

# **Implementation of Citizen's Charter and Improving Municipal Services in Nepal: Myth or Reality?**

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**Master of Philosophy in Public Administration**

By

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Dedicated to

My

Parents

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## **Abstract**

The citizen's charter, as one of the quality assurance strategies in the public sector put forward by New Public Management theorists, has been introduced in Nepal with the view of improving the quality of governmental service delivery, increasing the level of citizens' satisfaction and enhancing efficiency of bureaucratic apparatus at the local level.

This study aims to understand the level of citizens' satisfaction with municipal services and thereby examines their perception regarding the service quality after the implementation of CC. The study is based on nationwide survey conducted in the year 2008 under joint research project between University of Bergen, Norway and Tribhuvan University, Nepal where the data has been collected from 988 service users of 10 municipalities.

The study followed the quantitative approach and analysis is carried out with statistical methods. Citizens' level of satisfaction was analyzed based on three independent variables namely (a) socio-economic background, (b) institutional performance and (c) institutional trust. The findings indicate that institutional trust is more influential to have impact on satisfaction with municipal services. Especially, the officials' responsiveness and friendliness to citizens are significant to explain relationship with the level of satisfaction with municipal services. In the institutional performance, cost of services has revealed negative correlation, i.e. more costly the services lesser is the extent of satisfaction. Within socioeconomic background, the level of education has significant but inverse impact on level of satisfaction i.e. higher the level of education lower is the level of satisfaction with municipal services. While the other identity based variables like gender, economic class and family size are less significant.

The concluding remark is that citizen's charter is not a myth for improving the service quality at the local level rather it is a realistic approach to improve the quality, efficiency, and productivity of municipal service provisions.

**Key words:** Citizen's Charter, Local Governance, Municipal Services, Institutional Trust, Institutional Performance, New Public Management

## Table of Contents

Acknowledgement .....	III
Abstract .....	IV
Table of Contents .....	V
List of Figures .....	VIII
List of Tables .....	VIII
List of Boxes .....	VIII
List of Abbreviations .....	IX
Chapter One .....	1
Introduction.....	1
1.0 Introduction.....	1
1.2 Background of the Study .....	2
1.3 CC Initiatives in International Perspectives.....	4
1.4 Statement of the Problem.....	6
1.5 Objectives of the Study.....	7
1.6 Significance of the Study .....	7
1.7 Overview of the Methodology .....	8
1.8 Organization of the Thesis .....	8
1.9 Conclusion .....	9
Chapter Two.....	10
Theoretical Perspectives .....	10
2.0 Introduction.....	10
2.1 What is CC? .....	10
2.2 Citizen’s Charter in Nepal .....	12
2.2.1 Nepal in Brief.....	12
2.2.2 Local Governance System in Nepal .....	12
2.2.3 CC Initiatives at the Local Level.....	16
2.2.4 Challenges for Implementing CC.....	19
2.3 Principle Elements of Citizen’s Charter in Municipalities of Nepal .....	20
2.4 Theoretical Discussion.....	22
2.4.1 NPM as the Guiding Principles of CC .....	24
2.5 Variables in the Study.....	26
2.5.1 Dependent Variable.....	26

2.5.2 Independent Variable .....	28
2.5.2.1 <i>Socio-economic Background</i> .....	28
2.5.2.2 <i>Institutional Performance</i> .....	36
2.5.2.3 <i>Institutional Trust</i> .....	38
2.6 Analytical Framework .....	43
2.7 Conclusion .....	44
Chapter Three.....	45
Methodology .....	45
3.0 Introduction.....	45
3.1 Research Design.....	45
3.1.1 Quantitative Approach .....	45
3.1.2 Unit of Analysis .....	46
3.1.3 Methods of Data Collection .....	46
3.1.3.1 <i>Sampling</i> .....	46
3.2 Data Collection Tool.....	47
3.2.1 Questionnaire .....	47
3.3 Sample Characteristics of <i>Sewa Grahi</i> .....	49
3.5 Quantitative Data Analysis .....	51
3.6 Limitations and Challenges.....	53
3.7 Conclusion .....	53
Chapter Four .....	54
Analysis on Socio-economic Backgrounds of Respondents.....	54
4.0 Introduction.....	54
4.1 Analysis on Municipal Service Quality .....	54
4.2 Analysis on Socio-economic Backgrounds of Respondents.....	56
4.2.1 Gender of the Respondents .....	56
4.2.2 Age of respondents.....	57
4.2.3 Education of the Respondents .....	58
4.2.4 Social Class of Respondents .....	59
4.2.5 Economic Class of Respondents .....	60
4.2.6 Family Size of Respondents.....	60
4.3 Conclusion .....	61

Chapter Five.....	62
Analysis on Institutional Trust and Institutional Performance .....	62
5.0 Introduction.....	62
5.1 Analysis on Institutional Performance.....	62
5.2 Analysis on Institutional Trust.....	66
5.3 Index of Satisfaction .....	70
5.4 Further Analysis.....	73
5.5 Conclusion .....	76
Chapter Six.....	78
Summary and Discussions .....	78
6.0 Introduction.....	78
6.1 Socio-economic Background .....	78
6.2 Institutional Performance.....	79
6.3 Institutional Trust.....	79
6.4 Future Research .....	80
6.5 Conclusion .....	81
References.....	84
Appendix 1.....	91
Appendix 2.....	98

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## **List of Figures**

Fig 2.1 Decentralized Model of Governance System in Nepal.....	13
Fig 2.2 Relationship between Dependent and Independent Variables.....	43

## **List of Tables**

Table 2.1 Services provided by Municipalities in Nepal .....	27
Table 3.1 Socio- economic Composition of Respondents .....	50
Table 4.1 <i>Sewa Grahi</i> view on Municipal Services.....	55
Table 4.2 Relationship between Level of Satisfaction and Socio-economic Background.....	57
Table 5.1 Relationship between Level of Satisfaction and Institutional Performance.....	64
Table 5.2 Frequency Distribution Analysis on Institutional Trust.....	67
Table 5.3 Relationship between Level of Satisfaction and Institutional Trust.....	68
Table 5.4 Index of Satisfaction with Municipal Services.....	71
Table 5.5 Regression Analysis among Independent Variables with Level of Satisfaction....	74

## **List of Boxes**

Box 3.1 Number of Respondents of Respective Municipalities.....	47
Box 5.1 Frequency Distribution Analysis on Institutional Performance .....	63



## **List of Abbreviations**

ADB- Asian Development Bank

CBS- Central Bureau of Statistics

CC- Citizen's Charter

DDC- District Development Committee

INGO- International Non –Governmental Organizations

GON- Government of Nepal

LSGA-Local Self Governance Act

NPM- New Public Management

NGO- Non Governmental Organizations

NUFU- Norwegian Program for Research and Higher Studies

Rs.- Nepalese Currency (1dollar equivalent to Rs. 74 in May 31<sup>st</sup> 2010)

SLC- School Leaving Certificate

SPSS- Statistical Package for Social Science

TU- Tribhuvan University

UiB- University of Bergen

UNDP- United Nations Development Program

USAID- United States Agencies for International Development

VDC- Village Development Committee

WC- Ward Council

# **Chapter One**

## **Introduction**

### **1.0 Introduction**

Like in other developing countries, the administrative system of government of Nepal is always under pressure to make more effective, efficient and trustworthy in delivering goods and services to the people. The research findings of a number of studies conducted in the past twenty years have shown that public service provisions are ineffective and overly expensive (Crew 1992, p. 224). Following the trend of new public management (hereafter NPM) principles in organizing efficient and effective service delivery and better service provision and management at the local level, the most of the governments around the world have executed the Citizen's Charter policies (hereafter CC) and Nepal is no exception in this effort to adopt such managerial initiations. Therefore, with the objectives of empowering the citizen, CC has been implemented in all 58 municipalities of Nepal. Since reviewing the available literature and considering what is going on at municipalities even after putting CC to effect, this study endeavours to find answers(s) the question "is CC really improving the municipal services quality or is it just myth?" It explores the reality on implementation of CC in Nepal.

The data for this study is obtained from the joint research project titled "Governance Matters: Analyzing, Diagnosing and Addressing Challenges of Governance in Nepal" between the Department of Administration and organization Theory, University of Bergen, Norway and the Department of Public Administration, Tribhuvan University, Kathmandu, Nepal. The project is financed by the Norwegian Agency for Development (NORAD) under the NUFU program. The data were collected in the year 2008 (hereafter Field Survey 2008).

The survey was entitled to map out the citizens' perception on their satisfaction regarding the municipalities' urban responsibility to provide the quality services. In order to find the citizens' satisfaction after the implementation of CC, questionnaire survey was conducted among the beneficiaries of the municipal services.

Based on the survey, this study analyzes citizens' level of satisfaction with the municipal services after implementation of CC. The study intends to answer the following questions: To what extent citizens are satisfied with the municipal services? Have citizens marked significant changes in service delivery mechanism of municipality after the implementation of CC? This introductory chapter mainly focuses on research problem, objectives and the research questions of the study. It also discusses the background, the significance of the study and methodology followed by the organization of the thesis.

## **1.2 Background of the Study**

In general, Nepalese bureaucracy is criticized for being rigid and hierarchic. Also, it is often blamed for being influenced more by political motives than established rules and norms (Baral et al. 2004). Political leaders misuse their official power and break rules frequently. They favour their family members, relatives, and party workers regardless of what rules prevail. Several studies have shown that 'personal connections are the most important proactive factor for getting things done in the public services in Nepal' (Baral et al. 2004; Jamil 2007; Aryal 2008; Dahal et al. 2002). Moreover, the rules are seemed to be mainly applied for the powerless and weak citizens. In this regards, one Nepalese maxim is very famous "*Thula lai chayan saana lai ain*" which means that rules are just made for lower class people and all freedom and relaxation always goes to the higher class people so called elites.

In order to have citizens' trust in public institutions, officials' behaviour and their way of dealing could play a vital role. If individuals are satisfied with their local officials' performance, they may express greater support for the system. However, if local institutions are unable to satisfy their demands, citizens may not only express their discontent with local governments, but they may also be increasingly dissatisfied with the way democracy works in the entire nation (Montalvo 2009).

Over the last two decades, the local government of Nepal has undergone a series of changes especially, in their role and responsibilities as democratic institutions. It has expanded the horizon of local governance system as a whole and emphasized the need of effectiveness and efficiency in service delivery mechanisms. In other words, the central government is under greater pressure today than in the past to shift some of its power to local units of self-

governance that can be a workshop for citizen participation, community building, leadership development, social mobilization, conflict resolution and economic, political and social development (Dahal et al. 2002). With the implication of these kinds of democratic decentralization reforms, citizens are looking forward to have improvement in public administration. “By ‘bringing the government closer to the people, public officials are expected to have a greater ability to recognize, interpret and satisfy more precisely citizens’ needs and demands for public goods and services” (Evans 1997; Tandler 1997; Montero and Samuels 2004 in Montalvo 2009).

In this regard, to strengthen the public institutions and to overcome the barrier between the public sector services and private sector works, the concept of NPM has arisen as a special response to a socio-economic renovation which is desired to minimize the bureau-pathologies<sup>1</sup> and customer satisfaction. “For a long time these were seen as an Anglo-Saxon phenomenon because the early reformers were from Great Britain, New Zealand, Australia and to some extent the USA. However, during the 1980s and the 1990s a number of these reforms were carried out almost all over the World” (Sahlin-Andersen 2005 in Karyeija 2010).

With the global media exposure and growing awareness, there has been a heightened level of peoples’ expectations for the fairness and quality in the service delivery mechanism of public sector. Citizens do not only demand the ‘efficiency, effective and economy’ in service delivery but they also want public bodies to be more responsive to the users and consumers of public services (Drewry 2005). In today’s information society, the competitive market pressures have put the hierarchy-laden bureaucracy under pressure rendering it increasingly difficult to function; it requires flexible and adaptable institutions which can offer high quality goods and services to people. Moreover, the dissatisfaction with the bureaucratic performance is pervasive which witnessed a fundamental change in administrative values and the pattern of governing system. In other words, traditional bureaucratic system needs to be reinvented to make it efficient, effective and fair as per the demand of citizens. In general,

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<sup>1</sup> It refers to problems the bureaucracy is facing with. It signifies the red tape due to complex and conflicting rules, often clash between agencies due to duplication of work, imperialism (tendency of agencies to grow, irrespective of cost benefit approach), corrupt behaviour of bureaucratic officials like abuse of authority/power/positions and moreover, use of authority in a position dishonesty.

citizens demand institutions that are accessible, offering choices of services as per their need which lead by persuasion and being inventive rather than commands. They demand institutions that empower them rather than simply serving (Osborne and Gaebler 1992).

So far, to improve the public sector performance, most of the countries around the world have followed the NPM as a global reform movement. NPM has taken hold over the past two decades is inspired by a broad ideology of neo-liberalism, economic theories and normative values with major focus on enhancing economic efficiency (Christensen and Lægveid 2007). Basically, NPM doctrines focus on entrepreneurial government that consider citizens as customers and the administrative role to be streamlined by converting policy alternatives into market choices. It helps to make public sector more competitive and result oriented and emphasizes empowering communities and satisfying the customers by public services (Osborne and Gaebler 1992). Based on NPM doctrine for reaching the grassroots more directly, the Citizen Charter initiatives has been introduced; “the key objectives were to improve the quality of public services and to provide better value for money” (Rhodes 2003, p. 97).

### **1.3 CC Initiatives in International Perspectives**

The conservative government of John Major had articulated and implemented the citizen charter policy in United Kingdom for the first time, in 1991, with the aim to continuously improve the quality of public services. Later it was re – launched as “Services First” by the new Labour government of Tony Blair in 1998. “The re- launch of charter program represents an attempt to reassert ‘bottom up’, customer-oriented, approach towards charters which are owned within public administration and geared toward the objective of enhancing citizen participation” (Falconer and Ross 1999)

With the application of CC it is intended to empower the citizen with the principles of choice, standards, value, accountability and transparencies on the rules, procedures and grievance redress system of an institution. To improve quality and provide better services to citizens ; UK Major government originally set out six major principles which are (i) The setting, monitoring and publication of explicit standards, (ii) Information for the user, and openness in the availability of that information, (iii) Choice wherever practicable, plus regular and

systematic consultation with users, (iv) Courtesy and helpfulness, (v) Well-publicised and easy-to-use complaints procedures and (vi) Value for money (Beale and Pollitt 1994). The six principles were later elaborated into nine principles by Labour government (1998), which are (i) Set standards of service, (ii) Be open and provide full information, (iii) Consult and involve, (iv) Encourage access and the promotion of choice, (v) Treat all fairly, (vi) Put things right when they go wrong, (vii) Use resources effectively, (viii) Innovate and improve and (ix) Work with other providers (<http://goicharters.nic.in/ccinitiative.htm>, accessed 30<sup>th</sup> May 2010).

The UK experience on CC acts as a mile stone for the performance improvement of public organizations. “The citizen’s charter used a series of mechanisms to bring these principles to life. The charter asked each public organization to consult its customers to find out what is most important to them, then to publish its own charter. Those charters spell out customer service standards, give customers information they need to get the most out of services, tell them how to file complaints, and explain how the organization will “put things right” when it fails to meet its standards” (Osborne and Plastrik 1997, p.193-194). In addition, there is a system of paying compensation to customers when they fail to provide the services as per their standards. After the successful implementation of CC in UK, a considerable interest arose around the world. Along with U.S. several other countries like Australia (Service Charter, 1997), Belgium (Public Service Users’ Charter 1992), Canada (Service Standards Initiative, 1995), France (Service Charter, 1992), India (Citizen’s Charter, 1997), Jamaica (Citizen’s Charter 1994), Malaysia (Client Charter, 1993), Portugal (The Quality Charter in Public Services, 1993), and Spain (The Quality Observatory, 1992) also implemented the charter programs in their administrative systems (<http://goicharters.nic.in/ccinitiative.htm>).

Looking at the long list of countries that have introduced charters, it shows that actual contents of charters differ from one country to another depending upon their motives for introducing the charter. In some countries it has been desired to improve the public performance; but in some cases the driving motive could be the pressure from aid donors (Drewry 2005). Hence, it can be said that the socio- economic characteristics of citizens in general, developmental stage of the country and their predominant administrative culture

should be considered while determining the actual contents of CC which would give the good results in future as intended.

#### **1.4 Statement of the Problem**

Till now service delivery mechanism of public institutions of Nepal has not much improved as expected and citizens are unable to receive services on time. This may be the result of the existing bureaucratic apparatus which is often accused of being inefficient in providing goods and services as demanded by citizens. Moreover, citizens are often unaware of governmental policies and the local services that are provided by the local bodies and eventually could not take benefit from such things. Now, with the introduction of CC in municipalities citizen have more hope for getting better services on time.

“In Nepal, every government office has CC that describes the services, provides and executes the activities it has planned. In many areas, however, the CCs are not widely publicized and, therefore, not well understood. Since citizens are often unaware of the services a government office is responsible for, they are unable to effectively advocate for themselves and their communities. Consequently, communities do not receive services that they are entitled to and citizens lose confidence in the mechanisms of governance” (USAID 2008).

Before introducing the CC, it was very difficult to get the required information on time regarding the working procedures of the municipalities like user fees of services and time taken to deliver the services as well as the concerned authorized person, section or unit to get work done. The inevitable result therefore was that citizens had to spend more time in queues to get information from the concerned authority. Now, with the introduction of CC, people have easy access to get the required information. It makes easier for the client to understand the services provided by the local bodies. Although the charter is appreciable, it is unable to give the services as intended because of the reasons like illiterate client, unawareness on the citizen charter, incapable staffs and lazy duty bearers, corruption etc. In spite of these challenges introduction of charter is highly desirable to improve the service delivery of the municipality and may help to satisfy people’s needs and demands.

