

Revolutionizing the Mindsets: Roles and Challenges for Management Development Institutions in Governance Reform Context

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1. Unfreezing the ice

Nepal is currently passing through its revolutionary process. Being in the phase of structural change, it has still a long way to go through changes in the mindsets of its leaders and peoples, particularly those who are running the state affairs such as articulation of ideas and intellectual debates, formulation of public policies and production and delivery of public goods and services. This is high time not only to change but to flush out their century-old attitudes, values and beliefs that are highly influenced by feudalistic political, socio-economic and cultural systems, if the vision and mission of having New Nepal as a modern and developed state are to be translated into reality. Therefore, the number-one agenda of the on-going revolution should be the "mindset revolution". It should take place in the form of uplifting of the ethical level of the society, building of positive work culture at organizational level and development of emotional and moral competencies at individual level. No alternative exists but to direct the current state transformation initiatives (governance reform drive in a specific sense) towards such changes. This also poses challenges for the leaders and institutions of all kinds (e.g., political / social, public / private) having the roles to play as change agents.

Specifically, this paper attempts to examine the need for directing the future governance reforms towards attitudinal and behavioral changes and the roles and challenges for management development institutions, like the Nepal Administrative Staff College (NASC).

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2. Governance Reforms: Needs, Issues and Strategic Choices:

2.1 Needs

Governance has been viewed as mix of indicators of state-building (Kaufmann, Kraay, and Mastruzzi, 2007). The major situational characteristics that constitute the changing context of Nepal for governance reforms can be summarized as: a) new aspirations of people expressed through their popular movements at different levels; b) absolute increased emphasis on peace-building; c) emergence of new vulnerable as well as aggressive groups (e.g., some sections of women, socially-excluded and conflict victims; d) growing influences of donors, with shifts in their priorities; and e) process of re-structuring of the state, directed towards building a democratic, inclusive, peaceful and prosperous country (expressed through the Declaration of House of Representatives 2006, Comprehensive Peace Agreement 2006, Interim Constitution 2007 and other political decisions and agreements).

Governance reform should be the major strategy for materializing the achievements of people's historic movements for restoring democracy in its fuller form with establishment of *Loktantra*, developing democratic systems and values in the country viewing people as the sovereign and creating what has been popularly called "New Nepal". Its relevance in the present context can be also be further highlighted: a) it has been an integral part of the long-term national development strategy of Nepal since 1980, including the basic document on the current Three-Year Interim Plan promulgated after the recent historic change in political regime (e.g., NPC 2002, 2007); and b) it has constituted one of the priority areas of major donors for international assistance, reflected through their Country Assistance Plans (e.g., UNDP, 2002, DFID, 2004).

2.2 Issues

Over the years, the poor state of development in Nepal has often been attributed to its bad governance. The impact of governance reforms, despite occupying important place in development agenda of both government and donors, on national development and public service delivery continues to be minimal. The most often cited governance issues can be summarized as:

- Reoccurrence of gaps between policies and their implementation; this has been reflected in poor development performance, declining faith of

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people over government's capabilities to deliver public goods and services, increased irregularities and corruption, absence of value-based administrative and management practices, etc.

- Weak political governance, despite the abilities shown by the leaders in bringing political changes and making rhetoric speeches in favor of governance reforms in the public forums; this has been observed through low commitment at both bureaucratic and political levels.
- Poor mechanisms of public offices for service delivery, including low service-orientation on the part of service providers; paradoxically the public servants tend to hold the self-picture of masters rather than servants in relation to common people and, therefore, "service" is something like favor they may offer, if pleased, to the people approaching them.
- Absence of performance-oriented work culture, characterized by inefficiency, less accountability and transparency and unethical practices; this has been so "taken for granted" that if someone behaves with professional competence and integrity in the way that is often desired ideally is the odd-guy in the team and is prone to attack of those who are generally known as less competent, non-performers and unethical ones. While the definition of performance is limited to doing what comes and what is told, both evaluation and recognition or incentives for performance are limited to be based on the personal choices of bosses.
- Dysfunctional behaviors; despite the fact that the public sector has gone through structural changes many times in the past, the most often cited issue is the type of behaviors that the public servants occasionally demonstrate. The most commonly observed culturally-rooted work behaviors are: looking upward for instructions, hesitating to disagree with boss, avoiding decisions or risks, shifting responsibility, resisting changes, making evaluation subjectively (showing biasness), serving self (also *Afanta*), showing indifferences towards maintaining ethical standards (violating at worst), etc.
- Emergence of new interest groups; many interest groups have emerged, e.g., conflict victims, freed bonded laborers (*Kamaiya*), some professional / occupational groups, marginalized and disadvantaged

