Management

A literature review on good governance and management practices in Bangladesh

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Abstract

Purpose

This paper evaluates management practices in Bangladesh, focusing on the failure of public agencies to promote sound governance. Key factors identified include ongoing political conflicts and the government's lack of coherent policy goals, both of which have resulted in a fragile and dysfunctional political environment.

Design/methodology/approach

The study conducts a thorough examination of both conceptual frameworks and empirical research regarding governance and management practices. Additionally, it assesses the performance and functioning of state institutions in Bangladesh, investigating their operational mechanisms and the resulting impacts on the quality of governance. This comprehensive review aims to provide insights into the efficacy of these institutions and their role in enhancing governance standards in the country.

Findings

The paper critiques the substantial deficiencies in the state machinery related to the creation and execution of effective policies. It highlights the role of successive governments in politicizing the administrative system, which has intensified issues of inefficiency and ineffectiveness. The prevalence of corruption, nepotism, and clientelism is noted as significant factors that have compromised both political and administrative integrity. As a result, the paper concludes that weak governance and ongoing political instability have led to a fragmented and ineffective state apparatus.

Research limitations/implications

This study provides an in-depth examination of Bangladesh, detailing significant developments, ongoing challenges, and inherent systemic flaws within the state's functioning. By concentrating solely on this nation, the analysis highlights critical issues such as governance deficits, bureaucratic inefficiencies, and socio-political obstacles that have impeded effective state operations. The study aims to present a comprehensive understanding of how these factors adversely affect national stability and progress, offering insights into potential pathways for reform and improvement within the framework of Bangladesh's governance.

Practical implications

The paper explores the intricate dynamics of management practices embedded within governance frameworks specifically in developing countries. It highlights key findings that can significantly contribute to enhancing administrative performance and bolstering institutional integrity. These insights are positioned as crucial for guiding policymakers and shaping reform initiatives aimed at fostering effective governance in these contexts.

Originality/value

This study provides a comprehensive evaluation of the various practical challenges encountered in political and administrative management within Bangladesh's politically unstable context. It aims to deliver an in-depth understanding of the governance issues that arise in such an environment, highlighting the complexities and nuances tied to the management of political affairs and administrative functions in a country characterized by instability.

Keywords: Governance, Management, Bureaucracy, Politics, Corruption

Introduction

In the contemporary landscape, a myriad of factors including accelerated globalization, intensified regionalism, and rising nationalism are significantly redefining the role of the state. This transformation is compounded by serious challenges such as international terrorism, potential conflicts, pervasive poverty, ethnic and religious strife, environmental degradation, and bureaucratic inefficiencies, all of which undermine the state's effectiveness in governance.

Increasing demands for political and cultural freedoms, coupled with neoliberal economic policies, have altered the interplay between the state, civil society, representative

institutions, and citizens. Effective governance emerges as a critical prerequisite for a modern state that aims to deliver tangible societal benefits. According to Hirst (2000), the state acts as a "legitimator of governance roles," leveraging democratic institutions to embed authoritative decision-making capabilities within its territory (Chesterman et al., 2005). Consequently, the state's ability to deliver public services becomes paramount, particularly in developing countries still reliant on governmental institutions to uphold public order and address essential needs.

In contrast to more advanced industrialized nations, which have seen a decline in state intervention due to economic deregulation, developing countries like Bangladesh continue to depend on strong state institutions. These states must enhance and sustain their institutional frameworks to fulfill a range of roles that improve social equity and mitigate market failures (The World Bank, 1997). Realizing these objectives necessitates adopting reforms, innovative practices, and institutional restructuring (Levy & Kpundeh, 2004).

Moreover, it is crucial for the state to operate autonomously, free from both internal and external pressures that could lead to undue influence by societal forces. Ensuring state independence remains a considerable challenge, particularly in balancing these competing pressures—an issue that many emerging democracies, such as Bangladesh, experience.

Since attaining independence in 1971, Bangladesh has made sporadic progress across various sectors. Visible changes include a growing middle class, establishment of a two-party political system, and instances of economic stabilization. However, these advancements often fall short of meeting the broader population's needs, largely due to weak political and administrative systems that hinder state capacity.

This paper aims to evaluate the role of state institutions in Bangladesh, specifically examining why these entities struggle to facilitate effective governance. It endeavors to conceptualize management practices alongside effective state performance and will assess the operational status and governance challenges faced by state institutions in Bangladesh. The study is primarily diagnostic, focusing on identifying the core issues without delving into comprehensive solutions.

Literature review

The link between good governance and management practices is well-established both theoretically and empirically. Governance, from a state-centric perspective, can be defined as:

"…the traditions and institutions by which authority in a country is exercised… including government selection, monitoring, replacement, policy formulation and implementation capacity, and the respect of citizens and the state for institutions governing economic and social interactions" (Kaufmann et al., 1999, p. 1) [14].