The main purpose of this research, in this backdrop, is to map citizen's level of satisfaction with services after the introduction of CC. Is trust an important factor for being satisfied with the services? If that is the case, is CC able to enhance the citizens' trust and satisfaction? To what extent does the satisfaction vary with the socioeconomic background of the respondents? These are the main research questions that this study intends to address.

### **1.5 Objectives of the Study**

The main objective of this study is to map out citizens' level of satisfaction with municipal services after the implementation of CC in municipalities of Nepal.

The specific objectives are as follows:

1. To know the extent of variation in citizens' satisfaction with respect to their socio-economic backgrounds by mapping their perception to municipal services after the implementation of CC.
2. To map the extent of citizens' perception on institutional performance regarding the cost, time and quality of services after the implementation of CC.
3. To map the extent of citizen trust in municipalities as public institutions for local service delivery after the implementation of CC.

### **1.6 Significance of the Study**

The main significances of the study are as follows:

- CC has been considered as the policy tool of government working at the grass-root level in which service users have direct interaction with service providers. From the public administration point of view, implementation of CC is very important since it has been considered as proactive managerial tool to empower citizens. In this regards, this study is quite informative to know the reality on services delivery mechanism of public institutions and it shows how the public administration is functioning at the local level.
- There have been very few studies conducted regarding the CC, in that respect, this study is very informative for all those who are interested on CC and local governance system of Nepal.



- This study will be supportive for raising awareness on citizen charter and helpful for knowing the citizen's perception towards the service provisions of municipalities and the level of their satisfaction.
- The result of the study may work as reference for those who are interested in the same field and may be helpful for planners and decision makers to plan awareness program on citizen charter at various level of the community.
- Further, this study may enrich the intellectual contribution towards the field of public administration explicitly on the role of municipalities as local service provider in Nepal. It sheds light on the real scenario of implementation of CC so that others may also approach to conduct similar studies to explore other aspects of CC.

## 1.7 Overview of the Methodology

The study followed the quantitative research design in which questionnaire survey was used to collect data from *Sewa grahi* (Service user). For analyzing the data, statistical package for social sciences (SPSS) was used. The cross tabulation analysis, correlation test Kendall's tau-b and Kendall's tau- c are the main statistical tools applied for data analysis.

## 1.8 Organization of the Thesis

The thesis is made up of six chapters.

**Chapter one:** This chapter deals with the introduction of the thesis. It explains the background of the study; states the research problem and highlights the research questions. It also comprises of significance of the research and the organization of the thesis.

**Chapter two:** This chapter discusses the theoretical perspective used as the framework of the study. The discussion on theoretical part has been done with the help of theories of new public management. It further provides an overview of theoretical framework and conceptual parts of the study along with the variables that has been chosen in the study.

**Chapter three:** This chapter describes the methodology applied for conducting the thesis. It focuses on the research design, data collection methods and data analysis techniques. The study followed the quantitative approach in which questionnaire survey was used to collect data. It provides reasons why the quantitative method was preferred and how they were measured, is highlighted as well.

**Chapter four:** This chapter is about analysis on socio-economic background of respondents and its impact on the level of citizen's satisfaction with the services. Whether the factors like age, gender, education affects for being satisfied or not? The chapter provides a detail analysis on these factors. In Nepalese context, the satisfaction is more related with the socioeconomic factors such as gender and the level of education. Here also the satisfaction is measured with regards to the socioeconomic factors like age, gender, economic-class, social-class and the level of education etc.

**Chapter five:** This chapter deals with two sets of independent variable which are institutional performance and institutional Trust. Institutional performance is explained with the help of three variables which are cost, time and working on complaint system. Institutional trust in this study is conceptualized as performance based trust which is collectively determined by two factors which are (i) Citizens' preference for private companies and voluntary organization for efficient services and (ii) Citizens' evaluation of officials. If citizen are satisfied with municipal services then they will definitely prefer the services delivered by it otherwise citizen may prefer an alternative sources. What would be the people's preference if services have to be provided by the alternative sources such as voluntary organizations and private companies? The chapter also tries to find out the answer of this question.

**Chapter six:** The final chapter is about summary and conclusion of this study. It recapitulates the thesis and provides a brief discussion on to what extent people are satisfied with the municipal services.

## **1.9 Conclusion**

This chapter in brief presented the introduction and background of the research along with the problem statement, objectives, research questions and the significance of the study. An overview of the organization of the thesis has also been given in this chapter. The next chapter discusses on the theoretical aspects of the study based on NPM principles. Based on the discussions, variables of the study are determined. And to map the extent of relationship between dependent and independent variables hypotheses were formulated and the analytical framework is developed for further analysis. This chapter also provides short glimpse of Nepal and its Local Governance System.

## **Chapter Two**

### **Theoretical Perspectives**

#### **2.0 Introduction**

Citizen charter has been considered as benchmark for gradually improving the quality of public services. In this study the level of citizen's satisfaction with public services is considered as vital for learning about the improvement in service delivery mechanism after the implementation of CC at the local level. It has been realized that implementation of CC in municipality is helpful to improve its functioning which in turn may upgrade the institutional performance and also the service oriented approach of CC may make the officials more responsive to the citizens while delivering services. Therefore, it has been highly expected that implementation of CC could help in providing timely services and citizens might be benefited and become proud of quality of services. It may strengthen the citizens' trust on municipalities and consequently increases the level of satisfaction with the services. CC on the other hand, is desired to raise the citizen's awareness towards the public services provisions.

The level of satisfaction with municipal services is considered to be varied according to independent variables: socioeconomic background, institutional performance and institutional trust. To know the influence of these independent variables on level of citizens' satisfaction with municipal services after implementation of CC, hypotheses have been formulated from the discussions and framework was developed for analysis.

The main purpose of this chapter is to explore the theoretical backgrounds of citizen's charter initiatives. Basically, the theoretical perspective is studied with the help of new public management principles as it has been considered as the basic inspirations for introduction of CC in municipalities of Nepal.

#### **2.1 What is CC?**

CC is an official document of commitment symbolizing a systematic effort of government to improve the public services. The responsibilities and the kind of services that are to be delivered from the service providers to citizens' are clearly mention in a document of CC

with mentioning the time frame to complete the work, charges to be paid and the assigned officials to this work. CC focused on customers' priorities; 'at its hearts the charter simply asks all public organizations to define the standards of customers service-the levels of quality - they will guarantee to their customers' and it could be the good example of customer quality assurance (Osborne and Plastrik 1997). CC endeavours to empower citizens to be in forefront to decide about the nature, form, and type of local services for their betterment and uplift. The key principle of CC program is to make public services answer better to the wishes of their users or customers, and to raise their quality overall. There are four public sector reform techniques: (i) raising revenue, (ii) financial control, (iii) separating determination of policy from means of implementation and (iv) empowering consumers. Out of the four mentioned techniques, the policy approach of the citizen's charter program resides on the concept of empowering consumers (Barron and Scott 1992, p. 533-538).

The major aim of introduction of CC in public organizations is to empower citizen by making them aware on CC and have a say in functioning of the government system. CC basically, focuses on improving the standardization of services, citizens' rights to information regarding the public services, non-discrimination in dealing with the citizens i.e. equality in treatment, value for money and handling of the complaint system to improve the services according to the citizens' convenience.

In some countries these initiatives have included the publication of citizen's charters or public service charters: Western European examples include the UK, Belgium, France, Italy, Portugal and the Netherlands. Probably UK is the first country which initiated the charter policy in the public administration followed by other countries. It has been realized that CC helps to minimize the distance between service user and service provider. In some countries part of the underlying message has been to promote the empowerment of citizens by raising their awareness on the quality of services.

## **2.2 Citizen's Charter in Nepal**

### **2.2.1 Nepal in Brief**

Nepal is a landlocked country situated in South Asia. It is bordered to the north by the People's Republic of China, and to the south, east, and west by the Republic of India. With an area of 147,181 square kilo-meters, Nepal is a secular country of multicultural, multilingual and multiracial mix of households in different proportions of the total population of about 27 millions (CBS 2005). Religion wise, the majority are *Hindus* followed by Buddhists, Muslims, Christians and households adopting other religious faiths.

The country in its present form was established as a kingdom after the unification of Nepal by Late King Prithivi Narayan Shah more than two hundred and forty years ago. Since then the country had experienced the rule of absolute monarchism; eventually, the aftermath of 2007 abolished the monarchism for ever from Nepal. Now onwards, through the constituent assembly election (2008) elected government has been formed in 2009 and these days Nepal is in transitional phase for its overall socio-political development.

Although the country is small in size, one can find a very interesting diversity not just only culturally but also geographically. For a long time, Nepal also has been well known among nature lovers and tourists due to its geographical variations from fertile plain lands of Terai which is neighbouring India to beautiful high Himalayas in north facing Tibet. Nepal is also famous in the world as "birth place of Lord Buddha" and "Land of Himalayas". It is the country of Mount Everest which is the highest peak of the world with a height of 8848 meters. Since, Nepal is one of the poor developing countries in the world and due to its geographical diversities the service delivery system even becomes more difficult compared to western world. Nepal is divided in five development regions, fourteen zones and seventy-five districts administratively. Kathmandu is the capital city.

### **2.2.2 Local Governance System in Nepal**

The governance system in Nepal is hierarchical based; as it goes down to the local level it becomes more decentralized as depicted in the fig. 2.1 below. The decentralized model of local governance system of Nepal composed of 3,913 Village Development Committees

(VDCs), 58 municipalities and 75 (District Development Committees) DDCs. Above the district level, Nepal also has five development regions. These development regions are primarily planning and administrative units and are not considered as part of local government. Each village is divided into 9 wards, while each municipality is divided into 9 or more wards based on area and population. The largest municipality, Kathmandu, has 35 wards. This arrangement pre-dates the current democratic system. Previously, there was a *Panchayat* system which was very active at the local level. “The discredited *Panchayat* system instituted by King Mahendra in 1960 was replaced in 1991 with a system of District Development Committees (DDCs), District Development Committees (DDCs) and Municipal Committees overseen by a district, village, or municipal council” ( Vajpeyi 2003, p. 95).

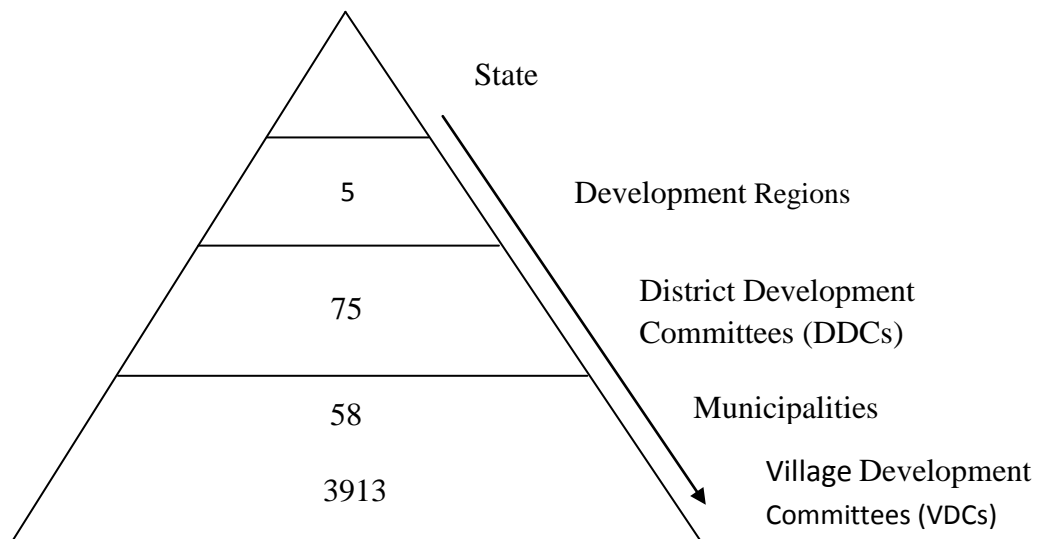


Fig 2.1 Decentralized Model of Governance System in Nepal

For the effective functioning of the democracy and also to establish the good and viable local governance system, a suitable decentralization strategy is needed to guaranty the equitable; justifiable and rational allocation and distribution of resources among all tires of government.

For empowering the local bodies the Local Self Governance Act, 1999 (LSGA), is introduced on the basis of which the devolution of political power and decentralization of administrative system has been carried out. LSGA has devolved authority and responsibility to the local bodies; District Development Committees (DDCs), Municipalities and Village Development Committees (VDCs) are now allowed to carry out economic and development activities

independently. Although, LSGA devolved broad responsibilities to the level and DDCs, VDCs and municipalities are expected to perform various political, economic, social, and technical functions but there is lack of power and autonomy. Moreover, various studies show that local bodies are not able to functions freely and there has been interference by the central level. “The 1991 Act gave local bodies responsibilities for service delivery as well as limited control over revenue, some judicial matters, and planning. In practice, these powers remain largely unrealized. Various provisions of the Act actually reinforce the centre’s role in local affairs” (Vajpeyi 2003, p. 96).

Therefore, ward council (WC), VDC, municipal committees and DDC govern the local public affairs and now responsible for carrying out development as well as revenue generating activities. The VDC is the lowest tier of government. A VDC is constituted as the executive arm of the Village Council and it is divided into nine wards. A municipality is also divided into a minimum of nine wards but the number of wards could increase depending on the size, strength, population and coverage of the municipality. Municipalities are parallel to VDCs in structure and activities except, of course, the former must have a population of at least twenty-thousand, five million rupees in annual income and be able to offer minimal urban facilities such as education, hospital, roads, drinking water, electricity and communication.

The second tier is the district. Each district is divided into a minimum of 9 to a maximum of 17 *Ilakas* (areas). Each Ward of the VDC or municipality has a Ward Committee (WC) made up of five popularly elected members, including one woman and one Ward Chairman. VDCs are divided into A, B, C categories depending on their population size, geographical diversity, transportation, communications, educations and health facilities. Similarly, municipalities are also divided into three categories, according to the stages of their development and facilities.

Since, this study is concerned with the municipal level it tries to shed light on the role and functions of municipalities for being the functional unit of local governance. According to the critics, the core of local governance in Nepal, DDCs, VDCs and municipalities suffers from a

legitimacy crisis, as they are caught by a series of paradoxes between responsibilities and resources, between accountability and power and between legislative framework and ground realities (Dahal et al. 2002).

In Nepal, municipalities are divided into three categories according to their relative size and economic base: metropolitan municipality, sub-metropolitan municipality, and municipality. A Municipal Corporation also known as metropolitan municipality must have a population of three hundred thousand, four hundred million rupees annual income and urban facilities such as electricity, drinking water, communications, pitched roads and accessory roads, good health services, infrastructure for sports, facilities for higher education and at least one university. It must also have already existed as a Sub-municipal corporation before being up graduated to municipal-corporation. Sub-Municipal Corporation (sub-metropolitan municipality) must have a population of one hundred thousand, one hundred million rupees annual income, and facilities for electricity, drinking water, communications, pitched main roads of the town, higher education, health services good infrastructure for national and international sports, public gardens and city halls. It should have already existed as a municipality before that.

Conditions vary widely between municipalities. Kathmandu is the only metropolitan municipality. Lalitpur (Patan), Biratnagar, and Pokhara are the only sub metropolitans. Resources are not equitably distributed among them and consequently, the quality of services delivered in municipalities ranges from better to virtually non –existent (Vajpeyi 2003).

So far to strengthen the public trust on local institutions as well as to empower the citizen the citizen's charter has been implemented in all municipalities of Nepal. "The introduction of the citizen's charter is expected not just to enhance good governance but also likely to reinforce people's faith in local government institutions (UNDP 2005)". In some municipalities, the contents of the charter have been spelt out clearly in booklets and distributed to the public for raising the awareness on it. Also, for the convenience of the citizens the core contents of citizen's charter have been outlined in the form of wall paintings and hording boards in the municipalities. In Nepal, some initiatives has been carried out by



donor and governmental agencies to raise the public awareness on the governmental activities for enhancing them to play influential role in the decision making process. “The activity has not only engaged people at the grassroots level but also convinced some local officials to provide the public with accurate information on government services, which has improved relationships between officials and their constituents”(USAID 2008). People’s satisfaction from the municipal services may also depend upon their relationship with the officials and leaders and their participation in the programs. For being satisfied with the services trust is very essential. Development of communities in local areas has always been directly or indirectly affected by the local governance patterns. In the case of Nepal, before the democracy, few years back there was a very limited awareness on citizens regarding the local governance system and most of them were also unaware about their citizenry right. After the restoration of democracy in a country people are feeling empowered in a way that they can also have a say in local affairs. In consideration with this fact to reach the grass root, service delivery mechanism has been strengthening by the municipalities with the implementation of CC.

In recent years, the concept of democratic decentralization inspired to introduce the local self governance in Nepal. By the Local Self Governance Act 1999 the local bodies has become more independent and powerful to utilize the local resources than before. Moreover, in the changed context of today’s political environment, it has become very much essential to have the local bodies more responsive to the people. So far to foster the economic development the local government should be wise enough to facilitate the local resources mobilization. It includes the utilization of local talents and local expertise and having more people’s participation in public affairs.

### **2.2.3 CC Initiatives at the Local Level**

CC is a recent approach in Nepal for improving the local service provision, so it has not had a long history in Nepal’s context. Government of Nepal for the first time introduction the concept of citizen charters in the year 1998, through a guide line for improving the service delivery system in country. By enacting “Guideline for Making Effective the Governmental Services, 1998’, an official introduction of CC has been started (GoN-OPMCM, 1998). Although it set guidelines for CC, it has not implemented in all sectors. After its seven years of enchantment government of Nepal had again stepped forward for CC by endorsing

'Governance (Management and Operation) Act 2005' as a mild stone for institutionalizing the culture of CC in public institutions of Nepal (GoN-OPMCM, 2007).

