government representation could have the possibility of acting in self-interest, particularly in fulfilling funding government expenditure programmes through its ability to dictate terms to the Monetary Board, thereby allowing fiscal policy to override or influence monetary policy. Hence, there is a view that the ex-officio member should be removed from the central bank’s decision-making process as he/she could use the de fact veto power to prevent the central bank from raising interest rates or to force the central bank to print money thus imposing so-called fiscal dominance on monetary policy. In the case of Sri Lanka, past experiences of the CBSL show that this criticism has some validity (Wijewardena, 2018).

Nevertheless, as per the Exter Report, through this provision, it was expected to ensure a continuous and constructive cooperation between the CBSL and the government (Exter, 1949). As argued by Wijewardena

(2007a; 2007b), Exter's wisdom has been to create an environment for both the government and the CBSL to have a peaceful and amicable cohabitation. Hence, MLA ensures that the CBSL should, as far as possible, work in consultation with the government, rather than in isolation and as a result, the true independence could be preserved through such consultative method (Wijewardena, 2007a; 2007b; 2018). As Exter has argued, the Central Bank should work in close harmony with the government in the face of many important problems of monetary policy, especially those relating to fiscal policy (Exter, 1949). One could point out the actions and the contribution of the CBSL during the difficult times brought by the COVID-19 pandemic as an example for such amicable behaviour between the two policy authorities. On the contrary, one could argue that the economic calamity experienced by the country in 2022 is an outcome of such fiscal dominance over monetary policy. The proposed Central Bank bill appears to be focusing and addressing the longstanding concerns related to this aspect.

Unlike other governmental bodies, a certain degree of independence has been afforded to the CBSL through legislation. This can be identified in terms of the independence extended to the budget and expenditure, job security of the key central bank officials, and power to make monetary policy without consulting the government. With regard to budgetary independence, the CBSL does not need to rely on budgetary resources that are controlled and released by the government. It is argued that the provisions in the law governing certain appointments provide a certain degree of autonomy to the CBSL as justified by the appointment and removal process as well as the serving term of the governor (CBSL, 1990). The governor as well as the non-executive board members are appointed by the President, on the recommendation of the Minister of Finance. The approval of the Constitutional Council is also required for the appointment of the non-executive board members. This is based on the notion of the two-step approval process for the appointment of non-executive members, which is in line with the established governance principles. As per the MLA, the term of the office of the governor and the non-executive members of the Monetary Board has been determined as six years thus exceeding the current election cycle. A provision is also included in the MLA to achieve the staggering term of the governor and the appointed

members. Section 11 of the MLA refers to disqualification for appointment as the governor, or as a member of the Monetary Board based on certain instances. Section 16 of the MLA outlines the removal process in view of permanent incapability of performing duties, misconduct against the objectives and interests of the central bank, etc.

It is observed that certain provisions of the MLA have ensured the independent conduct of the officers of the CBSL. For example, as per Section 10 of the MLA, the Monetary Board is able to appoint officers, remove/dismiss, and fix the salaries/wages, or other remuneration. In addition, the Monetary Board can establish and regulate pensions/provident funds or schemes for the benefit of officers and their dependents and nominees. Further, the CBSL can grant loans and advances, for housing purposes, to officers making them independent from government loan schemes and financial institutions. Section 47 of the MLA ensures the protection for central bankers for acts done in good faith.

The premise of de facto independence was also convinced by John Exter as he did not expect the legal arrangement for a cohesive fiscal and monetary policy to be effective at all times. Exter argued that such complex and delicate relationships cannot be established by a piece of legislation and must be the result of years of experience as well as the slow growth of political conventions. To that end, Exter opined that independence depends on the persons occupying the key positions and the maturity of central bankers and their credibility also matters in preserving central bank independence. This suggests that despite the enabling provisions in MLA, the autonomy of the CBSL could be compromised by political masters and their interventions, particularly, if the stature of the persons holding the high positions is weak. However, in the past, in spite of certain events where the CBSL was under undue pressure of the government and politicians, there are instances where the top officials of the CBSL had stood up to politicians or other outsiders to protect and preserve the autonomy of the institution.

In terms of empirical studies in the context of Sri Lanka, Dincer and Eichengreen (2014) show that central bank independence remains moderate. Accordingly, comparing different measures of independence

for 89 countries, Dincer and Eichengreen assign a rank at the position of 30 for Sri Lanka, a level above many South Asian countries.

The MLA also enables certain provisions to ensure accountability although the term ‘accountability’ was not a key reference in central banking at the time of establishment of the CBSL. One key area in this regard is the need for divulging adequate information and reporting. For example, as per Section 34 of the MLA, the CBSL is required to publish a balance sheet showing the volume and composition of its assets and liabilities as at the last day of each month by the last day of the following month in the Government Gazette. As a part of external accountability and financial reporting, these financial statements are prepared in accordance with the generally accepted accounting practices. Moreover, as per Section 36 of the MLA, the balance sheet and other financial statements of the CBSL shall be signed by the governor and the chief accountant of the CBSL and shall be certified by the Auditor General. Furthermore, as per Section 35, the Monetary Board needs to submit it to the Minister of Finance and shall publish an annual report within four months after the end of each financial year. This includes a report on the condition of the CBSL and a review of the policies and measures adopted during the financial year along with an analysis of the economic and financial circumstances that prompted such policies and measures. As a part of accountability, the annual report should be submitted to the Parliament within fourteen days after the receipt thereof by the Minister of Finance. The Auditor General’s report is also published with the annual financial statements of the CBSL. The CBSL broadly complies with the specific recommendations applicable to the wider financial community such as the Financial Sector Assessment Program (FSAP) and Report on Observance of Codes and Standards (ROSC) of the International Monetary Fund (IMF).

In addition to the statutory publications, the CBSL also releases information regarding monetary policy and financial stability to a greater extent. Thus, although the minutes of the deliberations of policy committees such as the Monetary Policy Committee (MPC) is not published at present, a broad set of information in terms of press releases, regular reports and other communiqués are regularly made available to the

general public and the market participants. In addition, the CBSL publishes vital monthly information on its website including foreign reserves information consistent with the format prescribed for foreign reserves reporting by the IMF (Special Data Dissemination Standard), foreign exchange intervention data, etc. In addition, since 2019, the CBSL deals with requests for information under the provisions of the Right to Information Act No. 12 of 2016. At the same time, as and when required, the CBSL ensures its presence at the relevant sub-committees of Parliament.

The CSBL is increasingly adopting measures towards transparency in respect of its policy actions and communicating its intentions to the public. This has helped reducing the public's uncertainty and aligning their expectations. Keeping in line with the global trends, the CBSL has made certain attempts to publicize the details on main governance topics concerning the central bank such as its decision-making process, organizational structure, committees, policies and measures as a part of fulfilling accountability and transparency requirements. At present, the CBSL publishes a range of documents not limited to press releases and short notices, but comprehensive publications containing information, data and analyses such as the Annual Report, Report on Recent Economic Developments and Prospects, Financial System Stability Report, etc. The Bank has also enabled the public to access legal enactments, special reports, databases, statistical publications, indicators, etc. Since 2007, the CBSL has made special arrangements to improve transparency and thereby certainty and predictability of central bank policies through announcing the 'Road Map: Monetary and Financial Sector Policies,' outlining the CBSL policies and strategies for the forthcoming period.