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groups, etc. posing additional challenge to governance system in Nepal. Some of them are not only aware of their plight but also capable of asserting their rights with militant means.

- Deficiencies in reform approaches; while there is a poor inter-linkage between governance reforms and long-term development strategies, heavy emphasis has been placed on structural reform rather than cultural one. The reform efforts are yet to be sensitive enough towards poor and socially-excluded people and peace-building process.

The general observation that the reform process has been dominated by the structural changes in the past has also been substantiated by a recent study on management development scenario in Nepal in last 25 years. As the study shows, most of positive changes observed between 1984 and 2006 were concerned mainly with public policies, legal provisions, structural arrangements and renewed commitments, but negative changes that took place during the same period included mainly dysfunctional attitudes, management practices and work culture, unethical behaviors, corruption, political interventions and lack of transparency in public sector (Pant 2007). It also showed the prevalence of political instability resulting in reoccurrence of problems of policy inconsistency and poor implementation. As far as governance capability is concerned, negative behavioral changes being stronger in their intensity have overshadowed the impact of positive structural changes.

Even the year 2006, which witnessed a historic change with mounting popular expectations in Nepal, was a mix of a few pleasant surprises and a few major disappointments. Despite the fact that the government appeared stronger with unlimited power to change the things, being represented by seven political party alliance having Maoists (the eighth party) as the main collaborator in the mainstream politics, the state continued to be weaker to absorb the pleasant political changes and demonstrate some substantial progress on important development fronts. Failures were observed in improving governance and developing institutions correspondingly. The state management, in terms of capability to deliver public goods and services, continued to be influenced by century-old legacies and feudal mentality. The absence of performance-based work culture and evaluation and incentive practices has resulted in low value for one's professional competence and integrity and the practices of nepotism and favoritism appeared as a typical nuisance paralyzing whatever systems are installed in the organization. The historic political changes with many promises

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for structural transformation of the state have hardly changed the actors, nor created any positive changes in their mindsets.

The political leaders can be expected to resolve the issues of feudalism originated from the Royal classes, but how they will address the feudalism, which appears to have been deeply rooted in thinking and behaviors of relatively affluent middle-class sections of the Nepalese society, remains to be seen anxiously as these require changes in the mindsets of the present change agents themselves, including both leaders and followers in all sectors of national life. Perhaps, the actors are not arguably the main issues as they are bound to change themselves once the systems are in place and the necessary environment is created, but the need for emergence of new actors cannot be underrated for introducing and managing any healthy changes in the country.

The other major failures were recorded in such areas as policy commitment, management capability and coordination. The first area was influenced by politics and the second by work culture. The third is influenced by both politics and work culture. While the government could not deliver as promised and expected, management capabilities in designing and achieving goals too could not be developed and demonstrated. The failures of the state in having an appropriate mix of policy, institution and resources, which is the basic foundation for national development to take place, were visibly observable in a number of areas. For instance, the public-private partnership has been less evident to materialize tremendous opportunities that exist in the present day Nepal.