Although, government has started its implementation after late 90's, it has not yet achieved its full phase implementation in all sectors. Based on Good Governance Act 36, 2008, citizen's charter has been implemented in all governmental organizations with the objective of empowering the citizen. As mentioned in Good Governance act 2008, every governmental office should produce charter for the convenience of the users regarding all procedures needed for services to be done and information of the concerned officials.

Based on the broader concept of Citizen's Social Charter for promoting social integration and good governance and to advance the democratic institutions and processes, CC is introduced in the local government to reach and empower people at the community level (Sobhan 2005). In Nepal, introduction of citizen's charter has been considered as the welcome departure from the traditional mode of functioning of the government and is highly desirable to get better operational of DDC, VDC and the Municipalities as a basic unit of local governance and is expected to strengthen the citizen's faith in local institutions.

In recent years there has been remarkable growth in population of urban areas which challenges municipalities to meet the pressing need to deliver the services as desired by citizens'. The urban governance faced corresponding challenges to the growing population of urban inhabitant, which compel municipalities to enhance their capabilities of local governance. In this context, to strengthen the capacities of local bodies CC has been first implemented in 12 partner municipalities of RUPP<sup>2</sup> in the year 2005 and after getting its success in these municipalities it has been replicated in other remaining municipalities, by the end of 2008 onwards all 58 municipalities of Nepal have introduced the CC and the contents of the CC have been spelt out in clear and succinct manner in Nepali in the form of booklets intended for wider distribution and CC have also been outlined in the form of wall paintings in the municipalities ( UNDP 2005).

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<sup>2</sup> Rural urban partnership programs in collaboration between USAID and government of Nepal.

CC has been expected to play a vital role to make bureaucracy citizen friendly and provide efficient services. The citizen's charter is not just meant for citizen it is also equally important for the government. In the government perspectives, it allows to accounts for the quality and safeguard of public services and facilitates to examine the external quality of its public performance.

In developed countries, practices on citizen charter started almost two decades ago but in Nepal, still considered as new approach. After its implementation in Public sectors other non-governmental and the private organizations are also enthusiastic to produce the charter for the convenience of the users. In recent years, it has been seen that e- governance is a rapidly-growing phenomenon worldwide, not just the western and developed countries but also the developing countries are also interested to apply the information technology like e governance and e-charter in the public sector organizations. It has an increasing impact on the work of the public sector, it helps to provide and improve government services, transactions and interactions with citizens (Heeks 2006). Several countries has started e- citizen charter in practice but in case of Nepal the e-governance system is just in practice in some sectors, for effective implementation of e-citizen charter, it might take a longer time. CC has been expected to encourage those responsible for the delivery of such services to improve their standards of performance, to operate in a more transparent way and to be more responsive to the needs and expectations of their customers. An important driver of this consumerist consensus has been the desire to get better value for taxpayers' money. Charters can be seen as just one aspect of the sprawling agenda of new public management (NPM) and public service 'modernization' (Drewry 2005).

Nowadays, citizens are more aware and demanding towards the local services, this may be due to globalization and media exposure; complaining of the system of government as inefficient and irresponsible is more pervasive. Moreover, the fast growing bureaucracy followed by increasing degree of dissatisfaction among citizens and fiscal crises have led to a search for a model of governance which not only promotes efficiency and economy in administration but also treats service delivery to the satisfaction of its user as the central concern (Beniwal 2005). "Citizens do want efficient public services, and ideally low taxes; but they may simultaneously want to have their rights protected, to have their voice heard, to have their values and the preferences respected" (Minogue et al 1998, p. 5). In order to

overcome financial burden as well as maintain and enhance the service quality, governmental apparatus periodically required to reformulate and implement the new policies and the programs. CC is one of such policy step which helps to keep public organization transparent and accountable to their services. Without the citizen's involvement, successful implementation of any policies and programs are difficult. In order to achieve the success, citizen should have trust, faith as well as awareness on the policies which the government has implemented. "Modern government is about much more than efficiency; it is also about the relationship of accountability between the state and its people: people who are treated not merely as consumers but as citizens, who have the right to hold the governments to account for the action they take, or fail to take" (Minogue et al 1998).

With the advent of good governance principles, people became empowered to decide upon the types of local services for betterment of their community. Good governance not just means for the government, but it is the composite form of the private sectors, government and the citizens too. "Good governance aims to achieve much more than mere efficient management of economic and financial resources, or particular services; it is also a broad reform strategy to strengthen the institutions of civil society, and make government more open, responsive, accountable and democratic" (Minogue et al 1998). Now, people have been empowered with access to information regarding all matters of governance, multiple choices for getting the same services, assurance of getting timely and cost effective standardized services regarding all basic and necessary stuffs. On the other hand, proper and successful implementation of CC demands the transparent and accountable bureaucratic performance and peoples' active participation as per the democratic principles without which its effective implementation is quite difficult.

#### **2.2.4 Challenges for Implementing CC**

The main challenge in effective implementation of CC in public institution is illiteracy and unawareness of citizens which gives fertile ground for middle man (*dalal*<sup>3</sup>) who takes unnecessary benefits from *Sewa Grahi*. On the part of service provider, there are many factors which hinder the effective implementation of CC. Some of the factors are corruption, lack of transparency, lack of trust, insufficient budgetary allocation, limited professionalized

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<sup>3</sup> The person who acts as a facilitator between the service provider and service users and for this he demand some commission from the service users.

staffs, lack of infrastructure, and lack of commitment. In CC, although there is provision of grievance handling system, there is no practice and provision of compensation to citizens in failure to provide services on time. Moreover, political instability and uncertainty always hinders the effective execution of policies at the local level.

Due to the lack of skilled human resources and limited financial resources, there has been less dissemination of information of CC to people at the local level. To fulfil the gap of citizens' awareness on CC, different NGOs and INGOs with affiliation to government institutions are actively involved in order to raise awareness on citizens emphasizing the role of CC and governance system.

### **2.3 Principle Elements of Citizen's Charter in Municipalities of Nepal**

CC is needed to improve following elements in the local service provisions: Standardization of service, information, accessibility, participation, non discrimination, Accountability, Transparency, Reliability and the Grievance redress. These nine elements are very important in CC to strengthen the citizens' trust in functioning of public institutions which might be helpful to satisfy the citizens with service delivery. Since the core concept of CC enshrines customer satisfaction, the public institutions should be able to deliver cost effective and timely services without compromising quality standards.

- **Standardization of Services:** It refers to gradually improving the quality of services so that continuous and timely services should be given by the public institutions. After the implementation of charter, people will be benefited by duly provided services which may satisfy citizens.
- **Information:** CC is desired to provide the easy access to information to citizens by various mean such as dissemination of information on the hording board, publications of documents about the availability of services, telephone, fax, post box, official web pages, internet and e-mail facilities etc. Citizens have right to get the information while service providers also should be able to provide information as demanded by the citizens.

- **Accessibility:** It refers to the easy access of service users to the services as well as to the service provider. CC intends to minimize the gap between service provider and service users so that responsiveness to citizens may be increased and citizens become benefited.
- **Participation:** Active participation of citizens at the local level is required to have their say in the local affairs. Involvement of citizens in policy formulation and implementation helps to have effective control over the process and activities. In developing countries, people have little influence over the management of public services. Implementation of CC is expected to enhance more citizens' participation at the local level by raising awareness through education and training. "The right to information is perceived as the indispensable prerequisite for informed and effective citizen participation in monitoring performance" (Sobhan 2005, p. 99). People's participation in the programs and activities organized by the municipalities makes the strong bond between the municipalities and the citizens. It may strengthen the people's faith in local bodies and maintain the culture of trust.
- **Non Discrimination:** There should be no discrimination regarding the sex, races as well as the social and economic class. All citizens are entitled to get the same services as provided by the municipalities. It emphasizes on equality in treatment to all citizens'.
- **Accountability:** Accountability means answerability to the assigned work. "Accountability is prominent in contemporary public sector reform. The driving force in all cases is to improve public sector performance" (Turner and Hulme 2004). Citizen's charter will hold officials accountable to their work by making them answerable to their activities. Since their role and functions are already mentioned in the charter, they cannot avoid the responsibilities given. It is 'the driving force that generates the pressure for key actor involved to be responsive for and to ensure good public service performance' (Paul 1991 in Turner and Hulme 2004, p. 122). So, citizen charter acts as tool for making them accountable and responsive to their job.
- **Transparency:** It refers to openness in services and right to information about the working procedures and forthcoming activities of the municipalities towards the citizens. Transparency is required to enhance the service quality and raise people's

faith on local institutions. Hence, citizen's charter is expected to safeguard the transparent services.

- **Reliability:** Reliability refers to getting services on time so that citizen could have trust with public institutions and in turn become satisfied with the service provisions. In Nepalese context, political instability, corruption, low budgetary allocation could be the major reasons to hinder the reliability on public services. After implementation of CC in municipalities, people are expecting to get reliable and consistent services.
- **Grievance Redress:** In municipalities of Nepal there is provision of registering grievances/complains if citizens' found something inappropriate. But there is not such system of giving compensation back to citizens' if they are unable to provide services on time frame as mention in charter. "Standards are set by the regulator and redress provided if they are not met" (Ferlie et al. p. 212).

## 2.4 Theoretical Discussion

CC as reform strategy in public institutions is basically guided by three broad principles, (i) managerialism, (ii) economic efficiency and (iii) responsiveness.

The above mentioned three perspectives for implementation of CC as reform approach is described in brief.

### (i) Managerialism

In managerialism, CC integrates two components which are quality and choice.

- **Quality:** Improving the quality of services is the main objective of introduction of CC which has been expected to provide services on time with least cost, without compromising on quality and standard. Hence, CC has been likely to deliver the admirable services to the people.
- **Choice:** Wherever possible, CC gives more options to people for getting access to services. Government tries to facilitate people by providing multi-channels service delivery like letter, phone, and the electronic media like e-mail, internet etc. The public organizations should provide choice wherever practicable. The choice should be followed by the consultations with those customers who use the services.

### (ii) Economic Efficiency

Economic efficiency in CC includes the two components such as value for money and timely delivery of services.

- Value for Money: CC value for the taxpayers' money. Since government collects revenue through tax, is compelled to deliver expected services to the people. On the part of public also, they expect more quality and effectiveness in services since they have paid. Value for money emphasized on "efficient and economical delivery of public services within the resources the nation can afford. And independent validation of performance against standards" (Osborne and Plastrik 1997).
- Timely Delivery of Services: One of the benefits of CC is timely delivery of services to the public at any cost so that the productive time of service users should not be wasted and feel satisfied with the services achieved.

### (iii) Responsiveness

Responsiveness to the citizens is the main crux of democracy. The democratic rights safeguard the civil and political rights and liberties for making the institutions of government representative and accountable to the public, which ensures the equal right of citizens to have a voice in public affair (Beetham 2004). Decentralization combined with democratization might provide greater transparency, accountability, responsiveness, probity, frugality, efficiency, equity and opportunity for mass participation- or enough of these to justify fresh attempts at reform (Crook and Manor 1998).

Implementation of CC in public institutions as organizational reform approach is guided by broad principles of new public management which incorporates all three above mentions perspectives. Based on NPM doctrines CC facilitates in delivering effective and efficient services in terms of cost, quality, timelines and making the public institutions accountable and promote more citizens participation in policy making and to its implementation. It can be said that the stimulating source of CC, to provide the efficient and transparent services to the citizens' is the NPM in which CC acts as a tool of it to facilitate the delivery of quality services



### **2.4.1 NPM as the Guiding Principles of CC**

NPM acted as a major break point in public sector management in 1980s. The ideology behind this is to make the public sector transparent as well as cost effective.

According to Hood (1991), the arisen of NPM in public sector has been appeared as the result of four administrative 'megatrends': (i) to slow down or reverse government growth in terms of overt public spending and staffing (Dunsire and Hood 1983); (ii) the shift toward privatization and renewed emphasis on 'subsidiary' in service provision (cf. Hood and Schuppert 1988; Dunleavy 1989); (iii) The development of automation, particularly in the production and distribution of public services and (iv) development of a more international agenda, increasingly focused on general issues of public management.

The critics of NPM reforms argued that “inefficiency of the bureaucracy and the flawed nature of activist government” produced a reform model usually designated as ‘new public management’ (Mc Court and Minogue 2001, p. 6).

As such there is no single definition of NPM which is agreed by all academics, research scholars, and practitioners. Broadly, researchers have divided NPM into two categories based on the factors it embodied. One is hard NPM and another is soft NPM; ‘hard NPM’ focuses on the factors like accounting, auditing, and performance management while ‘soft NPM’ emphasize on human factors, user-orientation, quality improvement and individual development (Christensen and Læg Reid 2007, p. 8). In essence, NPM focuses on the efficiency, effectiveness, predictability as well as accountability in service delivery mechanisms.

Ferlie et al. (1996) proposed four models of NPM as a typology of new public management ideals type which has been discussed below.

#### **(i) NPM Model 1 (The Efficiency Drive)**

It represented an attempt to make the public sector more business-like and led by notions of efficiency. In brief, major elements included in this model are Cost effectiveness and value for money; increased stress on provider responsiveness to citizens’; less bureaucratic and more entrepreneurial management. The critic comments this model as an inappropriate and

imported model of private sector management some called it neo- Taylorian approaches within the new public management.

(ii) NPM Model 2 (Downsizing and Decentralization)

This model is seen as an improved version of the first one and is applicable both to the public and private sectors. The key indicators are to move from management by hierarchy to management by contracts; creation of loosely coupled public sector organization at the local level and move away from standardized forms of service to a service system characterize by more flexibility and variety.

(iii) NPM Model 3 (In Search of Excellence)

It focuses on the cultural aspects and gives more concentration on the organizational culture. This model highlights the role of values, culture, rites, and symbols in shaping how people actually behave at work in general.

(iv) NPM Model 4 (Public Service Orientation)

This model is the latest one which is still to expose its full potential and is characterized by the indicators as service quality, reliance on user voice; a concept of citizenship, empowering local bodies, assessment of social need, above the delivery of routine services, participation and accountability as legitimate concerns of management in the public sector. “It represents a fusion of private and public sector management ideas, re-energizing public sector managers by outlining a distinct public service mission” (Osborne and Gaebler 1992 in Ferlie et al. 1996, p. 14).

However, one may find elements of all these four models in CC but the fourth model on Public service orientations is what CC mainly concerns with. Hence, CC, based on fourth model of NPM, the public service orientation, acts as a bridge between service provider and beneficiaries for providing the accessible and quality services. In the context of developing

country like Nepal, implementation of CC is needed for several reasons such as making people aware to their rights, making people satisfied by improving quality and standard of services, giving timely and predictable services, making service providers responsible and accountable to the public and maintaining public trust on local institutions. The concept of the citizen's charter enshrines the trust between the service provider and its users so as to empower the citizen in relation to public service delivery (Sharma and Agnihotri 2001).

NPM offers an all-purpose key to better provision of public services (Hood 1991) so in order to overcome financial burden as well as maintain and enhance the service quality, governments in developing countries are nowadays enthusiastic to use the new managerial techniques and the new managerial model is being rapidly transferred from the developed countries towards the developing countries (Turner and Hulme 2004). With the application of market oriented models, the administrative systems of developed nations become more efficient and consider citizen's as their customer whereas in developing countries "administrators often consider citizens as 'subjects' who are expected to show 'creeping' behaviour, i. e. deference and obedience to administrators (Jamil 2002, p. 95). So, the nature and type of administrative system and its effective and efficient performance is the prerequisite for delivering the transparent and accountable services to the people.

## **2.5 Variables in the Study**

Citizen's satisfaction with services indicates the quality of municipal services. One of the underlying objectives of introduction of CC in municipalities of Nepal is to enhance the citizen's satisfaction with the promptness in services. CC in this study intends to analyze the factors which may explain the level of citizen's satisfaction.

### **2.5.1 Dependent Variable**

Dependent variable in this study is the level of citizens' satisfaction with municipal services after the implementation of CC. Satisfaction being a relative term varies with the situation. Satisfaction may mean different things to different citizens but in this study it is related with the quality and effectiveness of services provided by the municipalities. The delivery of these services is taken into consideration as municipal urban responsibilities. Municipality provides

different services to the citizens which may be of basic necessity. These service provisions make domain of local governance strong by satisfying the citizen. As this study intended, CC helps to satisfy the local wishes and demands by providing the prompt and effective services.

Out of various services, this study has been concentrated on nine prominent services provided by municipalities as shown in table 2.1 below.

Table 2.1 Services provided by Municipalities in Nepal

S.N.	Municipal Services	Brief Description of Services
1	Garbage Removal	Includes collection & management of wastage & garbage from household & public places
2	Maintenance and construction of roads	Includes new-construction, reconstruction, restructuring & routine & breakdown maintenance of roads
3	Vital Registrations	Includes birth, death and marriage registrations.
4	Sewage and Local Sanitation	Includes routine & breakdown maintenance, regulation and treatment of drainage, sewages and sanitation systems of cities
5	Maintenance of Culverts/Bridges	Includes routine and breakdown maintenance of culverts/bridges in cities
6	Allowances for Senior Citizens	Monthly allowances to senior citizens above 70 years and widow woman above 60 years
7	Recommendations	Issuing recommendation letter for needy citizen e. g. disabled, students, refugees etc.
8	Relation Certification	Includes relation certificates for kinship and Marriage
9	Permission for Building Construction	Permission for new house construction

(Source: Field survey 2008)

## 2.5.2 Independent Variable

In this study, three sets of independent variables have been specified and analysis on citizens' level of satisfaction is carried out on the basis of these three variables which are (i) socioeconomic backgrounds, (ii) institutional performance and (iii) institutional trust. These three sets of variables have been selected because they seem to be the most probable determinants of satisfaction level.