The CBSL ensures the greatest possible degree of transparency related to monetary policy conduct, while adhering to the practices of modern central banking. In this context, the CBSL issues a press release announcing its decision on the monetary policy stance, along with an explanation of the factors influencing the decision and its rationale. Following such monetary policy announcement, usually eight times per year, a press conference is held attended by the senior management of the CBSL. Over the years, the content and the focus of the monetary policy press release has evolved to

a more analytical and forward-looking statement, which serves as a guidance for market participants. At present, the CBSL does not publish a monetary policy or an inflation report, while it has indicated the plan to publish such reports under the flexible inflation targeting framework. The CBSL has already commenced publishing fan charts (based on the probability density functions) on the probability of achieving forecasts for certain macroeconomic variables, particularly inflation, which reflects the available data and assumptions as well as judgments incorporated into forecasts.

The outcome of increased transparency of the CBSL can be gauged in terms of the behaviour of economic stakeholders. For example, unlike in the past, it appears that market participants anticipate and pay special attention to the policy actions of the CBSL. As the policy decisions are greatly driven by data and economic information, there is a high probability that market participants' form well-aligned anticipations based on monetary policy. On the other hand, it seems to be instrumental in improving expectations and alignment of such expectations with the policy targets of the CBSL.

In terms of empirical studies relevant to central bank transparency in the context of Sri Lanka, Dincer and Eichengreen (2014) show how transparency has increased over the period from 1998 to 2010. It indicates that there has been a significant improvement since 2002, which coincides with the streamlining of objectives and strengthening the monetary policy conduct of the CBSL.

Other Attributes of Governance

Law and Mandate

As mentioned above, the MLA provides a broadly defined governance framework, as can be described through various provisions on different aspects. In relation to the mandate, as specified in Section 5 of the MLA, the CBSL was originally entrusted the task of achieving a number of objectives, which have been generally referred to as multiple objectives, namely: stabilization of domestic monetary values; preservation of the par value or the stability of the exchange rate of the currency, promotion and

maintenance of a high level of production, employment and real income in Sri Lanka; and encouragement and promotion of the full development of the productive resources of Sri Lanka. It is noteworthy that such objectives are related to both stabilization and development objectives. Although such objectives do not necessarily seem compatible or harmonious at all times (CBSL, 1990), the CBSL has been operating with such conflicting objectives for more than fifty years in line with the national priorities of the country. However, in line with the global trends in central banking and the rapid changes in international financial markets and the significant advancement in information technology, the CBSL embarked on a modernization programme in 2000. Under this programme, objectives of the CBSL were also streamlined and reduced to two core objectives: maintaining of economic and price stability and maintaining of financial system stability, with a view to encouraging and promoting the development of productive resources of Sri Lanka (Section 5 of the amended MLA).

The task of achieving two core objectives and hence moving away from the multiple objectives by the CBSL reflects the increased focus of modern central banks to devise a narrow mandate. This upgrade helps the CBSL to focus only on key areas of central banking (Premaratne, 2011). Meanwhile, based on the basic premise that a central bank's primary goal should focus on price stability and the price stability crucially depends on stable macroeconomic conditions, one of the core objectives of the CBSL was specified as 'economic and price stability.' This indicates that the economy is free from excess/deficit aggregate demand and supply, which is the source of deviations in potential output and hence general price levels. Furthermore, as the experiences from the past and from other countries have shown that the stability of the financial system is a crucial condition for maintaining economic stability, the CBSL also considered financial system stability as a core objective. Such two objectives are correlated and do complement each other. It is evident that a central bank should ensure financial system stability as monetary policy is generally transmitted through financial intermediaries (institutions) and markets.

The CBSL is expected to make significant changes under the proposed central bank law with a view to improving central bank governance,

strengthening its independence and facilitating the flexible inflation targeting (FIT) as the monetary policy framework to ensure sustained price stability. Financial sector oversight is also expected to be strengthened under the proposed macro-prudential policy framework in the new law.

In order to achieve core objectives, the CBSL performs specific core functions, namely, conducting of monetary policy and exchange rate policy; management of the official international reserves; oversight of the financial system along with the regulation and supervision of banks and selected nonbank financial institutions; provision of settlement facilities and the regulation of the payment system; issue and distribution of the national currency; compilation and dissemination of economic data and statistics and acting as the banker and financial adviser to the Government. In addition, the CBSL also performs certain agency functions such as foreign exchange management, provident fund management, regional development, etc. on behalf of the government. The organizational structure of the CBSL facilitates performing these functions in an effective manner. Moreover, in the pursuit of achieving the objectives amidst a dynamic economic environment, the CBSL introduced a strategic planning process since 2007 as a part of the enhanced governance framework. The Strategic Plan provides the strategic direction in achieving the vision, mission and mandate of the CBSL and contains the strategic objectives, goals and actions to achieve the core objectives of the CBSL. Implementation of the plan is monitored on a regular basis and adjustments are introduced as necessary.

Chief Executive and the Policy Board

In terms of Section 9 of the MLA, the corporate status is conferred on the Monetary Board, which is vested with all powers, functions and duties. As the governing body of the CBSL, the Monetary Board is responsible for all policy decisions related to the management, operations and administration of the CBSL.

The Monetary Board consists of five members: the Governor of the CBSL who serves as the Chairman of the Board, the Secretary to the Ministry of Finance as the ex-officio member, and three non-executive members

appointed by the President. Prior to 2002, only one member was appointed to the Monetary Board other than the Governor and the Secretary to the Ministry of Finance. The expansion of the Monetary Board in line with the revision to the MLA in 2002 has enabled attracting professional and expertise views for the policy making process. It is observed that reputed professionals and experts in the fields of economics, finance, banking, law, etc. have served on the Monetary Board. Although there could be concerns on good governance due to the government representation in the Monetary Board, it remains as a mechanism in achieving coordination between monetary and fiscal policy through interactions between the monetary and the fiscal authorities. Nevertheless, the nature, size and the composition of the Board is expected to be changed under the new law.

Internal Decision-Making Process

The organizational structure and internal decision-making process of a central bank is broadly determined by the legal statute. As such, the MLA sets out its functions and provides for the structures within which the CBSL carries out such functions. While the Monetary Board performs as the supreme body for the management of the CBSL, as per Section 19 of the MLA, the day-to-day executive functions are carried out by the Governor as the Chief Executive Officer. The Governor is assisted by the deputy governors and the authority is delegated at different levels. In this connection, as per Section 22 of the MLA, with the concurrence of the Minister of Finance, the Monetary Board, can appoint one or more deputy governors to perform duties and exercise powers as assigned by the Board. Further, according to Section 21 of the MLA, the Governor can delegate his authority to any other officer of the CBSL to represent the institution for any purpose in connection with public or private, domestic, foreign, or international representation as well as legal proceedings. The MLA also enables establishing departments and heads of such departments to carry out functions of the CBSL.