According to an opinion survey covering different sections of the Nepalese society (Pant 2007), the major challenges facing governance and management development front of contemporary Nepal in light of its changing contexts are identified in a priority order as follows:

- i. Fast unfolding of political situation, with absence of minimum consensus
- ii. Socio-cultural hindrances (e.g., non-performing work culture / ethics)
- iii. Dominance of external development partners in national choices
- iv. Slow pace of peace-building process
- v. Economic / resource constraints
- vi. Low capabilities of management development institutions

The identification of challenges has also been a basis on which to identify the areas of strategic reforms at the state management level. In view of the way the

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state is being run now, the recent historic changes too have been feared to be limited to structural changes as these are being undermined by the prevalence of behavioral issues that are not being addressed correspondingly with the on-going restructuring process of the state and its newly articulated vision and mission. Without behavioral transformation, the recent structural changes, which also offered legitimacy to violence knowingly or unknowingly, will hardly resolve the situation. Instead, this will allow legitimization of other social crimes like corruption, unethical and immoral acts and disregard to one's integrity and professional competency, fostering negative culture.

One major issue that remains unaddressed is the absence of a comprehensive framework for governance reforms for long-term national goals by incorporating the lessons learned and the demands of the process of state-restructuring and building New Nepal.

2.3 Strategic choices:

Governance reform initiative obviously requires an appropriate mix of policy, institution and adequate resources for its success. Since the state is going fast through its re-structuring process in Nepal, many things remain to be clarified in course of time. However, in any case, the basic approaches to the reform can not deviate from: a) reforming the "structure", i.e., redesigning organization structure, systems and processes (*changes in hardware*); and b) reforming the "culture", i.e., molding of the collective mindsets of public officials in line with the demands of the current democratization process (*changes in software*).

In a relative term, congenial environment has been created for management development initiatives, especially with the declaration of end of 11-year conflict and the beginning of reliable (though fragile) peace-building process. Though changes are required both at structural and cultural levels, degree of emphasis may vary according to the areas or subjects of reform. Paradoxically, changes in culture too require changes at structural levels as pre-requisites; in such situation, whatever changes introduced in the latter are aimed at changes in the former.

3. Emergence of management development service providers:

Management development institutions (MDIs) are gradually emerging in Nepal, though many are in their infancy stage to deliver services and establish reputation. They have continued undertaking programs on various pertinent

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themes of management development, e.g., strategic management, executive development, leadership development, business information systems, organization culture, organizational design, human resource management, service delivery, productivity and quality management, etc. Many relatively new themes have also started receiving attention in management development programs and other interaction sessions (e.g., late career management, self-development with focus on emotional intelligence and moral intelligence, weapons management, etc.), with greater emphasis on governance reforms, state management and value-based management. Moreover, the contemporary social issues such as gender mainstreaming in organization, managing social diversity in organization, corporate social responsibility and managerial ethics have continued to be in focus.

The leading universities such as Tribhuvan University, Kathmandu University, Pokhara University and Purbanchal University and the affiliated colleges have continued offering various management courses (e.g., BBA, MBA, BBIS, EMBA) with increased number of student-intakes. Among the important initiatives taken by the School of Management (KUSOM) include: a) a new program called Corporate MBA, targeting young and junior practicing managers; b) redesign of management courses, particularly converting a half-yearly semester system of MBA program into 5 term-trimester system; and c) creation of Enterprise and Management Development Centre (EMDC) to extend management development programs, including on-the-job development of managers through management training and consulting services. The South Asian Institute of Management (SIAM) has recently been established, with beginning of courses on consulting skills and the Master in Management (MM) program, in affiliation with Kathmandu University. The Management Association of Nepal (MAN) has reiterated its existence with new vigor by undertaking various programs, e.g., EMBA academic program, Friday-Management Talk Series on various topical issues, professional interaction sessions, training courses on managerial and organizational skills, etc. The Nepal Administrative Staff College (NASC) has also introduced some changes in focus and coverage of its training programs (elaborated later).