### 2.5.2.1 Socio-economic Background

Study on citizens' satisfaction might not be complete without knowing their socio-economic backgrounds. Citizen's socio-economic backgrounds such as gender, education level, age etc are all potential determinants for satisfaction with municipal services. The social composition of Nepalese society is very complex and composed of different cultural, lingual and racial mix of households in different proportions of the total population of nearly 27 million. Social diversification in Nepalese society is very diverse as well as complex in terms of ethnicity, religious belief and the caste system. "Political scientists Joshi and Rose broadly classify the Nepalese population into three major ethnic groups in terms of their origin: *Indo-Nepalese* (inhabited the more fertile lower hills, river valleys, and *Terai* plains), *Tibeto-Nepalese* (occupying the higher hills from the west to the east), and indigenous Nepalese. Even though *Indo-Nepalese* migrants were latecomers to Nepal relative to the migrants from the north, they have come to dominate the country not only numerically, but also socially, politically, and economically (<http://countrystudies.us/nepal/31.htm> accessed 14th May 2010). Nepali is the national language of Nepal, is rooted in Sanskrit and its script is Devanagari, near about 58% of population speak Nepali as their mother tongue. Besides, the Nepali language there is existence of more than hundred dialects and other ethnic languages in Nepal ranging from mountainous, hilly region to plain Terai. Religion wise, 80% are *Hindus*, 10% are *Buddhism*, and remaining 10% belongs to other religious belief such as *Kirat*, Christians and Muslims (CBS 2001). Caste wise, Nepalese society is very stratified. The four fold *Hindu* caste system also knows as *Hinduism*<sup>4</sup> determines the social classes and it comprised of 81% of total populations (CBS 2001). According to Dangal (2005), caste has an influencing affect to

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<sup>4</sup> *Hinduism* is the predominant and indigenous religious tradition of South Asia. Hinduism is often referred to as *Sanatana Dharma* (Sanskrit phrase meaning the eternal law by its adherents). (Source: <http://en.wikipedia.org/wiki/Hinduism>)

determine an individual's behaviour, obligations, and expectations. “All the social, economic, religious, legal, and political activities of a caste society are prescribed by sanctions that determine and limit access to land, position of political power, and command of human labour. This system plays a vital role to develop mental programming of an individual. The way in which people perceive their value of life depends on the caste they belong to. Most of the lower caste people believe in fate. They think that they occupy lower status in the society because of their previous work life. By believing in fate, those belonging to a particular caste continue their traditional occupations and culture, which results in the domination of high caste in every sphere of Nepalese society” (Dangal 2005). In Nepal the socio-economic factors is very powerful to determine the citizens’ attitudes, perceptions and their satisfaction. In a recent survey conducted by the Americas Barometer Insights in 23 Latin American countries, it has been found that “the impact of socio-economic and demographic variables on citizen satisfaction with municipal services is statistically significant” (Montalvo 2009). In this study, five independent socioeconomic variables are chosen as the most plausible factors for determining the citizens’ levels of satisfaction with municipal services. The five factors are gender, age, education, social class, economic class and family size.

#### **(a) Gender**

“Gender is the modern term for sex where it does not mean sexuality but refers only to the distinction between women and men” (Hofstede 1998, p. 78). Gender, in this study, is considered as one of the social dimensions concerned with equality between men and women. According to Dalton (1996), some years ago, American women also faced limited career opportunities and German housewives were expected to devote their efforts to Kinder, Kirche, and Kuche (Children, Church and Kitchen). The women’s movement grew most rapidly in the United States, & a parallel growth of women’s group has occurred in Europe (Katzenstein and Mueller 1987; Gelb 1989 in Dalton 1996). Due to the gradually changed social norms there has been occurred the major social transformation in the late twentieth century which leading to move women from positions of homemaker to active participants in the labor force. Several writers have linked this trend to the erosion of social capital and presumably to the erosion of political participation and other citizenship behavior (Dalton 1996).

In a context of developing countries like Nepal, gender norms have not changed much as expected and women are found to be far behind in several aspects like social, political, educational and health awareness. Sex wise, men and women are almost in equal proportion. Because of the social taboo and disparity, one can easily notice the gender bias in all activities whether it is in work place or other social activities. Even though the state's constitution and laws has given all citizens equal rights, the inequality perpetuated by local customs and practices is pervasive as a result of which men consider themselves superior to women in several respects.

“As a consequence of patriarchal arrangement of the society, women are dependent on men in almost all the decisions in the society (Asian Development Bank, 2001; Freedom House, 2007, Bista, 1991 in Aryal 2008). Although state constitution promises gender equality but the condition of gender gap in Nepalese society is very high. Nepal ranks 125<sup>th</sup> of 128 countries in gender gap index<sup>5</sup>. For instance, in comparison with Norway the women status in Nepal is far behind as shown by gender gap scores, Norway (0.805) and Nepal (0.558) in which Norway ranks the 2<sup>nd</sup> position out of 128 countries. ([http://www.weforum.org/pdf/gendergap/ggg07\\_nepal.pdf](http://www.weforum.org/pdf/gendergap/ggg07_nepal.pdf), accessed 12<sup>th</sup> May 2010)

In totality, women's status is very poor in Nepalese society and it does not represent a healthy picture and it is far more depressing when analyzed in the context of their access to knowledge, education, economic resources, and political power, as well as their personal autonomy in the process of decision making. In Nepal, overall literacy rate of population is very low; especially females are far behind the male counterpart. Total literacy rate is 48.6% out of which male constitutes 62.7% and female constitutes 34.9%. (Source: <http://worldsfacts.us/Nepal.html>). Till today Nepalese women are less aware and less exposed to the political issues and it holds true with the awareness about CC also.

Males are more close to political parties, trade unions and the community affairs as compared to women. Because of this exposure and interest in politics, men are more informed to public affairs; aware with their citizenry rights; and care for community well-being. It in turns makes them demanding towards their rights. If they do not get services as expected, they

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<sup>5</sup> Gender gap index has been developed on the basis of gender gaps in four sectors such as education, economy, health and politics.

become unsatisfied with the service providers. On the other hand, women, most of the time remain in home and keep themselves busy with household works which results in women's less exposure to social and political life. Because of less exposure they might have less expectation with municipal services also. As compared to previous days, women's participation on local affairs has increased but it is not much as expected. Women's visit to municipalities is also less frequent as compared to male counter parts. "Expectations are simply defined as what individuals think the quality of public services should be given the local taxes paid and broader resource context of their local area" (James 2009). In this sagacity, it can be said that women might be more satisfied with the municipal services than male counter parts.

The hypothesis for this variable is given below:

*Hypothesis 1: Women are more likely to be satisfied with municipal services than men.*

#### **(b) Age**

Age is very important social variable and is the primary basis of socioeconomic classification in survey. Age is an approximate measure of an individual's position within the life cycle, consisting of different stages that are conventionally distinguished as childhood, adolescence, adulthood, parenthood and retirement etc (Putnam 2002). With the assumption that satisfaction also depends upon age, it has been tried in this study to show that age could play a vital role for being satisfied with the municipal services. Young people as compared to elderly due to higher desired may be less satisfied with what they are achieving. It is evident that young people are more inquisitive, they have more access to today's information around the world through the facilities such as internet, email and other media sources, and this might lead to have low level of satisfaction.

The other reason could be the political awareness of the young generation. As they are more politically involved, they know the weaknesses of the system. Although the service delivery system is improving but still it has not able to provide services as expected. The policy step of government like CC definitely helps the citizen to get the services on time and with the standard as declared on the charter and it should be. If it is not so, the young generation cannot be happy and satisfied.



It can be said that elder people are more familiar with the system and they may have less expectations as well as demands from municipalities than the new generations so as age keeps on increasing his/her satisfaction also becomes higher. According to James (2009), low satisfaction could involve not simply poorly performing services but high expectations, so it can be said that younger generation may be less satisfied because of their higher expectations from public institutions.

The hypothesis is as follows:

*Hypothesis2: Younger people are less likely to be satisfied with the services than elderly people.*

### **(c) Education**

Education has been considered as one of the important socio-economic factors which exerts very special role to determine the personal characteristics. The way of thinking and looking towards the surrounding environment also depends on attitude of person which in turn in most of the cases are determined by their level of education. For instance, if the person is educated, he/she is more positive towards changes and they are more receptive to new ideas and new ways as compared to those having low level of education. People having exposure to mass media are more aware of CC as well as their citizen rights. As educated people have such easy access, they are more aware what CC is all about which may make them more demanding than those having low level of education. It can be assumed that highly educated people because of their knowledge and competence may have more expectations with municipal services than those having less education.

The expectations approach suggest the possibility that high satisfaction could involve low expectations rather than simply well-performing public services (James 2009), so it can be said that people having high level of education might have more expectations which leads them to become less satisfied with what they are getting from municipalities The influence of expectations may need to be taken into account as a justifying factor in assessing a public service by using satisfaction measures (James *ibid*). From the discussions above it can be said that educated people having more expectations are likely to be less satisfied with the public services than those with low level of education.

The hypothesis for this variable is given below:

*Hypothesis 3: Higher the level of education, lower may be the level of satisfaction with municipal services.*

#### **(d) Social Class**

In a Nepalese context, the social class has been mostly determined by the social caste system of *Hinduism* and more than 80% populations are *Hindus*. In general, the caste has been divided into four categories such as *Brahmin*, *Chettriyas*, *Baishya* and *Sudra* (also known as *Dalits*<sup>6</sup>). In every sphere of social life, there has been found dominations of two castes, *Brahmin* and *Chettriyas*, since a long time. These *Brahmin* and *Chettriyas* so called higher class people enjoy most of the bureaucratic positions while there is negligible presence of other caste (Jamil and Dangal 2009).

“Caste system gives more prestige, more privilege, and higher status to higher caste people and lower status to the lower caste people. Society is divided on the basis of different occupations. Most of the artisan work and services are given to the lower caste people and priesthood and other ruling authority are taken by the higher caste people. Thus, higher caste people, especially Brahman, are most powerful in society. It is because, all of the Asian cultures treated power as some form of ritual; that is, they develop early the idea that the correct performance of ritual produced the highest type of power (Pye, 1985:39), and *Brahman* (priest) are responsible to perform social rituals in Nepalese society. As a result, the lower caste people always depend on the blessing of the higher caste people since every social and legal rule are made by the higher caste people. Because of this, every social, political, administrative, and economic sector of the country is dominated by the higher caste people and lower caste people are pushed backward in every aspect”(Dangal 2005).

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<sup>6</sup> The term Dalit literally means oppressed and is used to denote the social situation of the lower castes. They are also known as Scheduled Caste. Dalit is a self-designation for a group of people traditionally regarded as low caste. Dalits are a mixed population of numerous caste groups all over South Asia, and speak various languages. (<http://en.wikipedia.org/wiki/Dalit>)

In this point of view so-called higher class people are considered to be more satisfied with municipal services than that of lower class people. Although, social awareness and changes has been taken places but the results are not so satisfactory till today. It has been considered that it will take long time to end the discrimination regarding the social class in all respect of social life of Nepalese people.

“Many people argue that Nepalese public service is facing the problem of social exclusion. If we look at the civil service today there is a domination of the higher castes *Brahmins* and *Chhetris*. As a result, the bureaucracy does not represent all sections of society. Out of more than 100 ethnic and caste groups in the country, there is a tell-tale disproportionate domination of limited castes in politics, administration and education. Occupying around 37 percent of total population, the share of Brahmins and Chhetris in the integrated national governance is 82 percent. Their involvement is strong in all major spheres of the nation including politics, judiciary, parliament, business, and economy.” (Spotlight-vol. 23 in Dangal 2005).It can be said that people belonging to upper cast groups so called higher class are more satisfied with public services than that of people belonging to lower caste groups.

Alternatively, it may be argued that higher class people are more educated; hence they have more competence and are more aware of CC. This might make them less satisfied with the local governance functioning and may be have low level of satisfaction with the municipal services. In contrast, low social class so called low caste people are the ones with less education and hence may be less aware of CC and what services local governance provides. As a result whatever they receive they think that it is enough. Since they are also fatalistic, they think that whatever they get, that is because of their fate. Therefore, they may be more satisfied with CC.

The hypothesis for this variable is given below:

*Hypothesis 4: The higher the social class, the greater is the likelihood of satisfaction with the municipal services.*

The alternative hypothesis has also been formulated as given below:

*The higher the social class, the greater is the likelihood of dissatisfaction with the municipal*

### **(e) Economic Class**

Economic class here is related with the monthly expenditure of the respondents which in turn is related to the income status of the respondents. In this study, it has been assumed that the income level of respondents is interrelated with level of satisfaction with the municipal services. Depending upon the monthly expenditure of an individual including the charge paid for services; the desire of getting quality services also becomes high. Since one has more expenditure, he/she may be less satisfied because of the expectation of getting more public services with free of charge, less tax etc. Based on the assumption that his/her monthly expenditure is directly related with his/her income level, the economic-class has been divided into three categories: higher class, middle class and lower class. Although, it might not be equally applicable to all but in most of the cases people belonging to higher class always get their work done faster in public institutions in Nepal. In this way, the higher class people might be more satisfied as they are getting benefited with public services than those belonging to lower and middle economic classes. On the other hand, it might be possible that higher the economic class higher will be the expectations for getting quality and timely services resulting in the lower level of satisfaction. Additionally, as respondents belonging to higher economic class have more exposure to global media and service delivery systems of developed countries, they are more demanding and it becomes hard for them to be satisfied with what they are getting. Or, it can be said that because of the awareness created among lower and medium class people these days through government and NGOs activists( USAID 2008), the municipal officials may not able to give attention to the higher class people as previous days which might lead higher class people to lower satisfaction with municipal services.

It might also be equally possible that respondents belonging to lower classes could be more satisfied with municipal services as they have the least expectations from public institutions. So, it has been assumed that higher the economic class lower will be the level of satisfaction with municipal services.

The hypothesis for this variable is given below:

*Hypothesis 5: The higher the economic class of the service user, the greater is the likelihood of dissatisfaction with municipal services.*

## **(f) Family Size**

Generally, social structure according to caste, social values, culture, knowledge and awareness level of the people and their community as a whole has a varying effect in determining the family size. Specially, in Nepalese context old aged people have bigger family size as compared to the new generations. Also, the people residing in the urban areas have smaller family size in contrast to those living in rural areas. In Nepalese society, most of the people have desire to have boy child since they consider girl child as burden because of many social obligations. In addition, for continuity of own next generation, they prefer to have boy child. Because of the son preference of society, the couple keep on producing children until they get boy child which may be one of the basic reason for having large family size in Nepal. Family size could be one best way to know people's level of satisfaction with the services. If family size is bigger, it might bring many challenges for providing good education and other requirements to the family members. According to Putnam (2002), "an exhaustive family life might lead to seclusion and family-centeredness that leaves neither time nor need for associative involvements in the wider community". It can be said that due to lack of time for social associative involvement, those people belonging to bigger family size might be less satisfied with public services. The bigger the family size, more will be the responsibilities for parents so it has been assumed that people belonging to or having big family size are less happy and less satisfied with all aspects of life and hence with the municipal services as well.

The hypothesis for this variable is given below:

*Hypothesis 5: The bigger the family size of respondents, the greater is the likelihood of dissatisfaction with the municipal services.*

### **2.5.2.2 Institutional Performance**

Institutional performance enhances citizens' satisfaction with the services received. Citizens' as a customer are very much calculative for what they have paid and their expectation raises accordingly. Citizens' belief for quality in services largely depends upon their reliance with institutional performance. As long as they have trust with the system they are more confident to get what they want and become satisfied with the services. Municipalities in Nepal are the key grassroots level local government units to deliver services to the people, where the CC

has been implemented with an objective to improve the institutional performance and to ensure better citizen satisfaction. Efficiency in service delivery can be achieved by improving the institutional performance. It can be measured in several ways by several means but in this study, it has been studied with the help of three variables timeline, cost of services and the working of the complaint system.

#### **(a) Timely Delivery of Services**

After the implementation of CC, citizens expect timely services. It has been considered as citizens' right to get things done on time so that their productive time will be utilized in other works. Efficiency of organization is heavily dependent on the timely delivery of services as desired by citizens' which helps to maintain goodwill of the institutions. Fast development in communication media also helps citizens' to get services on time and in some instances if service providers are unable to provide services on time, it should be informed to public in advance and should mention the reason for delay, then the citizens' perception in public institutions will be positive and strong.

The hypothesis is given below:

*Hypothesis 7: The more timely the services, the more may be the level of citizens' satisfaction with municipal services.*

#### **(b) Working of the Complaint System**

In citizen charter there is provision of grievance/complaint handling in which citizens' as customers of public services have rights to complain about the services if they feel that something has gone wrong in the course of service delivery. The consumer –orientation of the citizens' charter program empowers citizens to redress when services are not as promised (Barron and Scott 1992). In some cases, it has been found that the complain system has not worked properly. This may be due to two reasons either the institutional incapability or lack of willingness of citizens' about improvement in public services.