The organizational structure of the CBSL is designed to assist delivering on the strategic objectives. For example, the CBSL operates across different clusters namely, price stability, financial system stability and support services, etc. each of which is headed by a deputy governor

supported by assistant governors. At present, the CBSL consists of several departments headed by a director or its equivalent and a number of regional offices headed by a regional manager. As a part of decision-making, the CBSL also relies on several internal committees dealing with various matters. It is worthwhile exploring certain important committees related to monetary policy function and the financial system stability function.

a) Monetary Policy Committee (MPC)

A formal Monetary Policy Committee (MPC) was established in early 2001 as a part of the CBSL's efforts to strengthen monetary policy analysis and improve the decision-making process. From November 2001 up until March 2020, the MPC was chaired by the deputy governor responsible for monetary policy function and effective from April 2020, the MPC is chaired by the governor. The MPC consists of key officials under the Price Stability Cluster including the deputy governor responsible for monetary policy as the deputy chairperson, all other deputy governors, assistant governor/s and the directors related to Departments of Economic Research, Domestic Operations, International Operations and Statistics. The primary function of the MPC is to evaluate and foresee the emerging monetary and macroeconomic developments and make recommendations on appropriate future directions of monetary policy for the consideration by the Monetary Board. Once the monetary policy stance is decided by the Monetary Board, the Market Operations Committee (MOC) translates such monetary policy decisions into daily monetary operations. After reviewing market developments and estimates in the domestic money and foreign exchange markets, the MOC decides on appropriate actions in relation to liquidity management based on the liquidity conditions, desired level and direction of the operating target, liquidity distribution among market participants, the need for sending appropriate market signals, along with the foreign exchange rate and market considerations.

b) Financial System Stability Committee (FSSC)

The Financial System Stability Committee (FSSC), which was established in 2002, serves as an interdepartmental forum for the identification of risks affecting the financial sector, proposes measures to mitigate risks and the coordination of efforts to promote financial system stability. The deputy

governor in charge of financial system stability acts as the chairman of the FSSC. This forum is also attended by the deputy governor in charge of price stability and assistant governors and heads of departments of relevant departments. FSSC aims at identifying the risks to the financial system that are detected and measured through surveillance, which include monitoring macro-prudential and micro-prudential indicators. The FSSC makes recommendations to the Monetary Board on the measures and policies required to reduce these risks and to maintain financial system stability.

In order to obtain external views on central bank policies and broaden its engagement with key stakeholders of the economy, the CBSL has established certain committees comprising of external members. Accordingly, in 2022, the CBSL established a Stakeholder Engagement Committee (SEC) by replacing the Monetary Policy Consultative Committee (MPCC) and the Financial System Stability Consultative Committee (FSSCC) of the CBSL that were in operation previously. The SEC consists of a diverse group of stakeholders including professionals, academics and the private sector personnel.

In addition, several internal oversight committees have been established for the purpose of monitoring effective discharge of certain functions of the CBSL. For example, the International Reserve Investment Oversight Committee (IRIOC), the Internal Investment Oversight Committee (IIOC) and the Employees' Provident Fund Investment Oversight Committee (EIOC) perform tasks in relation to foreign reserves management, internal fund management and the EPF fund management, respectively. All these oversight committees are headed by the relevant deputy governor. In addition to these committees, the Monetary Board Advisory Audit Committee (AAC) and the Board Risk Oversight Committee (BROC), which are the subcommittees appointed by the Monetary Board, play a vital role in ensuring governance related to financial and risk management of the CBSL.

Financial Management and Risk Management

The financial management framework of the CBSL is structured around systems of budgeting, responsible spending, financial reporting and internal and external accountability. The MLA ensures sufficient financial autonomy of the CBSL. For example, Section 10 of the MLA empowers the Monetary Board to spend funds for the purpose of meeting all expenditure incurred by the Board in the management, administration, and operation of the CBSL towards fulfilling its tasks. This ensures that the CBSL is not dependent on the government budget allocations for its finances. In meeting its expenditures, particularly operating expenditure, the CBSL ensures that proper procedures and discipline are maintained.

The CBSL only returns realized net profits, after prudent provisioning and appropriate allocations to general reserves, to the government. Accordingly, as per Section 41 of the MLA, profits or losses arising from any revaluation of foreign exchange assets are not included in the computation of the profits and losses of the CBSL. At the same time, as per Section 39 of the MLA as well as the policies of the CBSL, profits are distributed in a prudent manner. In terms of these provisions, the payment of profits to the government is the last priority given the inflationary effects of the payment or the non-payment of profits on the economy. The most important provision relating to the appropriation of profits of the CBSL is the requirement for accumulating reserves out of the profits.

As a part of accountability, the CBSL undertakes the financial reporting function in terms of International Financial Reporting Standards (IFRS) and relevant provisions of the MLA. In line with the requirement for maintaining public disclosure of information, the CBSL publishes its financial statements on a monthly basis, which itself is an important element of the corporate governance structure. Moreover, considering the need for ensuring orderly financial management and amidst lowest risk on public resources, the CBSL adopts appropriate auditing and risk management frameworks. In fact, the MLA pays special attention to the auditing function to ensure the integrity of the financial statements and the systems of internal audit and controls of the CBSL. As per Section 42, the accounts of the CBSL need to be audited by the Auditor-General and he

shall submit an annual report on the accounts of the CBSL to the Minister of Finance who shall lay such report before Parliament. This ensures disclosure and accountability of the CBSL. In addition, keeping the practices in line with the global best practices, the CBSL has established a Monetary Board Advisory Audit Committee (AAC) as a sub-committee of the Monetary Board. The AAC advises the Monetary Board on policies and matters relating to financial reporting, internal controls, internal audit and external audit.

In pursuing policy objectives, the CBSL also faces various risks, both financial and nonfinancial in nature. Considering the fact that materialization of any of such risks could have a severe impact on the financial position and the reputation of the CBSL, a properly designed risk- management framework has been implemented. In this connection, the CBSL pursues an Enterprise-wide Risk Management (ERM) Framework. Under the ERM, it is intended to promote a culture of informed risk-taking at all levels of the institution. In addition to facilitating non-financial risk management of all the departments under the three lines of defense model, the CBSL also focuses on financial risk management of the fund management activities of the international reserves and the internal investment funds of the CBSL, as well as the EPF management carried out as an agency function for the Government. The CBSL has also established a Board Risk Oversight Committee (BROC) as a subcommittee appointed by the Monetary Board (MB). The BROC is responsible for laying the broad strategy and policies for the CBSL's risk management and compliance functions, while assisting the Monetary Board to ensure a dedicated focus on risk management and compliance.

Relationship with the Government

In terms of the relationship with the government, the CBSL performs operational and advisory functions. Given the fact that there is a common feature of modern central banks to bear the main responsibility for official dealings, both in domestic and external markets, the CBSL also plays a vital role in assisting government transactions (CBSL, 1990). According to Section 106 of the MLA, the CBSL acts as the fiscal agent as well as the banker of the government and agencies/institutions acting on behalf of

the government, while Section 107 has entrusted to the CBSL, the role of official depository of the government/agencies/institutions of the government. In performing the function relating to the banker to the government, the CBSL provides banking facilities to government departments, agencies and institutions, and certain foreign entities on behalf of the government. Moreover, as described in Section 112, the CBSL is responsible for the issuance of public debt, as the fiscal agent of the government. In the following Section 113, the CBSL is entrusted with the task of the management of the public debt. Section 111 of the MLA discusses the CBSL's role in terms of its representation with foreign governments, agencies, and international institutions on behalf of the government. In addition, the CBSL carries out duties and functions as an agent of the government in managing and facilitating foreign exchange transactions. Thus, in terms of managing public debt and foreign exchange, the CBSL maintains a close coordination with the government (CBSL 1990). Nevertheless, several deliberations have been observed in certain instances with regard to the need for abandoning such agency functions by the CBSL, particularly the public debt management, which appears in conflict with monetary policy-making of the CBSL.