The major subjects receiving attention and coverage in Nepalese literature on management are state restructuring, governance reforms, institutional development, social inclusiveness, macro-economic development, value-based management, leadership development, human resource management, etc. On the other hand, the leading international management journals and other publications

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focusing on some vibrant economy from USA, Europe and Asia have shown some different focus and coverage, e.g., leadership types (servant leader, portable leaders, thinker leaders, etc.), moral intelligence for business performance, talent development plan, social responsibility of business, outsourcing, etc. (Badaracco 2006, Datuk 2006, Gandossy and Kao 2006, Kiel and Lennick 2005, Groysberg, McLean and Nohria 2006, Richman and Wiggernhorn 2006). This has indicated difference and deficiency in coverage of Nepal's management literature to acknowledge and reflect some basic global trends in thinking about management.

4. Existence of the Nepal Administrative Staff College as the MDS provider

The Nepal Administrative Staff College (NASC), established in 1982 with a separate legal statute, has been operating with three such objectives as: a) provide necessary training for the employees of government and public enterprises; b) identify measures for enhancing the capability of government administration and public enterprise management to contribute towards development programs of the country; and c) undertake problem-oriented research, consulting and information service programs for preparing training materials and making training more useful.

The Governing Council, headed by the Minister for General Administration and represented by senior public officials (e.g., Vice-chairman of National Planning Commission, Chairman of Public Service Commission, Chief Secretary and concerned secretaries of Nepal Government, etc.), oversees the operation of NASC through policy directives, program formulation and monitoring of program implementation. Likewise, the Executive Committee, chaired by NASC's executive Director, consisting of concerned Secretaries of Nepal Government and a few representatives of relevant sections of the Nepalese society, executes overall plans, policies and programs endorsed by the Governing Council. There are three departments and five centers as major work units under the Executive Director to execute the programs and manage daily affairs of NASC.

Currently, NASC has redefined its vision as "taking lead to facilitate continuous improvements in governance and management capabilities to enhance the quality services to people. Likewise, it has refined its mission as "creating better opportunities for improvements in governance and management capabilities at both individual and organizational levels through training, education, research, consulting and information services. It has identified its institutional roles of four

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categories such as: a) management development roles; b) organization development roles; c) training capacity development roles; and d) policy, research and information service roles. Accordingly, it has undertaken various programs, projects and activities relating to training, consulting and research. In recent years, some 60 training-related programs have been organized annually for 1200 persons on an average. These programs are targeted to all junior, middle and senior officers working at different levels in government organizations, including army and police, and public enterprises. The major thematic areas of the programs are:

- a) Management development, involving development of both core competency and specific-area competency; covering the areas of human resource management, organization development, public administration (governance), project planning and management, district administration, local institution-building, etc.
- b) Organization development, covering organizational restructuring, manpower rationalization; method improvements, etc.
- c) Training capacity development, covering trainer development and training management
- d) Secretarial skill development, covering various aspects of office management
- e) Policy input and information services

NASC has so far conducted some 1307 training programs of various types for 29786 persons working at different levels in different public and private organizations (NASC 2007). It has undertaken more than 100 research and case studies on various aspects of socio-economic development and management. Likewise, it has undertaken some 175 consulting projects involving research studies, management audit and organizational diagnosis and training services, including training capacity development. While some of these projects were sponsored by the concerned local organizations, majority of them were sponsored by foreign donors including, among others, DFID, DANIDA, UNDP, WHO, GTZ, UNICEF, UNFPA and the World Bank.

5. Roles and Challenges for NASC

NASC has undoubtedly tremendous roles to play in governance reforms, with a view to bringing about some kind of changes in attitudes and behaviors of public servants, through training and consulting services. It has however also numerous challenges to face in view of its present institutional weaknesses and past failures on one hand and the limitations inherited from the nature of its roles and functions and the changing context of the country on the other. It is equally important to know the institutional performance expected from NASC and take necessary initiatives so that an enabling environment is created for these. Some attempts are made towards this direction in the succeeding sections.