Working of the complaint system is essential to maintain the standard in services. And it has been expected that standardization in services helps to raise the citizens' trust with institutions. In every charter documentation, raising the standard of services are always of the central concern. According to Beale and Pollitt (1994), there are three types of standards: (i) minimum standard: it is that standard which must be reached in respect of all or virtually all

service interactions; (ii) average standards or norms: it is the level of services that most service provider may be expected to meet most of the time; and (iii) standards of best practice: it represents what can be attained with highly trained and motivated staff, adequate resources and up-to date technologies. The contemporary management-driven quality improvement systems, by contrast, often focus first on raising minimum standards, especially by eliminating ‘faults’. And the charter suggestions about the complaint system appear to fall in the categories of promoting best practices (Beale and Pollitt 1994, p. 206-207). In the case of developing countries like Nepal, institutions are struggling to maintain the minimal standards for services and as said by Beale and Pollitt 1994, municipalities in Nepal are fighting to eliminate the faults by the implementation of CC.

The hypothesis is given below:

*Hypothesis 8: The more frequent and reliable the complaint handling system, the more may be the level of citizens’ satisfaction with municipal services.*

### **(c) Cost of Services**

Citizen trust more on public institutions rather than private and other organizations with the assumption that they can get the cost effective services without compromising quality. If services are costly then citizen may distrust the public institutions; the charges for services should be determined within the purchasing capacity of general public. Public institutions can compromise on price rate and might subsidize the price of public goods like water but private sectors do not. According to Thomas and Grindle, “As water is generally perceived to be a free good in India, there is considerable resistance to paying for it” (Thomas and Grindle 1992, p.1169). It shows that citizen feel public institutions as their public property and they have rights to do so on the other hand they also have hope of getting cheaper services.

The hypothesis is given below:

*Hypothesis 9: The more costly the services, lesser may be the extent of citizens’ satisfaction with municipal services.*

### **2.5.2.3 Institutional Trust**

Trust is a multi-faceted concept which can be interpreted as a basic requirement for proper functioning of public institutions. It has been accepted that trust has a propensity to promote popular support and reduce resistance against the functioning of public institutions.

Christensen and Læg Reid (2005) have identified some general ideological reasons for supporting or trusting the government which are (i) favour a large public sector and it seems natural to support its central institutions and actors as people believe in common or collective interests and aims (March and Olsen 1989), (ii) people in this category will be over-represented among those who actively participate in political-administrative processes and (iii) based on structural legitimacy, meaning long-term positive experience with the structure (formal structure, rules and roles) and working of government. Trust in this study is basically dealt with performance of public institutions for delivering the services to the citizens. Citizens only prefer those institutions in which they can feel confident to get the cost effective, consistent and durable services.

Putnam (1993, 2002) has related trust with the rise of social capital<sup>7</sup>. Trust relations facilitate exchange and reduce the transaction costs because of the behavioral dispositions of social capital which refers to features of social organizations such as trust, norms and networks that can improve the efficiency of society by facilitating coordinated actions (Putnam, 1993, p. 167). As long as citizens are loyal to institutions, they have more trust on its functioning and eventually satisfied with the services achieved.

Several studies have shown that close relationship between government and civil society fosters democratic practices and facilitates better provision of public services (Christensen and Læg Reid 2005; Jamil et al. 2007). “Citizens are often skeptical towards the public sector when asked in general and abstract terms, but relatively satisfied with more specific services” (Christensen and Læg Reid 2005). Do people’s level of trust is same for all kinds of public institutions? With respond to this question, it can be said that citizens’ trust varies extensively from one public institution to another; it differs according to the type of functions they have to perform. Research has shown that Nepalese citizens have quite high trust for local government institutions such as the Village/Town and District Development Committees (Jamil, Dhakal and Askvik, forthcoming). It can be assumed that this level of trust with local institutions leads citizens’ to become more satisfied with the service provisions of municipalities of Nepal. It has been widely expected that positive attitude towards politics and democracy is necessary for having trust with public institutions and to enhance the

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<sup>7</sup> Broadly, social capital can be defined as the institutions, relationship, attitudes, and values that govern interaction among people and contribute to economic and social development (Grootaert et al 2002).



quality of governance. Citizens' participation in public affairs fosters the quality of democratic governance and participation can be enhanced through affiliation or formal association with some groups in society. It can be said that citizens who are members of political parties or trade unions have greater trust on governmental institutions than those with no affiliation. In order to have trust in public institutions, active form of participation is more important than simply being interested in politics (Christensen and Lægreid 2005).

On the other hand, if government failed to deliver the services as expected, citizen distrust the institutions and their level of satisfaction may be very low. "Distrust is the result of a gap between citizen's expectation and government's actual performance. Government's failure to perform may erode public confidence in public institutions and may impede representativeness and inclusiveness in the delivery of public services. Distrusting citizens may be less inclined to obey the law, pay taxes and comply in general" (Jamil et al. 2007).

Institutional loyalty can be defined as the special attachment to an organization in which citizens have trust on its functioning. "Trustworthiness lubricates social life" (Putman 2002, p. 7) as long as citizens' are loyal to institutions, even if something goes wrong service user might not be disappointed as long as he/she has trust on the policies of that organizations. Loyalty can be seen as a function of exit and voice in any organizations, where the likelihood of voice increases with the degree of loyalty. In such cases, loyalty holds exit at bay and activates voice (Hirschman 1970). According to him, "a member with a considerable attachment to a product or organization will often search for ways to make himself influential, especially when the organization moves in what he believes is the wrong direction; conversely, a member who wield considerable power in an organization and is therefore convinced that he can get it 'back in the track' is likely to develop a strong affection for the organization in which he is powerful" (Hirschman 1970, p.77-78) So, it can be said that loyalty strengthened the trust with institutions which in turn may make the customer satisfied with the services.

The implementation of CC has been expected to raise the citizens' trust, loyalty and satisfaction with municipal services. For providing quality services, government alone might not fulfil expectations of citizens'. In order to meet the challenges of growing populations,

other non governmental and private organizations are also directly or indirectly involved as helping hands to facilitate the service delivery mechanism of government. In this context, an analysis has been carried out to know the people's trust on municipal services comparing it with similar services provided by other alternative organizations run voluntarily or privately.

Institutional trust is study with the help of two factors such as citizens' perception on private and voluntary organization for better services and citizens' evaluation of officials.

#### **(a) Citizens' Preference on Private Companies and Voluntary Organization for better Services**

It has been assumed that if citizens' have trust on Municipal Corporation then they prefer the services provided by it otherwise they prefer alternative options. This might be the one best way to know the citizen satisfaction with municipal services. It can be argued that the higher the trust with municipal services the higher is the citizens' satisfaction with municipal services.

The hypotheses for this variable are given below:

*Hypothesis 10a: The higher the trust in municipalities the lesser may be extent of the citizens' preference for private companies taking over public services.*

*Hypothesis 10: The higher the trust in municipalities the lesser may be extent of the citizens' preference for voluntary organizations taking over public services.*

#### **(b) Citizens' Evaluation of Officials**

Trust in public institutions largely depends upon how citizens' evaluate service providers in general i.e. municipal employees. Municipal Corporation as a public institution for service delivery provides various categories of services in which citizen may need direct consultation to officials regarding some service provisions. The citizen's accesses to officials as well as how they behave determine citizens' trust in public institutions. "People trust government officials who are near at hand, they believe that government officials who are far away are lazy, incompetent and probably dishonest" (Christensen and Læg Reid 2005) Moreover, if

citizen see the officials violating rules to promote their personal interests<sup>8</sup>, then public might have more distrust to the officials which eventually leads to distrust towards institutions. If citizen have trust with officials then their trust with institutions will be high and which in turn makes the citizen satisfied with the services. Trust in public institutions is seemed to have both institutional as well as personal aspects (Christensen and Læg Reid 2005). In institutional aspects, people may trust the system and the quality of available services while in case of personal aspects it is largely determined by the behaviour of officials they encounter or observe. If the officials are friendly in dealing with public then the trust with institutions is likely to be high. But this is not the only factor which will determine the trust with institutions. In some instances friendliness, accessibility and competence mean very little for some citizens' if they don't get what they want so the efficiency in service delivery also matters a lot to have trust on public institutions.

In this study it has been assumed that citizens' perception to officials may have an influential effect to become satisfied with the services achieved. The citizens' evaluation of official is examined by five categorical factors which are (a) officials' responsiveness to citizens', (b) citizens' easy access with the officials, (c) prompt and efficient service delivery by officials, (d) friendly in dealing with citizens' and (e) equality in treatment to all citizens'.

The derived hypotheses on these five categorical factors are given below:

*Hypothesis 11: The more responsive the officials to citizens' need as perceived by citizens, the more may be the level of satisfaction with municipal services.*

*Hypothesis 12: The more prompt and efficient the officials as perceived by citizens, the more may be the level of satisfaction with municipal services.*

*Hypothesis 13: The more friendly the officials as perceived by citizens, the more may be the level of satisfaction with municipal services.*

*Hypothesis 14: The more access to the officials as perceived by citizens, the more may be the level of satisfaction with municipal services.*

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<sup>8</sup> Personal interest here indicates the inequality in treatment and favoring the system of *afno manchhe*.

*Hypothesis 15: The more fairness and equality in treatment by the officials, the more may be the level of citizen's satisfaction with municipal services.*

## 2.6 Analytical Framework

Based on a discussion above an analytical framework is developed as shown in fig 2.2. This framework tries to link the relationship between dependent and independent variables. The three sets of independent variables (a) socio-economic backgrounds, (b) institutional performance and (c) institutional trust are considered as the main basis for determining the respondents level of satisfaction with municipal services.

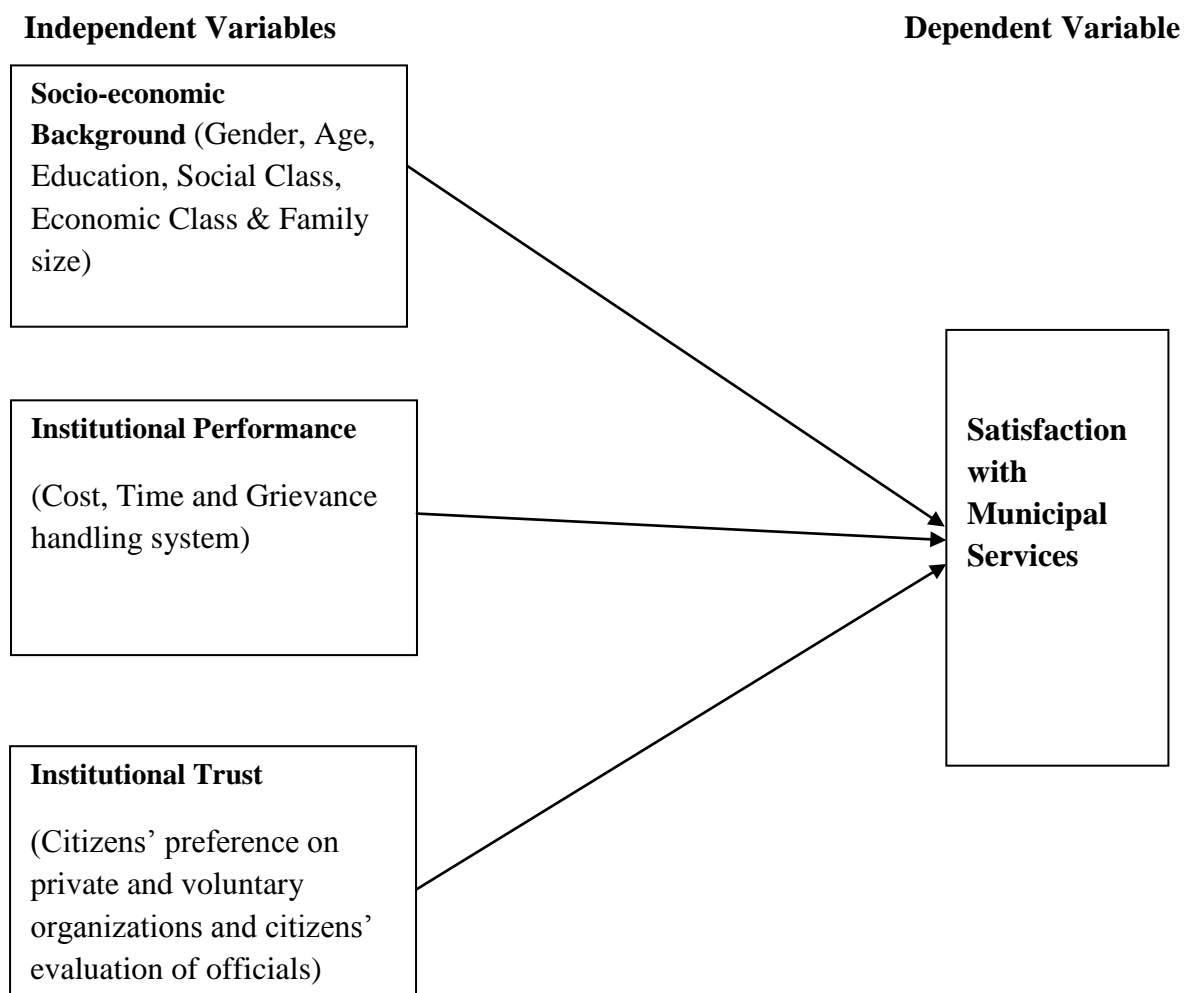


Fig 2.2 Analytical Framework of Relationship between Dependent and Independent Variables

Independent variables have a direct influence in the dependent variable so the respondents level of satisfaction varies according to the socioeconomic backgrounds which includes: gender, age, education, economic class, social class and family size. These six factors of socioeconomic backgrounds have a great influence on satisfaction. Besides this the institutional performance is also equally important for determining the level of satisfaction which includes: citizens' perception of private and voluntary organization for better service delivery and citizens' evaluation of officials. Finally, the institutional trust deals with the cost, time and working of the grievance handling system. For knowing the relationship between the dependent and independent variables, hypotheses are developed. The analysis of which determines the relationship and influence of independent variables on dependent variables and it helps to know the respondents level of satisfaction with the municipalities after the implementation of CC. The analytical framework depicted in figure 2.2 shows the relationship between level of satisfaction with municipal services and three sets of independent variables.

## **2.7 Conclusion**

This chapter presented the theoretical aspects of the study. It explained how different types of variables may affect citizen's level of satisfaction with the municipal services. The core focus of this study is the citizen's level of satisfaction which has been explained with the help of three different independent variables: the socio-economic backgrounds, the institutional performance and the institutional trust. On the basis of discussion on theoretical perspectives, framework has been developed for further analysis. It has been expected that citizens are empowered after the implementation of CC in the municipalities. As it is in a learning phase, it would take some years to fully empower citizen by CC. As a process of policy learning, CC has been implemented in municipalities of Nepal after getting its success in developed countries. So, it needs more effort from the service users as well as services providers to take its real benefit. To provide empirical ground to this analytical framework, the next chapter deals with the methodological approach.

## **Chapter Three**

### **Methodology**

#### **3.0 Introduction**

This chapter discusses quantitative research design in which a questionnaire survey was conducted to collect data from service users (hereafter *Sewa Grahi*) of municipalities. Municipalities have been considered as basic units of analysis in the study. It also provides justification for choosing the particular research approach in conducting the research and highlights some challenges that were encountered during the field survey.

This survey asked service users about their perceptions towards the municipal service provisions. In this manner, it includes only those respondents who have received services from municipalities and hence are more aware of municipal services. So, this study truly reflects the picture of citizens' perception regarding municipality's services quality and in turn maps their level of satisfaction with it.

#### **3.1 Research Design**

The selection of an appropriate research design is very important for the success of every study. As data has been collected from the large population size this study followed the quantitative research design.

##### **3.1.1 Quantitative Approach**

In quantitative approach information is gathered in a numeric form. The numeric descriptions of opinion or attitudes of people are obtained by studying a sample of that population. Survey is one of such design which demands the use of quantitative methods to collect data on an instrument that measure attitudes and the information is analyzed using statistical procedures. "Quantitative research uses numbers and statistical methods. It tends to be based on numerical measurements of specific aspects of phenomena; it abstracts from particular instances to seek general description or to test causal hypothesis; it seeks measurements and analysis that are easily replicable by other researchers" (King et al 1994, p. 3). Quantitative method is a means for testing objective theories by examining the relationship among variables. These variables, in turn, can be measured, typically on instruments, so that

numbered data can be analysed using statistical procedures (Creswell 2008). Since this study is concerned with the citizens' satisfaction, it deals with number of variables highlighting the various aspects of CC. As this study covers the larger population and the sample size is also sufficient enough to represent the population characteristics. So, it can be said that quantitative research design is best fitted in this study to analyze the data and draw the conclusions. According to Pierce, "the greatest strength of quantitative method lies in its general acceptance by others as being rational, logical, planned and systematic" (Pierce 2008, p. 42). Since this study intends to use the different statistical tools to measure the people's level of satisfaction with the services achieved, it helps to avoid biasness and increase reliability and validity in data analysis.

### **3.1.2 Unit of Analysis**

This study focuses on municipal service provisions towards the citizenry and intends to analyze the people's level of satisfaction with the local service provisions after implementation of CC in the municipalities. Altogether there are 58 municipalities in Nepal comprising of one metropolitan, three sub metropolitan and remaining fifty-five general municipalities. This study comprises 10 municipalities including one metropolitan, two sub-metropolitan and seven general municipalities. Therefore, the unit of analysis of this study is municipality.

### **3.1.3 Methods of Data Collection**

#### ***3.1.3.1 Sampling***

In this study, multistage sampling procedures were applied to collect the data. Administratively, Nepal is divided into five development regions and fourteen zones. In total there are 58 municipalities spread across these administrative regions in the nation. For selecting municipalities, purposive sampling method was used based on the assumption that the selected municipalities were representative of the total municipalities in Nepal in terms of geographical coverage of the country. In this survey 10 municipalities has been selected. And for selecting respondents within the municipalities it followed the random sampling techniques as the preferred choice for quantitative data collection.