Several provisions of the MLA enable the policy advisory role of the CBSL toward the government, particularly as the financial advisor. For example, as per Section 114 of the MLA, the views on monetary implications of proposed new loans or security issuances by the government should be obtained. According to Section 115, the CBSL makes recommendations on policies of government agencies or institutions as to the measures and policies, which should be adopted by such agency or institution for the purposes of coordinating such policy with the policies of the CBSL. As per Section 116, the CBSL is entrusted with the task of submitting a confidential report by 15 September each year, to the Minister of Finance, for use in the preparation of the Budget Speech. This report describes and analyzes the monetary situation in Sri Lanka and the current monetary policy of the CBSL, while examining the effects of the current fiscal policy on the ability of the CBSL to achieve its objectives.

As per Section 63 of the MLA, the CBSL is solely empowered with the task of conducting national monetary policy. In other words, when there is inflationary pressure and/or a deterioration in the country's external reserves, the government has to turn to the CBSL for its guidance and advice (CBSL 1990). Moreover, as per Section 64, if the CBSL considers that domestic monetary stability is being endangered, the CBSL is able to adopt policies, and remedial measures and submit a detailed report on the causes of the problem, its effects, and the measures taken to the Minister of Finance. Similarly, as per Section 68, the CBSL adopts actions to preserve international stability of the currency and avoid imminent threat of a serious decline in the international reserve and inform the Minister of Finance through a detailed report.

To that end, it is observed that MLA has made arrangements to distinguish functions and responsibilities of the CBSL, while ensuring a separation between monetary policy and fiscal policy. Nevertheless, as the ultimate policy-making body with direct responsibility to the public, the government may override the CBSL policies. As such, as per Section 116 (2) of the MLA, if there is a difference of opinion on monetary policy between the Minister of Finance and the Monetary Board, the Minister of Finance can inform the Monetary Board that the government accepts responsibility for the Monetary Board adopting policies in accordance with the opinion of the government and direct the Monetary Board to adopt such government policy. It is reported that such inconsistency of the policies with the government taking responsibility has been limited to one or two events during its history. Also, although there have been conflicts between the government and the CBSL on common issues in certain instances, such conflicts can be viewed as differences of opinions and short term and long-term goals of the government and the CBSL (CBSL 1990).

There are two areas of concern that need special attention in relation to the discussion on the relationship with the government. First, the government representation at the Monetary Board of the CBSL. As discussed above, although such arrangements could be viewed as a hindrance to central bank autonomy based on the practices of certain countries, in the context of Sri Lanka, the same could be considered as an institutional arrangement

to promote continuous interaction between the CBSL and the government (CBSL 1990). Second, the greater concern is on the credit operations with the CBSL and the government. According to Section 89 of the MLA, the CBSL extends provisional advances to the government, free of charge, with a ceiling of 10 per cent of the estimated government revenue approved by the Parliament for a given fiscal year. Although the government is required to repay the provisional advance every six months, and the government adheres to the requirement, at present, this facility serves as a revolving credit line to the government. Moreover, as per the current MLA, the CBSL is able to make direct subscriptions in the case of Treasury Bills. It is widely accepted that indirect credit to the government, i.e. buying outright government securities held by the market, or accepting them as collateral, should be guided by monetary policy objectives. To that end, although both these arrangements assist the government in day-to-day cash flow management, it forms a vital component of domestic credit, and remains a concern (Thenuwara, 2012). In fact, monetary financing is considered as one of the root causes of economic imbalances of the country. At the same time, it may be argued that such arrangement would help authorities to navigate the economy and financial markets towards stable conditions during difficult times such as the COVID-19 pandemic. It is observed that the CBSL has attempted to address such concerns on monetary financing in the proposed law.

Establishing Ethical Standards and Whistle-Blowing Policy

The CBSL's special attention to strengthen its governance standards as a public policy institution has been further motivated due to certain developments. Some of the measures of the CBSL in this regard are broadly in line with the recommendations of the 'Presidential Commission of Inquiry to Investigate, Inquire and Report on the Issuance of Treasury Bonds (COI) during the period from 1 Feb 2015 to 31 March 2016.' Among such measures, a 'Code of Conduct' and a 'Whistle-Blowing Policy' applicable for the staff and the members of the Monetary Board have been introduced.

The CBSL introduced a 'Code of Conduct' in 2018, which gives guidance in matters of professional ethics to employees of the CBSL and serves as

a reference with regard to the standards of conduct that third parties are entitled to expect in their dealings with the CBSL. This covers certain important areas that ensure integrity and professionalism of the CBSL staff and the management: personal and professional behavior, duty of confidentiality, conflicts of interest, transacting in financial instruments, cooling-off periods, use of social media, use of CBSL resources and disclosure and assets liability statements. Further, the CBSL reinforced its governance driven policies by way of introducing a ‘Whistle-Blowing Policy’ that provides a channel to the employees to inform fearlessly any event of concern and/or about any act, which is detrimental or prejudicial to or is against the interests of the institution to a designated authority in the CBSL. As per this framework, all employees of the institution have an important role in identifying and reporting concerns about wrongdoing which have come to their attention by their own or from a third party source, whilst engaging in the operations and the activities.

Challenges and Prospects

As public policy institutions, central banks face increasing demands both in terms of governance arrangements and the delivery of their primary tasks. At the same time, central banks are also required to exhibit characteristics similar to the private sector, such as efficient performance, accountability, transparency, etc. To that end, although there has been ever-increasing interest towards the governance of central banks and several progressive developments have been reported since the mid-1990s, at present, central banks encounter issues in relation to maintaining the practices of good governance as responsible public policy institutions.

One of the key areas of concern in relation to ensuring central bank governance is the changing scope of the mandate and objectives of central banks. Cossin and Bourqui (2020) argue that central bank governance is being challenged at present as the central banks have lost the clarity of their mandate. According to them, the aim of central banks was used to be clear, i.e. to keep prices stable in order to achieve an inflation target, but it is being evolved towards adopting dual or multiple mandates such as economic growth and employment creation, often without precise targets. At the same time, social wellbeing, sustainability and environmental

actions and even industrial policies indirectly influence the central bank policies. Cossin and Bourqui (2020) also argue that rise of authoritarianism and the questioning of liberal democracies have also posed significant amounts of pressure on the central bankers, with the politicization of appointments and even removals from office thus leading to an erosion of independence.

Further, the global financial crisis (GFC) has motivated a series of financial sector reforms in many countries leading to winding up of failed financial institutions and to provide deposit insurance to prevent bank runs. Carujana (2013) argues that the changing nature of the challenges in the financial sector also poses an impact on central bank independence. As previously noted, following the crises, mandates of many central banks have expanded to include promoting financial stability. Cochrane and Taylor (2015) argue that the central banks have assumed wider responsibilities for financial stability, used unconventional instruments and acted with a great deal of discretion during the GFC, and such controversial choices have been subject to political scrutiny and disagreement.

More recently, discussions of explicit fiscal measures by the central banks, such as the ‘helicopter drops of money’, have been considered as attempts to overstepping the mandates of central bank. The COVID-19 pandemic conditions and its extraordinary impact on the economies and financial markets also point to new dimensions and challenges in relation to the expected role of a central bank. In the face of this shock, central banks have gone beyond the traditional frameworks, by adopting expansionary monetary policies to support the economies, which in turn posed significant repercussions on the ability of achieving the mandated objectives of central banks. It is crucial that central banks devise the right decisions and internal controls, which are key elements of good governance so that they are able to cope with the pandemic shock without much stress and disturbances.