5.1 Roles

5.1.1 Harnessing of training potentials

Training, being a means of learning or making others learn, is concerned with gaining learning experience that leads to relatively permanent change in an individual's ability to perform a job. It is also a process of changing one's habits in the form of re-shaping of ice, i.e., unfreezing, processing and re-freezing of the habits of trainees. Much has been argued about the role and utility of training, particularly non-technical or non-skill training. People tend to hold the view that training is divorced from the practical reality of the work situation and it is usually done for wrong reasons or in wrong ways and is far from demonstrating its utility. These are partly right in that training has not been designed and conducted in the way it is required, but these are also partly wrong in that people expect too much from training without considering its limitations. While the indifferent attitudes of work organizations towards the role of training have discouraged trained persons and training providers in making innovations through training, the low quality of training also has helped to increase dissatisfaction and pessimism on their part to make use of training services provided by the local training agencies. It has been a vicious circle of the problem; breaking of which will demand proactive actions of none other than training providers!

Training does not ensure increment in one's job performance as the latter is an outcome of various factors such as organizational policy, leadership, organization structure and management methods for which the former may not have control. It can fulfill only those needs which exist as the gap between the type of

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competency possessed by the job-holder to perform the job and the types of competency required by the job. Moreover, it should be provided only to those who need training, and those who have potentialities to develop new skills and abilities required by present and future jobs in the organization. Training should be viewed as an activity that should be undertaken by performing a set of tasks in a sequential order in each of its three phases such as pre-training (planning / designing), training (implementation) and post-training (application and evaluation). It is a joint activity of three such actors as provider (training institutions or trainers), receivers (trainees) and users (work organization or employer or / and trainees themselves) and hence its success depends very much on collaborative efforts of all these actors.

Considering the present stock of academically qualified and experienced people in the public organizations, one cannot say that the lack of competent manpower is the main constraint in improving organizational efficiency in Nepal. What seems to be missing is perhaps a “will to do” something or positive work attitude for organizational cause. Whatever skills and competence one may have, these will not be properly and objectively utilized, unless and until there is the will to do something in better ways. It is in this context that management development institutions like NASC should undertake training activity with focus on a particular type of learning needs of learners. As experiences show, training can be an effective activity only when its focus is directed towards: a) creating the awareness on the part of trainees of the need for change; and b) helping the trainees to learn "how to learn". While the former can be equated to the process of sensitization of one's mindsets, the latter is meant development of life skills or social skills for one's existence. Both are concerned with choosing appropriate themes and methodological approaches of management development program like training. With such a learning-focused training strategy, the training should be directed towards helping trainees to progress through such four levels of learning as knowing about, understanding, accepting and developing ability to apply, which can also be supplemented by helping trainees to move around a cycle of experiential learning consisting of four phases such as: a) undergoing certain activity or concrete experience; b) reflecting on experiences; c) conceptualizing from the reflection; and d) applying learning in a new situation (e.g., Boydell 1976).

This obviously calls for a shift in emphasis of training from knowledge enhancement and skill development to "attitudinal change" on the part of trainees (e.g., Pant 1986, 2007). NASC is required not only to revise its institutional roles,

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policies, focuses and programs but also to strengthen its organization and management systems and practices to ensure that it is capable enough to face the emergent challenges and change the client organizations' notion of training and consulting by increasing optimism and faith in them.

5.1.2 Expected role performance

The training programs currently offered by NASC are of two broad categories. The first has been labeled as "core competency development" and the second as "specific competency development". While the former focusing on management skills and development policies and planning are required by the jobs of all kinds of public officials, irrespective of their position level and work organization, the latter focusing on specific subject areas (e.g., financial management, procurement management, district administration, etc.) are required by jobs of specific groups of public officials working in particular organizations. Among various training programs of core competency development category offered to civil servants in officer-level positions ranging from class III to I, one common feature is the focus on self-development, particularly development of personal and interpersonal skills. In terms of thematic coverage, while the programs offered to middle level officers extend to cover the themes of organizational development, those for senior officials also include leadership and organizational development and strategic management. Recently, programs were also organized covering exclusively the themes of appreciative enquiry, emotional competencies and moral competencies. Despite the difference in focus, the central theme is the development of core managerial skills.