Governance entails the coordination of various actors—including political institutions, corporate interests, civil society, and transnational organizations—to achieve coherent and effective outcomes. It covers aspects such as the operational dynamics of state institutions, decision-making procedures, policy formulation and execution, leadership roles, information dissemination, and the interactions between rulers and citizens. Effective governance is critical for enhancing public welfare, nurturing conducive environments for productivity, maintaining law and order, and fostering accountability between the state and its citizens.

State capacity is defined as the ability of a government to effectively achieve its objectives, which includes regulating society and the economy, mobilizing consent, enforcing laws, redistributing resources, and maintaining institutional coherence. Core capacities essential for governance include legal authority, resource mobilization, market regulation, information dissemination, and consumer protection. The effectiveness of management practices in governance is influenced by the prevailing social, political, and economic conditions, the roles of elites, the professionalism within governance, and the concept of embedded autonomy.

State capacity encompasses multiple dimensions—political, institutional, technical, fiscal, and administrative. For successful governance, governments must establish coherent policies, show political commitment, engage skilled personnel, and create operational mechanisms. The effectiveness of policy formulation, implementation, and performance outcomes is largely contingent on institutional, technical, and administrative capacities. Moreover, fiscal capacity is crucial for sufficient revenue mobilization and resource allocation. Collectively, these capacities are fundamental to enabling the state to achieve effective public management.

Good governance and management practices in Bangladesh

Since its independence, Bangladesh's political landscape has been shaped predominantly by individual leaders and political factions, leading to a significant lag in ideological and institutional progress. The nation experienced a turbulent political climate, marked by alternating military and civilian governments over two decades, which diminished public trust and eroded the government's legitimacy. Although the restoration of parliamentary democracy in 1991 aimed to enhance democratic governance, it failed to deliver stability. The country faced ongoing political turmoil, marked by strikes and social unrest, indicative of weak institutional frameworks, entrenched patronage systems, corruption, and clientelism, as noted by researchers like Kochanek and Zafarullah.

Moreover, successive administrations have struggled to bolster administrative efficiency, opting instead for centralized decision-making that has further politicized bureaucratic processes. This inefficiency is compounded by poor coordination among fragmented institutions and widespread corruption, which collectively impair governance. The mechanisms in place for promoting transparency, ensuring accountability, and implementing policies remain fundamentally inadequate. Despite various initiatives, often backed by international support, Bangladesh continues to grapple with the challenges of achieving a stable governance framework that meets both national needs and international standards.

Factors impairing management practices

1. **Politicization of civil administration**
   Civil service interference by political actors undermines meritocracy, accountability, and efficiency (Sobhan, 2001; Zafarullah & Huque, 2001).
2. **Uncoordinated public management**
   Fragmented administration, weak interdepartmental coordination, and parochial bureaucratic interests reduce policy effectiveness (Zafarullah, 1998; Zafarullah & Khan, 2001).
3. **Fragile bureaucratic capacity**
   Limited technical knowledge, unclear responsibilities, and frequent transfers weaken administrative performance (Buse, 1999; The World Bank, 2002a, b) [4].
4. **Corruption and rent-seeking**
   Widespread corruption across public and private sectors erodes public trust and hampers governance (Transparency International, 2001–2004; Ahmad, 2001) [2].
5. **Financial mismanagement**
   Incremental budgeting, political interference, weak fiscal discipline, and fragmented planning reduce resource efficiency (World Bank & Asian Development Bank, 2003).
6. **Limited transparency and accountability**
   Excessive secrecy, lack of complaint mechanisms, and input-focused performance systems limit accountability (Buse, 1999; The World Bank, 2002b).
7. **Weak management principles**
   Centralized and rule-bound civil service limits managerial discretion and reforms (Zafarullah et al., 2001).
8. **Policy implementation challenges**
   Poor technical capacity, political interference, and weak monitoring reduce policy effectiveness (The World Bank, 1996; Shiffman & Wu, 2003).
9. **Cabinet dominance**
   Centralized cabinet control and lack of ministerial autonomy hinder effective governance and decision-making (Ahmed, 1999; Khan, 2006).

Conclusion

Bangladesh's state institutions are characterized by fragility and underperformance, primarily stemming from political instability, bureaucratic inefficiency, corruption, and inadequate governance mechanisms. Although there have been efforts towards restoring democracy, these have not yet yielded significant improvements in governance effectiveness. Despite some advancements facilitated by government initiatives and international assistance, the country continues to grapple with persistent challenges that hinder sustainable development. To enhance governance and management practices, it is imperative to strengthen institutional capacities, promote transparency and accountability, and remove political influences from the bureaucracy.

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