In addition, the current wave of technological advancements such as digital money and finance, artificial intelligence and financial technology poses new challenges to central banks. In such an environment, the central

banks need to be better prepared and be equipped with the right decision-making process, internal controls, and governance practices to effectively and appropriately adjust their functions in line with technological change.

Conclusion

Modern ideological thoughts and practices of central banking emphasize the need for institutional quality of central banks in terms of ensuring its governance by way of strengthening various institutional attributes such as central bank independence, accountability, and transparency. Moreover, it is also agreed that narrow mandate and focused objectives, collegial decision-making without material government intervention and influence, establishment of prudent financial and risk management frameworks, maintaining a relationship with the government that ensures a separation with fiscal policy as well as ensuring ethical standards are vital aspects of central bank governance. Improved governance also ensures central bank credibility and is instrumental in delivering the intended outcomes by a central bank. While advanced country central banks indicate improved standards in relation to governance, most of the emerging market/developing economies have also attempted to embark on efforts and introduce reforms to ensure governance of their central banks. As a result, it is observed that governance of central banks across the world has significantly improved and changed, particularly in the emerging market countries. Nevertheless, compared to the advanced countries, such countries need to strengthen their institutional setup and frameworks to further enhance governance of respective central banks, while being cognizant of changing economic, financial and social conditions.

The discussion on the applicability of governance concept in the emerging country setting while paying special attention to the Sri Lankan context enables drawing certain observations: First, the legislation related to the establishment and operations of the CBSL, i.e. MLA enables certain clear aspects of central bank governance. Second, over the years, the CBSL has made efforts to enhance its governance by way of introducing several changes to the institutional setup, decision making processes, financial and risk management, etc. Third, in spite of certain progressive steps taken by the CBSL and notable outcomes have been observed, the CBSL needs to

adopt further measures, which are extensively discussed in Section 2 and are in line with the experiences of advanced country and successful emerging market country examples. Fourth, proposed changes to the central banking law in Sri Lanka are expected to strengthen governance and institutional quality significantly. Such efforts would further improve the governance framework of the CBSL through adopting best global practices, which in turn would be instrumental in successfully achieving the mandated objectives of the CBSL. That will be left up to future discussion

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Participation in Sports and Recreational Exercises by Academic Community in Sri Lankan Universities: Towards an Evidence-Based Policy to Promote Healthy Workforce

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Abstract

The World Health Organization (WHO) launched its global action plan on physical activities 2018-2030 with the aim of ensuring active people for a healthier world. Regular physical activity benefits participants by preventing and treating non-communicable diseases and improving mental health, quality of life, and wellbeing. In this regard, the WHO emphasizes the importance of context- and segment-specific empirical evidence on the subject to guide related healthcare policies at the micro level in countries. On this backdrop, our study provides a detailed-statistical investigation into the demographic and living style factors that determine participation in sports and recreational exercises by academic community in Sri Lankan universities. Using primary data collected in 2020 via an online survey, we establish double-hurdle models. Our results are that participation in sport activities is positively associated with number of children, sports club membership, and smoking, and the same is negatively associated with age, being a married individual, rural living, and diagnosed chronic ill conditions. Moreover, empirical evidences suggest that age, being a married individual, and smoking is positively associated with participation recreational exercises. However, we observe a significantly negative association between the number of children and participation in recreational exercises. There is no evidence of gender differentials in participation in sports or recreational exercises.

Keywords: Academic Community; Sports; Recreational Exercises; Sri Lankan Universities; Double-hurdle Models

Introduction

The development of the modern technology-driven society has involved simplifying and mechanizing; consequently, physical activities have systematically and gradually been eliminated from household routines and

working life. As opined by the World Health Organization (WHO), over 30% of people inactive worldwide and approximately 38 million people die from non-communicable diseases (NCDs); mainly heart attack and stroke, diabetes, cancer and chronic respiratory diseases (Non-communicable diseases country profiles, 2018).

On this note, there is evidence to pay vigorous attention to the WHO new global action plan on physical activity 2018-2030. The plan recommends amounts of physical activity for health benefits (physical, mental, emotional, social) imperative for overall well-being for adults, adolescents, and children. The WHO's approaches consider ways to incorporate physical activities into everyday life through active living (active travel), active recreation (social, non-competitive activity during leisure time) and organized-sport (competitive sport) (Eime et al., 2018).

The social interest in physical recreation and sport activities have increased over the past decades, with participation in such activities becoming common as a form of leisure throughout the advanced societies (Dane et al., 2015). Product and service-based physical recreation has also become a mode of lifestyle expression, where active portrayal of one's level of activity is both permitted and encouraged (Keipi et al., 2018). Recreation is defined as an activity that people engage in during their free time that people enjoy, and that people recognize as having socially redeeming values (Hurd & Anderson, 2011). The definition of sport in the literature varies, but it is commonly recognized that sport is a type of physical activity that has rules, is a competition, and is performed for enjoyment (Hurd & Anderson, 2011). In here, sports are considered as part of recreation, except when those who engage in the sports are paid.

Physical recreation activity is valuable for all people (WHO, 2015) and regularly sport participation plays a significant role in improving people's physical health, elevate mental well-being and facilitate self-expression in socialization (Wang et al., 2018), therefore has been shown to be influenced to increase in quality of life for people. Physical recreation activities are a fundamental human right, according to the United Nations' Declaration of Human Rights (UDHR), "Everyone has the right to rest and leisure" (Universal Declaration of Human Rights, 2015). Taking all the

considerations, physical recreation offers various range categorizations, every occurrence has the chance to attract to various level of participants with varying levels of former attitudinal and behavioral engagement. As a result, such activities have the capability to influence attitude structure and change as well as it bears the effective ability to influence a major range of persons (Zhou et al., 2019).

Some people compensate for their sedentary lives with physical recreation activities in their leisure time; however, participation in such activities tends to appeal to a small proportion of the population (Helena et al., 2017). A robust body of literature insists that people with a higher socio-economic position and higher levels of education are overrepresented in physical recreation. Moreover, women were more active than men were, in physical recreation activities. The potential influence of neighbourhood physical context has been found and the availability of physical activity opportunities, such as parks or recreational facilities, to be positively associated with physical recreation activity levels. Further, personal self-perceptions significantly and positively correlated. Younger age has been associated with higher amounts of physical recreation activity (Buckley et al., 2017; Hanson & Jones, 2015; Berchuck et al., 2016; Bauman et al., 2012; Gilson et al., 2005). Interestingly, some studies found no association between age and likelihood of participating in physical recreation (Diez et al., 2007; Sallis et al., 1999). The promotion of a person's moral and spiritual health derives through advancement of sport activities involvement. The characteristics of decent play, braveness, self-control and altruism represent the fundamental features of group sport events (Zhou et al., 2019). Thus, sport events can serve as a stimulus for advancing motivation toward physically involved recreation, which in sequence would be related to advanced behavioral engagement. Individuals living in economically developed areas are more likely to be physically active in organized sport (team sport) (Boone-Heinonen et al., 2011). However, people who are female, older, married and having children living at home are less likely to participate in sports (Eime et al., 2018). It is observed that most of the studies have been tested in the developed context by using national household sample survey results. Results might be different in less-developed countries where conditions required to enhance social capital are more limited (Bornstein et al., 2012).