Training programs on core competency development need to be extended to include newer themes of attitudinal and behavioral changes in a wider scale to contribute towards the revolutionizing (unfreezing) of mindsets of trainees. In the changing context of Nepal, the mindsets of public officials are to be molded in a way these are: a) facilitation-oriented (for scoping of government's role as facilitator and regulator rather than producer and controller); b) service-oriented / client-oriented (for improving public service delivery); c) goal-oriented (for strengthening policy-making, implementation and monitoring); d) social relation-productivity oriented (for improving HRM and productivity); e) moral / ethics-centered (for development of clean and ethical civil service) and f) change-innovation inclined (for designing a mechanism for continuous reform).

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For this, the intervention program to be designed and implemented by NASC in any form like training and consulting can be of two types: a) intervention on "individual" mindsets of public officials – questioning attitudes, values, beliefs, underlining assumptions, etc.; and b) intervention on “collective” mindsets of public officials – questioning their common attitudes, values, beliefs and underlining assumptions, etc. The former is meant for change in "personality" of public officials and the latter for change in “work culture” of public organizations in Nepal.

It is suggested that the content of intervention on individual mindsets include: a) desirable work behaviors; b) positive thinking (optimism / confidence, etc.); c) positive attitudes (exploring positive points in self/ others – Appreciative Inquiry); d) emotional intelligence (i.e., developing sensitivity with self / social-awareness, being able to manage emotions in self and others and gaining maturity, showing patience; and e) moral intelligence such as knowing and practicing universal human values such as integrity, honesty, compassion and forgiveness in setting personal goals, values and daily conduct and conforming to code of ethics both at personal and organizational levels. Similarly, the content of intervention on collective mindsets should be the development of model work culture that manifests and fosters the type of organizational values and behaviors that become instrumental to improvement of both individual and organizational performance by maintaining high ethical and moral standards and public image. The model culture to be developed can have such features (Pant 2000a, 2000b), which have been the secrets of the successes of many organizations in the contemporary world, as are exemplified below

- *People-centered*: (e.g., placing the highest possible emphasis on the personal and professional development of its staff)
- *Performance driven*: (e.g., rewards such as salaries and promotion are based totally upon performance)
- *Goal oriented*: (e.g., staff fully share a clear sense of direction)
- *Innovation inclined*: (e.g., organization always stimulates and supports creative and experimental behaviors by individuals)
- *Client committed*: (e.g., the greatest possible effort is made to identify and satisfy the needs of clients)
- *Productivity-oriented*: (e.g., optimizing outputs/ economizing inputs)
- *Quality obsessed*: (e.g., staff are always trying for betterment)
- *Inclusion-oriented*: (e.g., embracing all sections of society)

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- *Ethics-oriented:* (e.g., emphasis is placed on the human behaviors based on ethics, fairness, honesty, discipline, etc.)

Specifically, the cultural intervention should be directed towards promoting such culture-driven behaviors that are instrumental to effective task performance (e.g., initiating / pro-acting, acting methodically / adhering time, collaborating / cooperating, respecting others, innovating / adapting, evaluating objectively, communicating supportively, sharing / showing trust, serving others voluntarily, avoiding selfishness / *Afantabad*, conforming to rules / norms, showing integrity/ compassion, etc) and forming some culturally-influenced attitudes which are positively inclined, emotionally matured (not from extreme feelings) and morally sound.

5.2 Challenges:

5.2.1 Nature of challenges

Management development service has already been a competitive and matured business at global and regional levels crossing the national borders. This tends to be gradually emerging as a competitive business in Nepal too with emergence of many new institutions in private sector, but the competition has not yet been healthy. Moreover, though NASC deserves both policy and resource supports from the government in view of the type of programs being organized for public officials on a regular basis, it has to often struggle hard to secure them. This is partly due to difficulty in measuring the outcomes of such supports on one hand and partly due to the implicit policy of government towards encouraging public institutions to be self-sustainable.