According to Johnson and Christensen (2000), “Random sampling is frequently used in survey research, which is a form of non experimental research in which questionnaire or interviews are used to collect information, and the goal is, typically, to understand the characteristics of the population”. Box 3.1 below shows the number of respondents according to the municipalities.

Box 3.1 Number of Respondents of Respective Municipalities

<b>Municipalities</b>	<b>Number of Respondents</b>
Biratnagar*	100
Dhankuta	98
Dhulikhel	101
Janakpur	100
Pokhara*	99
Birendranagar	92
Butwal	99
Mahendranagar	99
Kathmandu**	100
Lahan	100
<b>Total</b>	<b>988</b>

\*Sub-metropolitan  
 \*\*Metropolitan

Source: Field survey 2008

## **3.2 Data Collection Tool**

### **3.2.1 Questionnaire**

A pre-coded, structured questionnaire was used to collect data. The questionnaire was formulated in Nepali (for the purpose of this study it has been translated into English). A pilot test was carried out in Kathmandu Municipality on July 2008, which helped in further fine tuning the questionnaire. Interviewers having previous work experience in survey methods were employed for the fieldwork. The service users generally would not have ample time for interview and for them specific questions should be asked. In this regard, the formulation of



questionnaire is based on the assumption that respondent would give the interviewers a maximum of 30 minutes. The interviewers conducted the interview with service users of municipalities in between the office hours from 11:00 am to 4.00pm. One interviewer was assigned to each municipality and he/she had spent approximately 15 days for conducting survey in that particular municipality. As municipalities have been chosen from different parts of the country, some of them are very far from the capital city so the whole survey was completed in approximately three months. The questionnaire has been divided into three parts (see Appendix1).

Part A: It includes the socioeconomic background of respondent which gives general information about the respondent such as gender, age, education, caste, religion, occupation, monthly expenditure and the number of family members.

Part B: It includes question regarding the people's awareness and their understanding about the implementation of CC in the municipalities. It also contains questions to get the respondents view on effectiveness of services, timeliness, and access with the municipal staffs, reliability and cost of services.

Part C: It includes questions regarding the people's satisfaction with the municipals services. Although municipalities provides different services to the public but here focus has been given to nine prominent services which are garbage removal, maintenance and construction of roads, vital registrations(birth, death and marriage), sewage and local sanitation, maintenance of culverts/bridges, allowances for senior citizens and other social welfare, recommendations, relation certificate and permission for building construction.

This study uses the data collected from the *Sewa Grahi* which is the main source of information. This is a group of citizens' who are beneficiaries of municipal services. Sampling was exclusively based on the number of persons that had to be interviewed, i.e., approximately 100. There was no bias regarding caste/ethnicity, sex, social class etc.

### 3.3 Sample Characteristics of *Sewa Grahi*

Sample characteristics here connote the socio-economic background of respondents which comprise of gender, age, education, family size, caste and monthly expenditure.

Caste here represents the *Hindu* caste system which characterizes the Nepalese society. The pattern of social classes in *Hinduism*<sup>9</sup> is called the “caste system”. The fourfold caste divisions in Nepal are *Brahmins* (priests and scholars), *Kshetriyas or Chettri* (rulers and warriors), *Vaiśyas* (farmers, merchants and traders), and *Sudra* (artisans, and labourer) (Dangal 2005).

As shown in table 3.1 below 71 % of total sample population represents the male and the rest 29% represents the women. It is the indication of male’s frequent visit to the municipality for services rather than women counter parts. Regarding the age categories, the highest 29% of respondents belongs to the age group between (26-35 yrs) which is followed by the age group of (36- 45 yrs) representing the 23% of total sampled respondents and the third highest, 20% of respondents represents the age group of (25 yrs and below). The remaining two categories of (46-55 yrs) and (56 yrs and above) represents the 17% and 12% of total respondents respectively.

Regarding the education, the highest 32 % represent those respondents who have completed the school level education (SLC<sup>10</sup>), and the lowest 8% of respondents belongs to the categories of illiterate who cannot read and write. It can be assumed that those who are illiterate might feel difficulties to come to municipalities to get work done which leads to their negligible presence. Literate here means those respondents who can easily read and write the Nepali language and it represents the 18% of total respondents.

Table 3.1 shows the six categories of socio-economic composition of respondents such as gender, age, education and caste, monthly expenditure and family size.

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<sup>9</sup> Hinduism is the predominant and indigenous religious tradition of South Asia. Hinduism is often referred to as *Sanatana Dharma* (Sanskrit phrase meaning the eternal law by its adherents).

(Source: <http://en.wikipedia.org/wiki/Hinduism>)

<sup>10</sup> School Leaving Certificate given by the government after the completion of tenth standards.

Table 3.1 Socio Economic Composition of Respondents

Socioeconomic Features of Respondents		Sample%	Total Numbers (N)
Gender	Male	71	688
	Female	29	285
Age	25 yrs and below	20	194
	26-35 yrs	29	278
	36-45 yrs	23	227
	46-55 yrs	17	161
	56 yrs and above	12	115
Education	Illiterate	8	78
	Literate	18	180
	School level	32	313
	Higher secondary	20	193
	Graduate and above	22	120
Caste	Brahmin	31	218
	Chetteri	32	225
	Baishya	28	193
	Sudra	9	66
Monthly Expenditure (in Rs.)	10000 and below	77	694
	10000 – 15000	14	121
	15000- 20000	5	45
	Above 20000	4	38
Family size	4 and below	23	222
	5-6	49	463
	7-8	19	180
	9-10	3	30
	Above 10	6	59

NB: figures are rounded up.

(Source: Field Survey 2008)

Regarding the monthly expenditure, the highest 77% of respondents belongs to the category of having monthly expenditure of (Rs. 10000 and below) and just 14% of respondents belong to category of having monthly expenditure of (10000 to 15000). Those with monthly

expenditure of (15000-20000) and (above 20000) represents only 5% and 4% of total respondents respectively. This figure indicates that most of the people belong to low income groups.

Regarding the number of family members as shown in table 3.1 above, it is evident that nearly half of the respondents (49%) have family size of 5-6 followed by having family size 4 and below (23%). And the least 3% of respondents have family size of 9-10 while the 6% of respondents belongs to category of having family size above 10. It shows that family structure of Nepalese society is diverse and most belongs to having family size of 5-6.

From the table 3.1 above it can be summarized that sex wise, male; age wise, the age group of 26-35yrs; education wise, having school level, caste wise, Brahmin and Chetteri; monthly expenditure wise, having monthly income 10000 and above and family size wise, having family size 4-6 members are main service seekers in municipalities. Likewise, the least service seekers in municipalities are female; age group above 56 yrs; illiterate; Sudra/ Dalit; monthly expenditure of above 20000, and family size of 9-10 members respectively.

### **3.5 Quantitative Data Analysis**

Quantitative data can be analyzed by variety of data analysis methods. Out of various available options, choosing one method which will address the study questions and best fitted to the type of data under study is a single major challenge to researches. So, before approaching the data analysis methods it is far more important to understand which methods can best answer the study questions. It has been possible after having clear concepts upon the variable under study and its level of measurements. In this study basically, the data are of ordinal scales and the attributes are ordered. The analysis is done with the help of statistical methods and interpretations of data are based on statistical findings. The respondents view on satisfaction with local service provision is analyzed on the basis of socio-economic background (gender, age, education, social class, economic class and family size), Institutional performance (cost, time and complain handling system) and institutional trust (citizens' preference for private companies and voluntary organizations taking over municipal services for better service delivery and citizens' evaluation of officials). In order to analyze

and interpret the data with respect to variables, different types of statistical tools are used in this study; which are as follows:

**(i) Univariate Analysis**

This method is based on one variable analysis at a time. In this study, to find out the peoples' level of satisfaction in general with municipal services frequency distribution is used as one of the technique of the univariate analysis methods. For simple univariate analysis, frequency distribution table has been used and the relationship has been further explained by means of bivariate analysis.

**(ii) Bivariate Analysis**

Bivariate analysis is carried out in this study to see the co- relationship between the dependent and independent variables in order to substantiate the hypotheses. This method helps to know the relationship between the dependent and the independent variable, it can be positive, negative or no relation at all. The preferred choice for bivariate analysis is the cross-tab analysis which is carried out in this study. These analyses simplify the data presentation in tabular forms and help to draw the conclusions. Specially, cross tabulation analysis is very useful in this study since the data are dichotomized into values and scales of high and low. For example if the scale varies from 1-5 then the average is 3 and any number below 3 is taken as low and those above 3 is considered as high. The analysis between the dependent variable i.e. the level of satisfaction with municipal services and one of the independent variables for instance; the age is taken as one such example of bivariate analysis.

The analytical tool used in this study are the cross tabulation and the correlation analysis. Basically, Kendall's tau test<sup>11</sup> has been preferred in this study because the data are of ordinal level and it consists of tied pairs (Frankfort-Nachmias and Nachmias 2000). Also, the correlation test Pearson's r is used to show the relationship between variables. The most important thing to consider is the range of the value of correlation coefficient<sup>12</sup> whether it is Pearson r or Kendall's tau.

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<sup>11</sup> Kendall's tau b and Kendall's tau c correlation coefficient are used for measuring the association between ordinal variables and it is a symmetric statistics which is non-directional and non parametric.

<sup>12</sup> This can range from -1.00 to 1.00. This value indicates the strength of the relationship between dependent and independent variables. A correlation of 0 indicates no relationship at all, a correlation of 1.0 indicates a perfect positive correlation, and a value of -1.0 indicates a perfect negative correlation. A strong relationship or

### **(iii) Multivariate Analysis**

It is based on principle of multivariate statistics which involves analysis of more than one variable at a time. In this study regression analysis is carried out for multivariate analysis, in which the relationship of one or more independent variables on dependent variables are correlated and examined while controlling for other variables.

## **3.6 Limitations and Challenges**

With regards to the question of sampling, it needs to be emphasized that the geographical coverage of the survey is limited. It covered only 10 municipalities out of 58. The interviewers faced some challenges while conducting the interviews. At first some of the service users found to be very reluctant to respond but they responded well when they received some explanation regarding their role and importance in the process of effective implementation of CC. Secondly, the environment of municipality premises was always found to be crowded which deterred some individuals in providing more explicit response. Although the official language was Nepali, in some of the municipalities the *sewa grahi* used their own local language. Interviewer found quite easier to conduct interview in Kathmandu municipality than rest of the municipalities as they did not have to face language problem. In some municipalities interviewer conducted the interview with the help of local interpreter. Quantitative data collection from larger population in Nepal was not an easy task as there was not only ethnic diversity, but also geographical diversity.

## **3.7 Conclusion**

This study is about the citizen's level of satisfaction regarding the local service provision after the implementation of CC in municipalities of Nepal. It was conducted in ten municipalities. It is based on quantitative research design in which questionnaire survey was used to collect data from *Sewa Grahi* as source of information in the study. This study is conducted with the quantitative method of statistical analysis; it would be easier to analyze data more accurately and helps to generalize the data findings. The next chapter deals with analysis on socio-economic background of respondents.

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correlation has value in range of 0.5 to 1, or -0.5 to -1. In a moderate correlation, the value ranges from 0.30 to 0.49 or, -0.30 to -0.49. In a weak correlation, the value ranges from 0.10 to 0.29 or -0.10 to - 0.29 (Cohen 1988 in Pallant 2002).

## Chapter Four

### Analysis on Socio-economic Backgrounds of Respondents

#### 4.0 Introduction

The aim of this chapter is to map the respondents' level of satisfaction with municipal services in terms of socio-economic backgrounds. It has been assumed that the socio-economic characteristics of respondents included in this analysis which are gender, age, education, social class, economic class and family size may be related to satisfaction with municipal services. The respondents' view on quality of municipal services is taken as means of knowing their level of satisfaction with municipal services after implementation of CC. For analysing data, different statistical methods such as frequency distribution, cross-tabulations, correlation and regression analyses have been used according to demand of data and for doing so SPSS<sup>13</sup> has been used.

#### 4.1 Analysis on Municipal Service Quality

Municipalities provide various categories of services to the citizens. Among them, this study examines nine prominent services that are chosen to explore respondents' level of satisfaction. The nine services are Garbage removal, Maintenance and construction of roads, Vital registrations, Sewage and local sanitation, Maintenance of culverts/bridges, Allowances for senior citizens and others social welfare, Recommendations, Relation Certification and Permission for building construction. In order to map whether there is improvement on municipal services after implementation of the CC; respondents were asked questions as shown in table 4.1. The respondents' view on improvement of services is an indication of their level of satisfaction with these services.

According to the view of service users as shown in table 4.1, it has been found that the service users have positive feelings regarding the improvement on the delivery of different categories of municipal services. It shows that the majority of the respondents, 77%, agreed on the statement that there is improvement in distribution of allowances for senior citizens and issuing of relation certification. Also, 76% and 72% of respondents believed that there is improvement in providing recommendations letter as needed and recording the vital

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<sup>13</sup> Statistical Package for Social Sciences

registrations respectively. 69% of respondents confirmed that the permission for building construction has improved. It has been found that people are least satisfied with sewage and local sanitations in which only 54% were found in favor of improvement. Likewise, in two categories, maintenance of culverts/bridges and maintenance and construction of roads, only 55% of respondents agreed that the service has improved after the introduction of CC.

The table 4.1 below shows the *Sewa Grahi* opinion on the improvement in municipal services after the implementation of CC.

Table 4.1 *Sewa Grahi* view on Municipal Services

Municipal services	Improved (%)	Mean value	Total no. (N)
Relation Certification	77	4.03	921
Allowances for senior citizens	77	4.01	922
Recommendations	76	3.99	854
Vital registrations	72	3.86	908
Permission for building construction	69	3.82	855
Garbage removal	58	3.38	844
Maintenance of culverts and bridges	55	3.38	829
Maintenance and construction of roads	55	3.32	843
Sewage and local sanitations	54	3.26	828
Index of municipal services <sup>14</sup>		3.76	654

Note: The question asked was: ‘How would you describe the quality of the following services after the introduction of the Citizen Charter?’ To what extent would you think these services are deteriorated or improved? Rate them on a scale from 5 to 1, where 5 represents “improved substantially”, 4 represents “improved to some extent”, 3 represents “neither improved nor deteriorated”, 2 represents “deteriorated to some extent” and 1 represents “deteriorated Substantially.” In the table, scales five and four are combined and presented as improved (%) and mean values was obtained from the scales ranging from 5 to 1. (Source: field survey 2008).

Further, satisfaction with municipal service is divided into two scales of high and low. Those respondents having satisfaction level below the average mean value (3.76) are considered as less satisfied and those above average mean value (3.76) are considered as more satisfied. It has been found that 38% of respondents were less satisfied and 62 % were highly satisfied with the municipal services (see appendix 2).

<sup>14</sup> In order to know the respondents overall level of satisfaction with the nine municipal services, an index was created by adding nine services divided by nine and average mean value was found to be 3.76, where minimum value was 1.44 and maximum was 5.



As shown in table 4.1, respondents are more satisfied with five categories of municipal services which are (a) relation certification(mean value 4.03), (b) allowances for senior citizens and others social welfare (mean value 4.01), (c) recommendations (mean value 3.99), (d) vital registrations (mean value 3.86), (e) permission for building constructions (mean value 3.82) where as respondents are less satisfied with the remaining four municipal services which are (a) sewage and local sanitation (mean value 3.26), (b) maintenance and construction of roads (mean value 3.32), (c) maintenance of culverts/bridges (mean value 3.38) and (d) garbage removal (mean value 3.38).

## **4.2 Analysis on Socio-economic Backgrounds of Respondents**

The six socio-economic factors such as gender, age, education, social class, economic class and family size are cross-tabulated with index of satisfaction of services. To know the extent of correlation between dependent and independent variables the Kendall's tau b and c have been used as shown in table 4.2.

### **4.2.1 Gender of the Respondents**

Gender may be an important socioeconomic variable affecting satisfaction. In the context of Nepal, women presence in politics and civil service are very low which also indicates the overall status of women in the society. In this situation, they may be less aware with CC, its purpose and importance, they may be less demanding resulting in more satisfaction with municipal services as compared to the male counter-parts. Do female satisfied more with municipal services than male counterparts?

Table 4.2 below shows that 55% of male and 66% of female respondents have high level of satisfaction respectively. Figure shows that the number of highly satisfied women is more by 10% compared to the highly satisfied men counterpart. It can be said that the hypothesis 1 (refer to section 2.5.2.1) has been somehow supportive to the findings as women are more satisfied with municipal services than man.

Table 4.2 Relationship between Level of Satisfaction and Socio-economic Background

Socioeconomic Backgrounds	Level of satisfaction (%)		Total (N)	(Kendall's tau <sup>15</sup> b and c)
	Low	High		
<b>Gender</b>				
Female	34	66	644	.10
Male	45	55		
<b>Age</b>				
Young (16 - 39 yrs)	44	56	649	.07
Middle (40 - 50 yrs)	43	57		
Old (51- 85 yrs)	34	66		
<b>Education</b>				
No education (illiterate)	41	59	653	-.13
Low (literate <sup>16</sup> - lower secondary )	32	68		
Medium (secondary level- higher secondary)	42	58		
High (graduate and above)	48	52		
<b>Social Class</b>				
Low ( <i>Baishya and Sudras</i> )	47	53	475	.09
High ( <i>Brahmins and Chetteri</i> )	38	62		
<b>Economic Class</b>				
Low (monthly expenditure below Rs. 5000)	42	58	654	.05
Middle (between Rs. 5000 –10000)	37	63		
High (above Rs. 10000)	49	51		
<b>Family size</b>				
Small (members 4 and below)	37	63	654	.07
Medium (members 5-6)	34	66		
Big( members above 6)	44	56		

(Source: Field survey 2008).