What remains less clear is an understanding of what specific physical recreation and sport activities individuals choose to perform in leisure-time, at different life stages, at different professions across different regions of the world (Hulteen et al., 2017). This is a notable gap in the epidemiological literature, as different regions may perform different physical recreation activities which may have varying with different influences of individual, environmental and social characteristics. Improving our understanding of the different types of physical recreation activity performed may provide insight into the disparities in global physical activity participation. Such information may help identify influencers necessary for greater participation in physical activities later in life.

The teaching profession has been identified as one of the most stressful of all occupations, following air traffic controllers and surgeons (Janice, 1996), specifically academic employees find their work stressful (Kinman, 2016). Engagements of overwork together with work-related stress, evidences have been classified academics as ‘high-risk health potential’ group (Brown & Leigh, 2018). As such, this study aims to bridge a critical gap in the literature by eliciting academic employees’ perspectives on acceptable forms of physical recreation that reflect their occupational values and contextual experience.

The main objective of this study is therefore to provide empirical evidence on trends and drivers of participation in sports and physical recreation exercises by a specific professional group of labour force, academic community in Sri Lankan universities. The study contributes to literature in three ways. First, it covers an under-researched professional sub-group in an under-researched developing context, Sri Lanka. Second, we examine role of life-style factors, including living area, alcohol consumption, and smoking in determining trends of exercising at individual level which have never or rarely been studied priorly. Third, we examine both likelihood and extent of exercising as both dimensions are equally important for individuals to stay healthy. Also, it is important that we understand the differences not only between inactive and active professionals, but also between the active people within different participation contexts (types, modes and settings), and at different levels

of frequency, to align policies and strategies to engage specific market segments who have different participation preferences and levels of access to participation opportunities.

Research Method

Data and variables

The scope of this study includes the university academic members in Sri Lanka. There are approximately 3,300 academic members currently employed in the university system representing 15 state and 07 non-state universities. We included both permanent and temporary academic members who work fulltime for respective universities and excluded visiting faculty members. The study used survey method to collect data from the academics. Accordingly, the authors prepared a structured questionnaire and made it available online for all the academic members in Sri Lankan universities. All participants in this study participated voluntarily and could refuse their participation at any time without consequences. The survey was conducted during October-November, 2020 and terminated with 456 usable responses.

We collected data on sport and recreational exercises, their types, date-count, and time spent. Our definition for sport activities includes Cricket, Swimming, and racket sports (Tennis, Table Tennis, and Badminton) which individuals do for “exercise purpose”. Moreover, the study defines “recreational exercises” as activities of leisure that individuals do for entertainment as well as for exercise purpose. Accordingly, we consider Dancing, Yoga, and Aerobics under recreational exercises category. Also, “other” category is included to fully capture the construct in both cases. The total time per week in minutes allocated for sport and recreational exercises is calculated by multiplying date-count by time duration per day for each type and summing it up across all sports and recreational exercises relevant to each participant.

The survey collected data on individuals’ demographic profile to be considered as a part of explanatory variables. Accordingly, age is recorded in years; gender with the meaning of biological gender of individuals is captured as dummy variables assigning 1 for males and 0 for females.

Moreover, marital status is a dummy variable, capturing whether an individual is legally married or otherwise. The survey asked from the respondents the number of children; the number count of the ones under 18 years of age. Under living style and health-related covariates, the survey records whether an individual is living in urban or rural sector. The areas administered and serviced by local government authorities in Sri Lanka belong to urban sector while others are rural areas. As an objective measure of health status, the survey asked whether an individual has been diagnosed for any chronic illness; one or more of diabetes, blood pressure, heart diseases, asthma, epilepsy, cancer, arthritis, and other non-communicable illnesses. Further, whether respondents have private health insurance cover is recorded as a dummy variable. Alcohol consumption is captured in three categories: non-drinker, drinking every day, drinking occasionally. The individuals with drinking every day and drinking occasionally are considered as alcohol consumers. Also, whether an individual is a smoker or non-smoker is recorded as a dummy variable. The accessibility to infrastructure facilities is captured by asking whether respondents have access to leisure facilities within about 2KM distance. Finally, the fact that whether a respondent is a member of a sports club is recorded.

Empirical strategy

The variables weekly time allocation for sport activities and recreational exercises comprises a considerable portion of zeros (0s). More than 70% of the sample reported zero-time allocation for sport activities as well as for recreational exercises. These zeros represent “genuine” zeros as they express that as a part of their way of living, they do not allocate a separate time for above activities.

Thus, individual’s decision to participate in sport activities and recreational exercises and the time to be spent on both categories need to be considered as two separate decisions which can appropriately be modelled using the double-hurdle (DH) model introduced by Cragg (1971). Accordingly, the first hurdle is represented by the first equation (Probit model), examining the factors influencing individual’s decision to participate in sport activities and recreational exercises separately.

$$w_i = z_i\theta + \varepsilon_i$$

$$d_i = \begin{cases} 1, & \text{if } w_i > 0 \\ 0, & \text{Otherwise} \end{cases} \quad (1),$$

where w_i is the latent variable relating to individual's decision to participate sport activities and recreational exercises; z_i is the vector of explanatory variables; θ is the vector coefficients; and $\varepsilon_i \sim N(0,1)$.

The second equation examines the optimal time allocated for both categories of activities using a linear model.

$$h_i = X_i\beta + \nu_i \quad (2),$$

where h_i , X_i , and β are latent variable relating to time allocated for sport and recreational exercises separately per week, the vector of explanatory variables, and the vector of coefficients, respectively. If both hurdles are passed, then the model is estimated as

$$y_i = \begin{cases} X_i\beta + \nu_i, & \text{if } \min(X_i\beta + \nu_i, z_i\theta + \varepsilon_i) > 0 \\ 0, & \text{Otherwise} \end{cases} \quad (3)$$

where y_i is the observed dependent variable: time spent on sport and recreational exercises separately per week. For each hurdle, the Wald test is used to determine whether the assumption of independence of error terms between participation and time spent equations is appropriate. In both equations, we use the same set of explanatory variables presented in Table 01.

Empirical results

Figure 1 provides summarized information on the types of sports and recreational exercises that the Sri Lankan academic community is involved in. Accordingly, approximately, 16.45% of the sample are involved in at least one sport activity while approximately 28.73% of respondents are involved in at least one recreational exercise. Under sports category, racket sports and swimming account for more than 7% of respondents. Moreover,

yoga (7.24%) and dancing (8.11%) are popular among respondents as recreational exercises.

Figure 1

Participation in sports and recreational activities for exercise purpose (in Percentages)

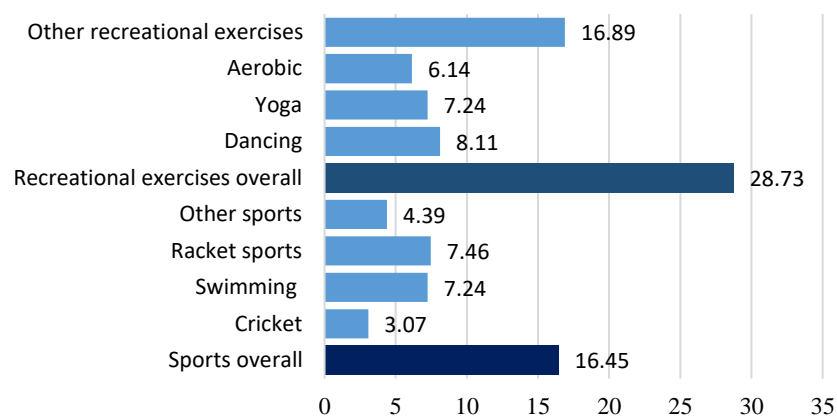


Figure 2 further elaborates the distribution of weekly time allocation for sport activities (Panel A) and recreational exercises (Panel B) on full histograms. The academic community in Sri Lankan universities allocates approximately 21.16 minutes per week for sport activities and approximately 40.4 minutes per week for recreational exercises, on average. However, their extremely high standard deviations show that there is a large volatility of weekly time allocation for those activities among academic members. A larger portion of respondents either do not allocate time for sport or recreational exercises or allocate a little time on such activities. This makes histograms right-skewed with a long tail.