Apart from such challenges in the external front, NASC is also facing challenges in its internal front. Its present thematic focus of services in the fields of management and development is yet to be compatible with the changes that are taking place at global and national levels. Moreover, its present approaches and methodologies of delivering training and consulting services tend to be influenced by organizational traditions rather than innovations in most cases. The existing resource base has been limited to meet the growing demands of clientele organizations. One major challenge lies on developing and maintaining competent professional staff. The internal work environment has increasingly been less conducive for development and utilization of professional competency. If NASC has been able to deliver quality programs and services now, there can

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be debate as to whether it is due to personal dedications and aptitudes of staff or the design of institutional packages. Development of non-performance culture along with normlessness in organizational operations and behaviors being long influenced by feudalistic legacies has been a common phenomenon of public organizations in Nepal. Nevertheless, one cannot afford to ignore such issue in case of NASC. How can it act as a role model and persuade others to be changed with the type of management styles and behaviors they have to unlearn? During epidemic situation, at least a doctor is expected to keep itself uninfected to be able to treat infections in others!

NASC tends to be facing internal threats rather than external ones with a growing tendency towards developing a work culture that fosters belief in showing the mighty behaviors or sycophancy rather than performance undermining the rational behaviors with professional and moral competencies. The threats seem to have gradually manifested in the form of weakening harmony, mutual respect and trust and team spirit among staffs and growing freedom for those who do not care to cross moral and professional limits.

5.2.2 Missed opportunities

With conduction of hundreds of training programs for thousands of public employees during the last 25 years, NASC has been able to make others feel its existence as the national level MDI in Nepal, particularly in academic and bureaucratic circles. There is hardly any public official who has not yet attended a course in NASC. While many of its past trainees have already retired from higher positions in public bureaucracy, policy-making bodies and diplomatic, police and army careers (like chief secretary, secretary, ambassador, director general, chief executive, inspector general of police, army generals, etc), some are still in similar positions. This situation will continue as long as NASC keeps enjoying its present mandate bestowed by the legal statute.

As manifestation of the Nepalese culture, people in general have not yet ignored their duty to show respect to those who teach or train them. This applies even to those public officials attending a course in NASC. They hard express their dissatisfactions even if they find any gaps in learning, while some of them are indifferent towards what is being learned and how they are being trained. Both NASC and its trainers have received appreciation and earned some respect from their trainees, but it does not mean to be viewed in their face value. While part of these seems genuine, the rest should have been exaggerated and mock or

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temporal. However, it seems that these appreciations and respects are mostly taken in their face value to pursue a complacency approach. All these affected the process of developing organizational memory and learning systems. NASC has still a long way to go to emerge as an institution possessing certain doctrine, core values, corporate culture, programs and internal structure, which underlie its activities and deliveries and can make others believing that whatever successes have been made are institutional and hence are sustainable ones.

NASC's early years have now been proved golden ages, though these too had passed through with a sense of some dissatisfaction among those who wanted to see and achieve more by virtue of their professional drives as well as potentialities. It seems to have lost tremendous opportunities in its latter performing phases to embark on new avenues with new messages and development as well as renewal of its manpower stock. Both leadership and staff of second generation have hardly been able to add any solid layers to the foundations laid earlier. As generally alleged, situations too were affordable for directing leadership roles mainly towards loading the organization with personal interests and preferences, resting on the historical foundation and professional credibility of a few competent staff, for safe stay and departure as well as bright future of relatively incompetent sycophants.

For NASC's external front, efforts towards positioning the institution in public policy regime through policy research, policy advocacy and aggressive marketing of management development services were almost non-existent. Likewise, in internal front, the existing systems and practices relating to human resource management have been serious pitfalls. The career progression of staff, though often said to be determined by the so-called performance appraisal practices, has been largely influenced by the nature of exchange of loyalty and favor among bosses and staffs undermining the professional competencies and resulting in absolute failure in developing a performance-oriented organizational culture. The recruitment practices, particularly from late eighties, were not instrumental in ensuring the acquisition of competent and potential people and the situation has been worsened partly due to the inadequacy of staff development opportunities unlike the first-generation staff could enjoy. Despite being an institution created for HRD in public sector, NASC has hardly made any new strides, besides those in the early years, for its own HRD to be able to deliver the expected services. There is not any career path planning for its staff in general, nor is any succession plan for senior management roles; development of professionalism has been

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limited to one's individual initiatives. All these tend to have serious impact on institutional development of NASC.