#### 4.2.2 Age of Respondents

Satisfaction with the municipal services is likely to be varied with age. Older people may be comparatively more satisfied with the same quality of municipal services than younger

<sup>15</sup> In the square table (2x2) variables (gender and social class) the correlation coefficient Kendall's tau b is applied while in others Kendall's tau c is applied.

<sup>16</sup> Those can easily read and write the Nepali language and having no formal education from institutions.

people. The age of *Sewa Grahi* has been grouped into three categories, young aged (below 40 years), middle aged (40 to 50 years) and old aged (above 50 years).

Table 4.2 shows that level of satisfaction with municipal services varies with respect to respondents' age. It has been found that respondents belonging to all three categories of age are satisfied with the municipal services. It shows that as age increases, their level of satisfaction also keeps on increasing. In fact, there is not much difference in level of satisfaction of respondents belonging to young (56%) and middle aged (57%) categories but there is drastic change in the level of satisfaction with respondents belonging to the old aged group (66%). Since older people know the service delivery system for long period of time, they become satisfied by whatever they are getting. Also the small changes can make older people happy as compared to younger generations.

From the analysis as shown in table 4.2, it can be said that hypothesis 2 (refer to section 2.5.2.1) is somehow supported by the findings i.e. younger the age lower is the level of satisfaction.

### **4.2.3 Education of the Respondents**

A characteristic like education may also be one of the factors that affect the level of satisfaction with municipal services. The higher the level of education, the greater is the likelihood of dissatisfaction with services achieved. Why should respondent's level of education be related to satisfaction? In order to acquire the wider horizon of knowledge and ideas, the formal education may act as booster and inspirer, so it can be argued that as the level of education increases the level of dissatisfaction may also keeps on increases.

The education of respondents is classified into four categories- no, low, medium and high educations. The respondents, who cannot read and write i.e. who are illiterate are grouped into category of no education, those who have completed lower secondary level of education are grouped into low level of education, the respondents who have completed secondary level education (10<sup>th</sup> standards) and higher secondary (intermediate level) education are grouped into category of medium education and those who have completed bachelor level education

or above are grouped into high level of education categories respectively. Do people having higher level of education become less satisfied with the municipal services?

As shown in table 4.2, it can be said that there is quite interesting trend in level of satisfaction with municipal services according to the level of education of respondents. In fact, there is not much difference in satisfaction of respondents having no education (59%) and medium level of education (58%). However, there is noticeable difference in level of satisfaction of respondents having low (68%) and high (52%) level of education. It is seen that as the level of education increases their level of satisfaction keeps on decreasing. It is somehow supportive to the hypothesis 3 (refer to section 2.5.2.1) as it shows to a lesser extent of negative correlation between level of education and the satisfaction with services.

#### **4.2.4 Social Class of Respondents**

The characteristic like social class is also related to the satisfaction with municipal services. Why should respondent's social class be related to satisfaction? The prominent reason behind this could be the pattern of socio-cultural composition of Nepalese society which is very complex. There exists a huge gap between the citizens belonging to different social class which seems to vary according to caste. In general, people from higher caste have more land and wealth as compared to the lower caste. Upper caste people consider themselves more wise and superior than the lower caste people. The satisfaction with the municipal services also depends on the socio-economic class because the elite groups get services more easily than the general public. Brahmins and Kshetriyas so called higher class get services on time as compared to the lower class. In this sense, the people belonging to higher class may be more satisfied with the services compared to the lower class. The social class of respondents is classified into two categories- lower and higher social class. Lower class includes the respondents belonging to the castes Baishya and Sudra; and higher class includes the respondents belonging to the castes Brahmins and Chettriyas.

Table 4.2 above shows that respondents' social class is related with satisfaction. There exist some positive relationship between the social class and the satisfaction. However, the relationship is not too strong, but we can say that hypothesis 4 (refer to section 2.5.2.1) has been somewhat supported. Only 53% of the respondents belonging to lower social class have

high level of satisfaction compared to 62% of respondents belonging to higher social class who have a high level of satisfaction. So, it can be said that the respondents belonging to lower social class is less satisfied as compared to the respondents belonging to the higher social class. It has been observed from the analysis that the relationship is not too strong between the social class and the satisfaction.

#### **4.2.5 Economic Class of Respondents**

The characteristic like economic class is also related with the satisfaction with municipal services. This study attempted to identify the income status of the service users based on monthly expenditure of his/her family<sup>17</sup> incurred for telephone, electricity, school fees for children and all other household and personal expenses. The economic class of beneficiaries of municipal services has been grouped into three categories. These are: (1) Lower economic class – monthly expenditure of below Rs. 5000, (2) Medium economic class – monthly expenditure between Rs. 5000 – Rs. 10000 and (3) Higher economic class – monthly expenditure above Rs. 10000. The definition of 'class' is not based on prevailing theoretical literature, but for the analysis in this study it has been categorized into three classes. These economic groups were evenly distributed among the sample respondents. Do people belonging to higher social class less satisfied with the municipal services?

According to the analysis as shown in table 4.2, it is evident that higher social class of respondents is not much related to the satisfaction with municipal services. It has been shown by the analysis that the middle class (63%) are more satisfied compared to higher class (51%) and lower classes (58%) respectively. Therefore, it can be concluded that hypothesis 5 (refer to section 2.5.2.1) is less likely to be supported by the findings. The relationship is not positive and statistically also not so significant.

#### **4.2.6 Family Size of Respondents**

A social characteristic like family size of respondents may also be related to satisfaction. Why should respondent's family size be related to satisfaction? The reason behind this might be that respondents having big family size probably have many challenges regarding the

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<sup>17</sup> Family of the respondents here indicates those members of the family who eat in the same kitchen.

family expenses and other formalities and the person has to visit the municipalities more frequently and in this situation he or she has to suffer a lot. So, it can be thought that the respondents having big family size may be less satisfied with municipal services. Thus, with this point of view, the bigger the family size the more will be the dissatisfaction with municipal services. The family size of respondents is classified into three categories: small-family with members 4 or less, medium- family with members 5 to 6, and big- family with members more than 6.

Family size in this study is determined with members who eat in the same kitchen and stay in the same home. In Nepal, there is a practice of common kitchen since a long time and it has been developed into a culture. Although the son has been married, he with his wife continues to stay in parents' home sharing the same kitchen. Although this culture is different from tribe to tribe but most of the people enjoy living with their parents. From table 4.2, it can be said that there exist a marginal difference between the levels of satisfaction between the small (63%) and medium (66%) family sizes but for big family size it is quite lower only 56%. However, it can be said that hypothesis 6 (refer to section 2.5.2.1) has been supported to a lesser degree.

### **4.3 Conclusion**

The study on socio economic background is necessary to know the respondents level of satisfaction with municipal services. In this chapter, the respondents' level of satisfaction with municipal services after the implementation of CC were analyzed and discussed with the help of six hypotheses derived based on factors of socio-economic background. From the correlation analysis test Kendall's Tau b and c, it can be said that gender and age of respondents are somehow positively correlated with level of satisfaction with municipal services, while level of education has shown slightly negative correlation. In remaining three variables social class, economic class and family size, the correlations are also positive but statistically not significant.

The next chapter of analysis focuses on institutional performance and the institutional trust. Municipalities, as service provider, provide different kind of services to the people. Trust with municipality is also a prerequisite factor for being satisfied with municipal services.

## **Chapter Five**

### **Analysis on Institutional Trust and Institutional Performance**

#### **5.0 Introduction**

This chapter deals with analysis on institutional performance and institutional trust as two independent variables to show its relationship with dependent variable which is the satisfaction with municipal services after implementation of CC. In institutional performance, it deals with (a) cost of services, (b) timely delivery of services and (c) complaint handling system which enhances the efficiency in service delivery mechanisms. In the institutional trust it deals with (a) citizens' preference for private companies and voluntary organizations for better services and (b) citizens' evaluation of officials.

#### **5.1 Analysis on Institutional Performance**

Institutional performance in this study relates to municipal performance in delivering efficient services to the citizens. Citizens only prefer those institutions from which they can feel confident to get the cost effective, consistent and durable services. If people get timely services with least cost then their level of trust may be high which may make them more satisfied. In the lack of effectiveness in service delivery, citizen may distrust the municipalities and eventually makes citizen dissatisfied with services.

In this study, effectiveness has been operationalized with three concepts such as timeliness in services, cost of services and the working of complaint system. If citizen could find these three things after the implementation CC in municipalities, then they become highly satisfied with the services achieved.

##### **(a) Citizen Satisfaction with the Timely Delivery of Services**

In order to know the citizens' opinion on the municipal time management for service delivery after the implementation of CC, question has been asked as shown in box 5.1. It can be seen that 30% of the respondents are less satisfied, 39% are somehow satisfied and 31% are more satisfied with timeliness in services.

### **(b) Citizens' Satisfaction with Working of Complaint Handling System**

The working on complaint system is necessary to know the citizens' view and perceptions on the delivery of services which may help to improve the quality of municipal services. As shown in box 5.1, from the analysis of respondents' opinion on the complaint handling system of municipalities, it has been found that 35% of respondents are less satisfied, 38% are somehow satisfied and 27% are more satisfied.

### **(c) Cost of Services**

Cost of services is also important to affect the satisfaction with municipal services. In order to know the cost of municipal services after the implementation of CC, respondents' opinion on the statement as shown in box 5.1 is analysed. It is found that 77% of respondents agreed on the statement that they are paying more for services than before and rest 23% disagreed.

Box 5.1 Frequency Distribution Analysis on Institutional Performance

<b>(a) Satisfaction with Timely Services</b>	<b>Number (N)</b>	<b>(%)</b>
Less satisfied	258	30
Somehow satisfied	335	39
More satisfied	260	31
<b>(b) Satisfaction with Complaint System</b>		
Less satisfied	260	35
Somehow satisfied	287	38
More satisfied	206	27
<b>(c) Pay more charges than before</b>		
Disagreed	169	23
Agreed	562	77

Note: Asked questions are (i) All things considered, how satisfied are you with the time the municipality took in giving the service requested? (ii) In general, do you think the complain system functions satisfactorily? In questions (i) and (ii) rating has been done from scale 1-5 where 1-strongly dissatisfied/disagreed to 5 strongly satisfied/agreed. The scale of 3 is represented as somehow satisfied. (iii) Provide your opinion: citizens' pay more user fees than before, here scale ranges from 1-4 where the respondents answering 'strongly agree' and 'partly agree' are grouped into one category of "Agreed" and respondents answering 'partly disagree' and 'completely disagree' are grouped into another category of "Disagreed".

(Source: Field Survey 2008)

In addition, to map the citizens' satisfaction with services, correlation test Kendall's tau b and Kendall's tau c are also conducted on institutional performance.



Table 5.1 shows the relationship between citizens' level of satisfaction with municipal services and the institutional performance in terms of cost, time and complaint handling system.

Table 5.1 Relationship between Satisfaction and Institutional Performance

Institutional Performance	Level of Satisfaction (%)		Total (N)	Kendall's Tau-b and Kendall's Tau-c
	Low	High		
Satisfied with timely services after CC				
less satisfied	66	34	547	.31
somehow satisfied	41	59		
more satisfied	38	62		
Satisfied with complaint system				
less satisfied	68	32	485	.21
somehow satisfied	37	63		
more satisfied	46	54		
Cost of services				
disagreed	28	72	543	-.14
agreed	45	55		

Note: In Cost of services Kendall's Tau-b and in rest Kendall's Tau-c have been applied  
(Source: Field Survey 2008)

**(a) Timely Delivery of Services:** In order to know the relationship between the time taken to deliver the services and the citizens' satisfaction with municipal services, a correlation analysis has been carried out as shown in table 5.1. It has been evident from the table 5.2 that there is an increasing trend in the level of satisfaction and the timely delivery of services. There is much difference between those who have high level of satisfaction with services but not much satisfied with the time taken to deliver the services. Among those who have high level of satisfaction with municipal services, 34% are less satisfied and 62% are more satisfied with time taken to deliver the services after implementation of CC and 59% believed that there is no change in time taken to deliver services. And the highest 66% resembles those who are less satisfied with the services and well as the time taken to deliver the services.

According to the analysis as shown in table 5.1, there exist a positive correlation between timely services and the level of satisfaction. The relationship is statistically significant. It is evident that more timely the service more is the satisfaction with municipal services. Therefore, it can be concluded that hypothesis 7 (refer to section 2.5.2.2) is somehow supported by the findings.

**(b) Working of Complaint System:** The working on complain handling system is needed in every institution to improve its service quality according to demand of citizens. It eventually helps to improve the overall institutional performance. Citizens prefer those institutions where the system of grievance handling is active and which always shows willingness to serve the service users.

According to the analysis shown in table 5.1, among the respondents who have high level of satisfaction with municipal services, 32% opined that there is low improvement in complaint system, 63% said no change at all and 54% are more satisfied with working of complaint system. It has been seen that there exist a positive correlation between system of complain handling and the satisfaction with the municipal services. The relationship is statistically significant. It is evident that more efficient the working of complaint handling more is the satisfaction with municipal services. Therefore, it can be said that hypothesis 8 (refer to section 2.5.2.2) is to some extent supported by the findings.

**(c) Cost of Services:** The satisfaction with services may also be determined by the cost factor. To know the relationship between cost of services and the level of satisfaction a correlation analysis has been carried out. According to the analysis as shown in table 5.1, among the respondents who have high level of satisfaction with municipal services, it has been found that 72% disagreed that they are paying more than before for the same services and 55% agreed that they are paying more than before. It also shows that there exist no positive correlation between the cost of and satisfaction with the municipal services. It is found that more costly the municipal services lower is the level of satisfaction. As citizens pay more, they become less satisfied with the municipalities services which has somehow supported the hypothesis 9 (refer to section 2.5.2.2) as stated above.

## **5.2 Analysis on Institutional Trust**

Trust with public services strengthens the bond between government and the civil society. In order to be satisfied with municipal services, people should have trust on it. Continuity and reliability in services are major elements which make citizens loyal to the organizations and may make them more satisfied with the services. Citizen's satisfaction not only depends upon the quality and trustworthiness of services but also depends on their evaluation of officials. Citizen feels happy and satisfied if he/she has easy access to the personnel and the services. If citizens are loyal to municipalities, then they prefer the services provided by it otherwise they might look other alternative service providers. In the process of providing basic services to people, government alone might not be sufficient to fulfill all desires and demands of public. In order to meet the challenges of growing populations, other non governmental and private organizations may also be directly or indirectly involved as helping hands to facilitate the service delivery mechanism of government.

In this context, an analysis has been carried out to know the people's trust on municipal services comparing it with similar services provided by other alternative organizations run voluntarily or privately. However till today, there is not any voluntarily or privately run organization in Nepal that is providing similar services as provided by municipality. As mentioned before institutional trust in this study is examined with the help of two sets of variables (i) citizen's preference for getting services from private companies and voluntary organizations and (ii) citizens' evaluation of municipal officials.

### **(a) Citizens' Preference for Getting Services from Private Companies and Voluntary Organizations**

To know the citizens' trust on municipality with respect to private companies and voluntary organizations, questions have been asked as shown in table 5.2. It is found that 45% of respondents agreed to prefer services from private companies and 44% agreed to prefer services from voluntary organizations. It shows that majority of the respondents like the services being provided by municipalities. It prevails that citizens have somewhat low trust on the services delivery by private companies and voluntary organizations.

### (b) Citizens' Evaluation of Officials

Citizens' perception on officials in five categories prompt and efficient, responsiveness, friendliness, access and equality in treatment are used to study the citizens' evaluation of officials. According to their opinion on statements as given in table 5.2, the majority, 81%, of respondent opined that the responsiveness to citizen's needs has improved and 63% of them opined that officials treat all service users equally. Likewise, 78%, 75% and 74% agreed that access to official, prompt and efficient in delivery of services and officials friendliness in dealing with citizens have improved respectively.

Table 5.2 Frequency Distribution Analysis on Institutional Trust

Institutional Trust Variables	Agreed/Improved (%)	Total no. (N)
1 a. Citizens' Preference on Private Companies	45	722
b. Citizens' Preference on Voluntary Organization	44	702
2.a. Responsiveness to Citizens' needs	81	720
b. Access to Officials	78	720
c. Prompt and Efficient Services	75	927
d. Friendly in dealing with Citizens	74	855
e. Treat all equally	63	822

Note: Respondents are asked to give their opinion on the following statements which are (1) It is often claimed that private sector or voluntary organizations should take over some municipal services for better service delivery. (a) "Private companies would have provided public services more efficiently than the municipality" and (b) "Voluntary Organizations would have provided public services more efficiently than the municipality" respectively. 2. (a) Responsiveness to citizens' needs and requirements has increased. (b). Citizens' access to municipal officials/ employees have become easier. (c) In general municipal employees /officials are prompt and efficient, (d) Friendly in dealing with citizens and (e). Treat all citizens equally irrespective of people' social status, rank, etc. The respondents answering 'strongly agree' and 'partly agree' are grouped into one category of "Agreed" and respondents answering 'partly disagree' and 'completely disagree' are grouped into another category of "Disagreed". Here the only Agreed categories has been presented.

(Source: Field Survey 2008)

In addition, cross tabulation analysis has been carried out and the relationship between citizens' level of satisfaction with municipal services and the institutional trust are mapped with the help of correlation coefficient Kendall's tau b and Kendall's tau c.

Table 5.3 provides the correlation analysis of level of satisfaction with municipal services and the institutional trust which includes the citizens' preference on private companies and

voluntary organization for better and efficient service management; and the citizens' evaluation of officials.