Figure 2

*The distribution of time allocated for sport and recreational exercises per week:
The full histogram including zeros*

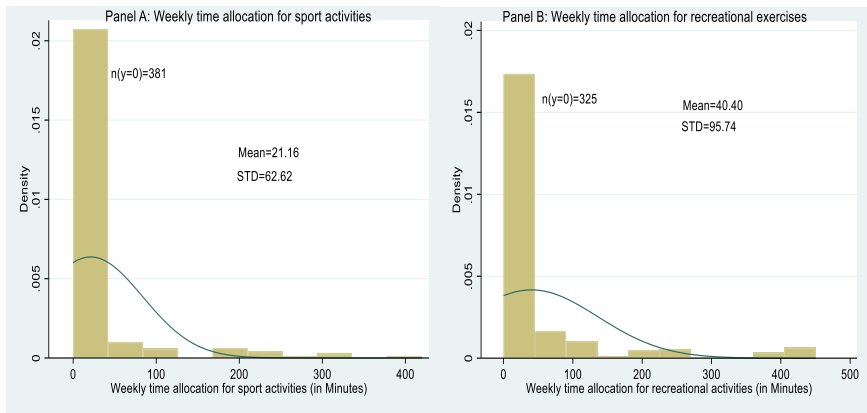


Table 1 includes summary statistics of all explanatory variables being considered for the regression analysis. Accordingly, respondents’ mean age is 43 years, and majority of respondents are females, married individuals with two children, on average, living in urban sector, with no diagnosed-chronic conditions, with a health insurance cover, and non-smokers and non-alcohol drinkers. However, the majority of respondents do have sports club membership.

Table 1

Summary statistics for the continuous and categorical explanatory variables

Continuous variables	Mean	STD	Min	Max
Age	42.64	9.64	26	68
Number of children	1.23	1.07	0	5
Categorical variables			N	%
<i>Gender</i>				
Male			222	48.68
Female			234	51.32
<i>Marital status</i>				
Married			398	87.28
Non-married			58	12.72
<i>Living sector</i>				

Urban living	378	82.89
Rural living	78	17.11
<i>Health status</i>		
Having diagnosed-chronic illnesses	74	16.23
Otherwise	382	83.77
<i>Health insurance ownership</i>		
Yes	294	64.47
No	162	35.53
<i>Alcohol consumption</i>		
Yes	148	32.46
No	308	67.54
<i>Smoking</i>		
Yes	49	10.75
No	407	89.25
<i>Availability of leisure facilities (within at least 2KM)</i>		
Yes	282	61.84
No	174	38.16
<i>Sports club membership</i>		
Yes	40	8.77
No	416	91.23

Table 2 and Table 3 respectively present the results from double hurdle regression model estimated for recreational exercises and sport activities.

Table 2

Results from double hurdle model for participation in sport exercises and time spent on them

	Participation equation (Probit)	Time spent equation	Average marginal effects (dy/dx)
Gender (Male=1)	0.162 (0.172)	-6.002 (59.87)	3.850 (6.940)
Age	-0.0378***	-0.128	-1.034**

	(0.0103)	(4.413)	(0.477)
Marital status (Married=1)	-0.218	-238.3***	-26.506**
	(0.260)	(91.82)	(10.911)
Number of children	0.134	65.03**	9.257***
	(0.0841)	(29.15)	(3.576)
Living sector (Rural=1)	-0.889***	-46.57	-28.077**
	(0.306)	(107.6)	(13.117)
Sports club membership	0.451*	100.1	20.860**
	(0.246)	(75.63)	(9.411)
Diagnosed with chronic conditions	-0.0671	-233.7**	-22.026**
	(0.219)	(108.2)	(11.406)
Having health insurance	0.187	63.36	10.550
	(0.170)	(56.51)	(6.841)
Smoking	0.979***	-6.692	25.899**
	(0.368)	(82.21)	(12.510)
Drinking alcohol	0.404**	-58.43	5.865
	(0.173)	(55.61)	(6.725)
Availability of leisure facilities (within 2 KM)	0.141	7.720	4.471
	(0.164)	(60.58)	(6.944)
Observations	456	456	456
Log likelihood	-599.19		
Wald χ^2 (12)	81.96		
P> χ^2	0.000		

Note: Standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

Table 3

Results from double hurdle model for participation in recreational exercises and time spent on them

	Participation equation (Probit)	Time spent equation	Average marginal effects (dy/dx)
Gender (Male=1)	-0.0226	68.23	7.026
	(0.143)	(44.96)	(8.380)
Age	0.0288***	9.530***	2.443***
	(0.00758)	(3.019)	(0.521)
Marital status (Married=1)	0.169	230.1**	34.909**

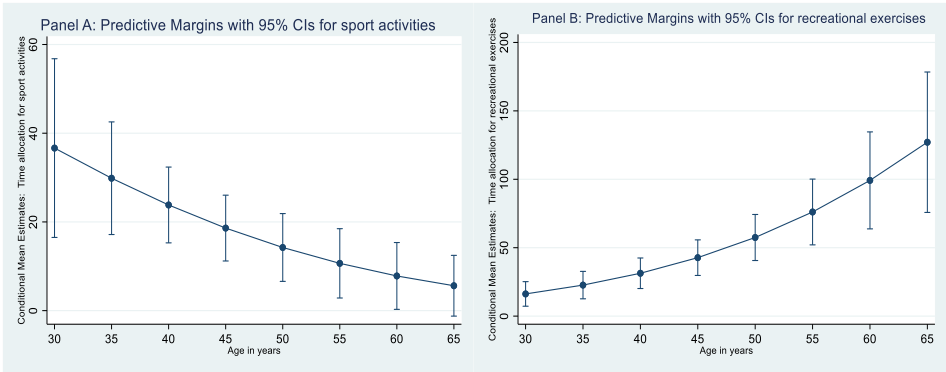
	(0.231)	(95.91)	(15.546)
Number of children	-0.0930	-97.07***	-15.719***
	(0.0701)	(28.57)	(4.769)
Living sector (Rural=1)	-0.197	-84.42	-18.992
	(0.183)	(97.45)	(14.129)
Sports club membership	0.0662	52.69	9.250
	(0.228)	(58.57)	(12.515)
Diagnosed with chronic conditions	0.305*	-272.3**	-18.225
	(0.174)	(108.6)	(14.792)
Having health insurance	0.112	100.0*	16.936
	(0.137)	(55.57)	(8.998)
Smoking	-0.0799	740.2***	83.754***
	(0.347)	(167.8)	(24.641)
Drinking alcohol	-0.160	-61.43	-14.560
	(0.151)	(56.19)	(9.603)
Availability of leisure facilities (within 2 KM)	0.0455	-187.1***	-20.015**
	(0.135)	(49.90)	(8.518)
Observations	456	456	456
Log likelihood	-904.58		
Wald χ^2 (12)	69.32		
P> χ^2	0.000		

Note: Standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

Among the demographic factors being considered in the paper, age of respondents has become a significant determinant when allocating time for sport activities (ME=-1.034, P<0.05) and recreational exercises (ME=+2.443, P<0.01). Accordingly, the direction of the association differs in such a way that older academic members are less likely to participate in sport activities, and also, their weekly time allocation for such activities is significantly higher compared to younger academic members. Figure 3 depicts the predicted time allocation for sports activities (Panel A) and recreational exercises (Panel B) by respondents' age. Accordingly, as individuals become older, the predicted weekly time allocation for sport activities is gradually decreasing whereas the same for recreational exercises is gradually increasing.