5.3 Potentialities: A future perspective

NASC has tremendous potentialities in terms of its institutional strengths and opportunities. Its major strength lies in its institutional identity enriched by mandate, autonomy, composition of top management (i.e., governing council and executive committee), institutional image as central level training institute in public sector and larger clientele base with track record of having organized hundreds of programs for thousands of participants. Likewise, the opportunities to be materialized at institutional level are: growing demands for management development services and emergence of new thematic areas (e.g., globalization, social inclusion, virtual organization and management practices, moral intelligence, social /cultural intelligence, etc.) with changes taking place at global, regional and national levels. Since it is not possible to cater to all management development needs of every clientele group, NASC should choose only a few areas that are compatible with its core institutional competency as well as the major demands of the market.

Being a national institute having public sector as the major clientele group, NASC has to develop a few carefully articulated programs on management development targeted to public officials for changing their mindsets in view of the changing context of the country. However, these programs should also extend gradually to include the whole private and civil society sectors with certain marketing approaches. Likewise, in research and consulting fronts, NASC should take some new initiatives towards emerging as a policy dialogue forum by generating and conducting a few mega policy research projects in the areas of national priority. The thematic areas for such policy research, for which sponsors should have been available if explored carefully, may include public management with social inclusion approaches, re-engineering of public management system in ICT era, preparation of management infrastructures in line with the restructuring of state, resource management in federal structure of the state, strengthening of public-service delivery or citizen-administration interface in *Loktantric* Nepal, cost of corruption in socio-political economy of Nepal, building corporate governance in liberal market economy and so on.

NASC having its institutional linkages with public policymakers as well as larger public sector can further expand its support base by promoting working

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relationships with government and persuading it to perform the enabler's role. Likewise, it can explore and network with such national, regional and international management development institutions which might have been in search of partnership with NASC-like institutions for mutual benefits. For this, massive efforts towards both social marketing and institutional networking are required.

The materialization of potentialities of NASC lies on how it can minimize its weaknesses and cope with the threats. Some carefully designed organizational interventions are required to minimize the major weaknesses concerned with size and quality of available professional staff on one hand and the nature of management systems and process on the other. What is important to reconsider at this juncture is that management development institution like NASC should consider improving its own collective mindsets first in order to succeed in its roles for changing the mindsets of public officials. Its own management systems and practices too should provide some examples to supplement what it says or suggests in the training and consulting sessions. It cannot afford simply to rest on the strengths and opportunities as these are being overshadowed by the inherited weaknesses and threats. There is a need to reflect on what has been delivered to clientele groups before being satisfied and enjoying their appreciations and respects. One can be optimistic about minimizing the weaknesses concerned with the professional competency of staff and management systems and process, but what becomes much alarming is the nature of threats gradually posed by the negative work culture being developed in the organization. These issues have to be addressed carefully to ensure that institutional performance and image of NASC are not affected in the long run.

To begin with, the major areas of reforms suggested are: a) development of work culture that fosters performance-oriented mindsets and behaviors by establishing and practicing performance-based management systems (i.e., defining performance by setting performance goals and indicators, monitoring and recognizing performance by providing performance-based differential incentives and career progression opportunities); b) promotion of work ethics through code of conducts and strict conformance to them; and c) adoption of management practices that respect discipline, hard work, quality, creativity, honesty, responsibility, fairness and good public relations (Pant 2005). NASC might choose to sit back as if nothing has to be done keeping in view the number of activities it has been able to perform every year. Nevertheless, its sustainable institutional success, as catalyst in building the mindsets of public officials as

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part of governance reforms in this country, depends upon how the internal threats as pointed out earlier are tackled for which both leadership initiative and senior management support are needed and expected.

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