Figure 3

Predicted time allocated for sport and recreational exercises per week by age



Married individuals' time devotion for sport activities is significantly lower than that for non-married individuals ($ME=-26.506$, $P<0.05$), and nonetheless, married respondents do significantly larger time allocation for recreational exercises ($ME=+34.909$, $P<0.05$). However, the number of children is significantly and positively associated with weekly time allocation for sport activities ($ME= +9.257$, $P<0.01$) whereas the same demonstrates a significantly negative association with weekly time allocation for recreational activities ($ME=-15.719$, $P<0.01$). Accordingly, one can expect that academic members with more children are more likely to participate in sport activities and spend significantly larger amount of time for such activities. Moreover, they are less likely to participate in recreational activities for exercise purpose, and those who decide to participate in recreational activities devote less amount of time when they have more children. The academic members living in rural Sri Lanka are less likely to participate in sport activities for exercise purpose and they spend significantly less amount of time on those activities as well ($ME=-28.077$, $P<0.05$). However, the living sector of respondents does not create a significant impact on likelihood or time devotion for recreational exercises.

The study reveals interesting results with regard to health status of respondents. Those who have been diagnosed with chronic illnesses are

less likely to participate in sport activities for exercise purpose, and also, among the participants, there have been a significantly lower time allocation for such activities ($ME=-22.026$, $P<0.05$). However, when considering recreational exercises, the individuals with diagnosed-chronic conditions are more likely to participate in those recreational exercises. However, the weekly time allocation for such exercises is significantly lower for those with chronic conditions. Availability of a health insurance is not significantly associated with likelihood of, or time spent either for sport activities or recreational activities for exercise purpose.

Discussion

The results show that majority (more than 70%) of the members of Sri Lankan academic community are not involved in either sports or recreational exercises. They may be involved in general physical exercises like walking, jogging, and gym exercises to maintain their physical and psychological health. The results of current study simply imply that there is a need to promote sports and recreational exercises among professional groups like academic community to enhance their physical and psychological wellbeing. In particular, recreational exercises like yoga can be done even by older adults with some chronic conditions including joint-pains, osteoporosis, and limited mobility (Hansen et al., 1998). Our results also confirm that older academic members are more likely to participate in recreational exercises rather than sports. By doing so, academic members at any age can enjoy decreased depression, stress, anxiety, and increased hope across time (Wang et al., 2018). Our results further imply that younger academic members' opportunity cost of time devoted for sport or recreational exercises is too high due to higher volume of teaching and administrative works are main parts of their work demands. It is vital to educate younger academics in Sri Lanka during their induction program on the importance of engaging sport or recreational activities in reducing chances of becoming chronically ill in their latter stages of life.

Our results show that married individuals are more towards recreational exercises and less towards sport activities. This implies that recreational exercises including yoga, dancing, aerobics, and so forth can be done by individuals with their spouse, and they may tend to spend more time on such activities in couples. They usually generate relatively higher utility

by participating in such recreational exercises than in sports. Therefore, sport clubs promoting recreational exercises can encourage couple-participation by granting them discounts and offering special recreational exercise packages aimed at couples.

As per our results, the number of children seems to be a barrier for recreational exercises whereas it is a positive driver for sports. Usually, in Sri Lankan society, sports like racket sports, swimming, cricket, and so forth are played after work along with children (Eime et al., 2018). Thus, our results also imply that individuals together with their children participate in sport activities and they together spend relatively a longer time period on such activities. Thus, when designing leisure facilities including grounds for sports activities, authorities need to take children-safety and child-friendly environment into account. The individuals having children need to be facilitated for recreational exercises as currently, they are less oriented towards such exercises. For instance, recreational exercises which can be performed together with children may be introduced and promoted. Also, the individuals with children need to be facilitated so that they can participate in and spend more time on recreational exercises. In particular, when planning for mega-cities, recreational exercise centers and child-care centers may be designed with a closer proximity. In some cases, child-care centers may be joint ventures of recreational exercise centers like yoga centers, dancing centers, aerobics centers, and so forth.

The study uncovers that rural living has become a significant barrier to participate in sport activities for academic community in Sri Lanka. As Arambepola et al (2008) examined, generally, participating in physical exercises is not a part of culture in rural Sri Lanka. This also implies poor infrastructure facilities available for sport activities in rural Sri Lanka. Arrangements for sport activities for academic community within respective university premises will minimize the facility-disparity between and urban and rural sectors. Also, as a policy, enhancement of rural-sport-infrastructure may play a role in minimizing the aforementioned gap and promote sport participation among rural counterparts as well.

According to our results, sport-participation is less likely among the academic members with diagnosed chronic conditions. Also, they spend relatively less time on sport activities, and this trend is obvious for them due to their limited mobility, poor physical conditions, and medical restrictions prescribed depending on their illnesses. However, our results prove that participating in recreational exercises is an alternative mode of securing physical and psychological wellbeing of the academic members with ill-health conditions. According to our results, participating in recreational exercises is more likely among those with diagnosed-chronic conditions. Nevertheless, their time devotion to such recreational exercises is also restricted by their ill-health conditions. The academic community needs to be made aware of the importance of being physically active prior to being chronically ill.

Our results indicate that participating in sports is more likely among sports club members, smokers and alcohol drinkers. Accordingly, it is clear that by way of participating in sport activities, individuals incorporate their preferences that have evolved over time on the basis of consumption trends and social interactions. Generally, “sports for exercise purpose” create social networks and become a part of social capital of individuals. The members of the network usually strengthen their ties by going out together, engaging in alcohol use, and smoking. To avoid adverse consequences of drinking and smoking, some countries suggest “safe limits” of such consumption habits and make aware of people about them.

Conclusion

The study models behavior of academic community in Sri Lanka in participating in sports and recreational exercises. It reveals that individuals are involved in an array of sports and recreational exercises to maintain their physical and mental health. It is clear from the results that participating in recreational exercises is more popular among academic community in Sri Lanka than participating in sports. Older adults, married individuals, individuals with chronic illnesses, and smokers are more likely to do recreational exercises and they spend significantly longer time on such activities. However, rural living and having many children restrict the participation in recreational exercises. There is a trend both in terms of likelihood and time devotion towards sports participation by the

individuals with many children, sports club members, alcohol drinkers, and smokers. However, the study reveals that sport participation is restricted by aging, marriage, rural living, and diagnosed chronic conditions.

The study does not discuss how work performance of academic community is impacted by participation in sports and recreational exercises. A future study needs to examine the impact of participation in sports and recreational exercises on work performance and overall wellbeing of academic community in Sri Lanka.

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