Table 5.3 Relationship between Level of Satisfaction and Institutional Trust

Institutional trust variables	Level of satisfaction with municipal services		Total (N)	Kendall's tau b
	Low	High		
1a. Private companies for efficient services				
Disagree	33	67	541	-.25
Agree	59	41		
b. Voluntary organizations for efficient services				
Disagreed	31	69	535	-.30
Agreed	61	39		
2a. Responsiveness to citizens' need				
Less	80	20	528	.34
More	34	66		
b. Access to officials				
less	72	28	518	.26
more	36	64		
c. Prompt and efficient				
Less	78	22	640	.34
More	34	66		
d. Friendly in dealing with citizens'				
Less	82	18	591	.36
More	34	66		
e. Treat all equally				
Less	75	25	577	.38
More	32	68		

Note: The respondents answering 'strongly agree' and 'partly agree' are grouped into one category of "agreed/more" and respondents answering 'partly disagree' and 'completely disagree' are grouped into another category of "disagreed/Less"

(Source: same as table 5.2)

**(a) Citizens' preference for service delivery by private companies and voluntary organizations:** As shown in table 5.3, among the respondents with high level of satisfaction with municipal services, 67% disagreed on the efficient services delivery by private companies where as 43% agreed on it. Also, among those having high level of satisfaction with municipal services, 69% disagreed on the efficient services delivery by voluntary organizations and only 39% agreed on it. It has been evident from table 5.3 that there exist no positive relationship of citizens' satisfaction with municipal services with both private companies and voluntary organizations for providing the efficient services. It indicates that citizens have less preference on voluntary organizations and private companies for taking over municipal services for better service delivery at the local level.

It can be argued that as citizens have more trust on public institutions, they have comparatively low level of trust with efficient service delivery by private companies and voluntary organizations. Therefore, it can be concluded that the findings are to some extent supportive to hypotheses 10a and 10b (refer to section 2.5.2.3). The citizens might have felt that if services are provided by voluntary organizations and private companies, it may be expensive and may not be long lasting since voluntary organisation may provide service for short period and private companies may be profit oriented. So, citizens have less trust on voluntary organizations and private companies for efficient service delivery.

#### **(b) Citizens' Evaluation of Officials**

Citizens' evaluation of officials may act as a determining factor to have trust on municipalities which may enhance satisfaction with the services. In the study, analyses have been carried out on the basis of citizen's perception on the municipal employees in terms of their way of dealing with citizens. In order to know the relationship between citizens' evaluation of officials (on the basis of promptness and efficiency, friendliness, responsiveness, fairness in treatment while dealing with citizens' and easy access to the officials) and their level of satisfaction with services, correlation analysis has been conducted result of which has been depicted in table 5.3. It shows that there exist a positive relationship between the citizens' evaluation of officials and the satisfaction with municipal services. In the three categories: citizens' perception on officials' responsiveness to their need and demands, prompt and efficient service delivery and the officials' friendliness in dealing with citizens, among the respondents with high level of satisfaction with municipal services, 66%

agreed that officials are more responsive, friendly and prompt and 64% agreed that they have more access to officials. However, 20% opined that officials are less responsive to citizens' needs and demands; 22% disagreed on officials' promptness and efficiency in delivery of services and 18% disagreed on the officials' friendliness in dealing with customers. The formulated hypotheses 11, 12 and 13 (refer to section 2.5.2.3) are closer to the findings and the relationships are also statistically significant. Thus, it has been evident that officials' dealing with citizens is positively correlated to the satisfaction with services.

As shown in table 5.3, among the respondents having high level of satisfaction with municipal services, 64% agreed that they have more access to officials where as only 28 % disagreed. The relationship between satisfaction and access to officials is also statistically significant and the findings is to some extent supportive to hypothesis 14 (refer to section 2.5.2.3) also.

As can be seen in table 5.3, among the respondents having high level of satisfaction with services, 68% opined that the officials treat all citizens equally and there is no discrimination on the basis of the race, social and economic classes where as only 25% of respondent disagreed on equality in treatment. The analysis has shown positive and statistically significant relationship between satisfaction with municipal services and 'treat all equally'. Officials' treatment to citizen matters a lot in the context of developing country like Nepal. As it has been said that officials' treatment to citizens may vary depending upon their position and rank in the society. So, if all citizens are treated equally, definitely it helps to have a more trust on institutions and in turn citizens' become more satisfied with the services as well as with the officials. As can be seen in table 5.3, it prevails that the findings is to a larger extent supportive to hypothesis 15 (refer to section 2.5.2.3).The citizens' view about municipal employees' is found to be very useful and informative to know the level of satisfaction with municipal services.

### **5.3 Index of Satisfaction**

In order to find out the satisfaction level of respondents with municipal services, correlation test has been conducted with three independent variables without categorizing into scales of high and low and their index of satisfaction has been obtained based on Pearson's r coefficient. As shown in table 5.4, three sets of independent variables, (i) Socio-economic backgrounds consisting of gender, age, education, social class, economic class and family

size, (ii) the Institutional Performance consisting of the time, cost and complaint handling system and (iii) Institutional Trust consisting of ‘citizens’ preference on private and voluntary companies for better services’ and ‘citizens’ evaluation of officials’, are correlated with the satisfaction with municipal services.

Table 5.4 presents the correlation of socio-economic background, institutional performance and institutional trust variables to the level of satisfaction with municipal services.

Table 5.4 Index of Satisfaction with Municipal Services

<b>(a) Socio-economic Backgrounds</b>	<b>Index of Satisfaction</b> (based on Pearson’s $r^{18}$ )
Economic class (monthly income 1000- 75000)	-.13**
Education (Illiterate – masters and higher degree)	-.12**
Gender (female and male)	.10*
Family size (below 4 to above 10)	-.09*
Social class (Brahman – Sudra)	-.06
Age (16-85years)	.06
<b>(b) Institutional Performance</b>	
Time	.22***
Complaint system	.24***
Cost	-.18***
<b>(iii) Institutional Trust</b>	
Preference on private companies	-.33***
Preference on voluntary organizations	-.31***
Treat all equally	.37***
Prompt and efficient	.35***
Responsiveness to citizens’	.33***
Friendly with citizens’	.33***
Access with officials	.29***

Note: \* $p < .05$  \*\* $p < .01$  \*\*\* $p < .001$

(Source: Field Survey 2008)

<sup>18</sup> The values of Pearson’s  $r$  range from -1.0 to +1.0; a negative coefficient indicates inverse relationship between variables.



**(a) Socio-economic Background:** It has been evident from the table 5.4, that the four variables of socio-economic backgrounds (economic class, education, family size and social class) have not shown positive correlation with level of satisfaction. The correlations of economic class; and education with level of satisfaction are significant at 0.01 levels. Likewise, the correlation between family size and level of satisfaction is significant at 0.05 levels. Likewise, the gender of respondents, which is significant at the 0.05 level, is positively correlated with level of satisfaction with municipal services. The age and the social class have shown weak correlation with level of satisfaction and statistically insignificant.

If we compare Pearson's  $r$  coefficient with coefficient of Kendall's Tau  $b$  and  $c$ , it can be seen that in three socioeconomic factors gender, age and education, both indicate the same trend. But in remaining three factors, economic class, family size and social class, the findings are found varying to some extent. Specially, in economic class and family size, the value of Kendall's Tau- $c$  coefficient, as shown in table 4.2, is very low i. e. 0.05 and 0.07 respectively which shows insignificant relationship with level of satisfaction where as in Pearson's  $r$  test as shown in table 5.4, it is fairly significant with values -0.13 and -0.09 showing the inverse relationship. In the case of social class, value of Kendall's Tau- $b$  coefficient is 0.09 and Pearson's  $r$  coefficient is -0.06. When the variables (economic class, social class and family size) are categorized into high and low as shown in table 4.2, positive relationship with level of satisfaction has been found to some extent and if not categorised as shown in table 5.4, somewhat inverse relationship with level of satisfaction has been found.

**(b) Institutional Performance:** It has been evident from the table 5.4 that timely delivery of services and working of complaint system are positively correlated to the level of satisfaction with municipal services and the relationship is statistically significant. Both Kendall's tau  $c$  and Pearson's  $r$  test show the almost same range of coefficients' values. But in the case of cost of services, it has shown no positive relationship with the satisfaction. It can be said that citizens are not willing to pay more for services. As cost increases their level of satisfaction keeps on decreases.

**(c) Institutional Trust:** It has been evident from the table 5.4 that in the categories of institutional trust both private companies and voluntary organization have shown no positive relationship with the level of satisfaction with municipal services. It indicates that higher the

satisfaction lower is the trust with services provided by private and voluntary organizations. Both of the correlation coefficients, Kendall's tau b and Pearson's r, have shown inverse relationship with the level of satisfaction.

From the table 5.4, it is evident that in the categories of citizens' evaluation of officials, all five factors are positively correlated to the level of satisfaction with services. The correlations are statistically significant also. The both of the tests, Kendall's tau b and Pearson's r, have given coefficient values more or less in the similar range. So, it can be said that more responsive, prompt and efficient, friendly, treating equally and accessible to citizens the officials more is the level of satisfaction with municipal services.

#### **5.4 Further Analysis**

The discussions above, based on correlation analysis, were carried out separately i.e. correlation analysis of the level of satisfaction with municipal services was conducted with one independent variable at a time without taking in consideration the effect of other variables. For example, correlation between satisfaction and cost of services was analysed in isolation from the other like time and complaint system etc.

In regression analysis, it is possible to show the impact of each of the independent variables on the dependent variable while controlling the other remaining independent variables. Regression analysis is important in this study to know the combined impact of independent variables to the satisfaction with municipal services.

Table 5.5 shows the regression analysis between dependent and three sets of independent variables. Three different models are developed; they are model I, model II and model III for socio-economic backgrounds, institutional performance and institutional trust respectively along with the combined model to examine the relationship with level of satisfaction with municipal services in Nepal.

**(a) Model I:** This model is based on socioeconomic backgrounds of respondents which includes the variables gender, age, education, social class, economic class and family size. To

examine to what extent these six identities based variables have influence on the satisfaction with municipal services, regression model I is developed where these six independent variables are put together and regression analysis has been carried out. As shown in table 5.5, it is evident that model I explains only 4% of the total variation in the level of satisfaction with municipal services. Out of the six individual variables in model I, only two variables, education and social class, have a significant impact to the level satisfaction. If we see in education, it shows a negative beta value (-.15) indicates that more the education lower is the level of satisfaction with services while the other two variables economic class and family size also indicate negative trend but are statistically not so significant. The table 5.5 shows the regression analysis of variables with standardized beta coefficients

Table 5.5 Regression Analysis among Independent Variables with Level of Satisfaction

	Model I (Socio-economic variable)	Model II (Institutional performance variable)	Model III (Institutional trust variable)	Combined Model
Gender	.05			.03
Age	.02			.09
Education	-.15**			-.18**
Social class	.10*			.14*
Economic class	-.05			-.04
Family size	-.05			-.03
Time frame		.14*		-.05
Cost of services		-.03		-.17*
Complaint system		.13*		.06
Private companies			.16	.20
Voluntary organizations			-.26**	-.221
Responsiveness			.16**	.12
Access			.05	.11
Friendliness			.15**	.19*
Prompt and efficient			.09	.01
Treat all equally			.14*	.19*
Explained variance (R <sup>2</sup> )	.04	.06	.23	.34
Total number (N) = 988				

Note: \*p<.05 \*\*p<.01 \*\*\*p<.001

(Source: Field Survey 2008)

**(b) Model II:** This model is based on institutional performance consisting of three variables: time taken to deliver the service, cost of service and the working of complain system. From the results in table 5.5, it is found that this model explains 6% of the variation in citizens' level of satisfaction with municipal services which is somewhat more compared to the result from model I. Out of three, two variables time frame and complaint handling system with beta coefficients of .14 and .13 respectively had shown significant impact on level of satisfaction with services while cost of services has shown no significant impact in this relationship to services satisfaction.

**(c) Model III:** This model is based on institutional trust consisting of two sub set of variables: (i) citizens' preference for getting better services by private companies and voluntary organizations and (ii) citizens' evaluation of officials which is based on citizens' perception on the officials in following five categorical factors: responsiveness to citizens' need, access to officials, prompt and efficient services delivery, friendliness to citizens' and equality in treatment to citizens. From table 5.5, it is clear that this model is able to explain 23% of the variation in citizens' level of satisfaction with municipal services which is comparatively very high than that of model I and II. The three variables which are officials' responsiveness to citizens' needs, friendliness to citizens' and treat all equally are statistically significant with beta coefficient of .16, .15 and .14 respectively. However, the voluntary organization with beta coefficient of -.26 had shown significant but negative relationship to satisfaction with services where as private companies with beta coefficient of .16 had shown no significance in this relationship to services satisfaction.

**(d) Combined Model:** In a combined model all variables are combined in one regression equation. From Table 5.5, it is evident that this model explains 34% of the total variation in satisfaction with municipal services, which is higher than that of any other model. From the table 5.5, in this model, it can be seen that education and cost of services show a significant relationship to services satisfaction, with beta coefficients of -.18 and -.17 respectively. As the relationship indicates the negative trend it can be said that higher the education level, and more costly the services the lesser is the extent of citizens' satisfaction with municipal services. The table 5.6 also depicts that friendliness in dealing with citizens and equality in treatment have the same value of beta coefficient which is .19 and both are statistically

significant to show relationship with satisfaction to services. Likewise, social class with beta coefficients of .14 has also shown significant relationship to services satisfaction. Regarding the private companies and voluntary organizations with beta coefficients .20 and .22 respectively had shown no significance in their relationship to services satisfaction.

In general, however, it can be concluded from the analysis that the impact of identity based variables under socioeconomic backgrounds like gender, age, economic class and family size has been found less significant in this study to map satisfaction with municipal services except the education and social class. It can be argued that compared to the socio-economic factors, the trust factors matter a lot in order to satisfy citizens with the municipal services in Nepal. From the combined model, it is evident that overall impact of independent variables somehow has strong correlation with satisfaction with municipal services compared to individual model.

## **5.5 Conclusion**

The above analyses have addressed the citizens' level of satisfaction with municipal services with respect to three sets of independent variables. The study of citizens' satisfaction is very important to know the citizens' perception on quality of municipal services after the implementation of CC. Out of the three sets of variables, the institutional trust is found to exert a significant correlation with the satisfaction with municipal services, specifically the citizen's evaluation of officials. Among the socioeconomic variables, education is quite significant to map the extent of satisfaction as compared to other socioeconomic variables.

But in the case of institutional performance variable the result was mixed. In the regression analysis model II the time frame and complaint system was quite significant to show relationship to service satisfaction where as in regression analysis model III it was just reverse .i.e. the cost variable was quite significant to show relationship with services but not the time frame and complaint system. It is quite interesting to know that in totality cost matter a lot rather than time and complaint system to show the relationship with satisfaction to services. It explains that more costly the services lesser is the citizen's satisfaction with services.

Significant public support and trust is necessary in order to execute new policy. The same is true in case of implementation of CC in all municipalities. Citizen's trust with public institutions has been regarded as one of the important variable to show its relationship with the satisfaction with services. The analysis above showed that people have high degree of trust with municipalities which in turn shows high degree of satisfaction with municipal services. In a context of developing country like Nepal, where most of the people are poor and have low purchasing power, they will definitely admire the services provided by governmental sector which they can somehow afford. The results in some way signify that citizens are acquainted with the fact that if the services have been provided by private companies it might not be cheaper as compared to public institutions.

## **Chapter Six**

### **Summary and Discussions**

#### **6.0 Introduction**

The aim of this study was to find out the level of citizens' satisfaction with municipal services after implementation of CC. Especially; it intended to know the effectiveness of CC through the level of citizens' satisfactions with services. The analysis of study was based on quantitative techniques and data was collected from the interviews with service users of municipalities. To examine the impact of three independent variables: socio-economic backgrounds, institutional trust and institutional performance to the level of satisfaction with services cross tabulation, correlation and regression analysis were carried out.

The theoretical perspective was formulated based on NPM principles which offer an explanation on managerialism, economic efficiency and responsiveness to citizens. Citizens' empowerment to have a say in public affairs and their democratic rights to get the quality services from the public institutions were also focused in the discussions. Conceptual models of NPM, developed by Ferlie et al (1996), were used to understand the implementation of CC at the local level. Citizen's satisfaction as the dependent variable in this study was explained with the help of three sets of independent variables. In this regards, hypotheses were formulated to know the relationship between dependent variable and the independent variables. These hypotheses were based on theoretical discussions as did in chapter two.

#### **6.1 Socio-economic Background**

Socio-economic background of respondents was studied in terms of six different factors which are gender, age, education, social class, economic class and family size. Out of these six factors, education has found to have influential impact on level of satisfaction with municipal services. As the correlation is not positive, it indicates that higher the education lesser is the level of satisfaction with services. After the education, social class and gender found to have somewhat influential effect on satisfaction. In Nepalese context, it is natural to have gender effect on satisfaction as women's position is not strong in the society; so, their level of satisfaction with municipal services is to some extent lower than the male counterparts. And this has been reflected by analysis. The third one is the social class of respondents

which, to a lesser degree, exerted an influence on level of satisfaction with services. These three variables of socioeconomic backgrounds are very strong in this analysis to map the satisfaction with municipal services. The rest of the three factors family size, age, and economic class are not much significant to show the relationship with satisfaction with municipal services. This analysis provides an overall indication of socio-economic condition of the Nepalese society. In this regard this analysis is very significant.

## **6.2 Institutional Performance**

In this study, effort was made to find out the citizens level of satisfaction with municipalities with the help of institutional performance regarding the cost, time and grievance handling system. These three factors have proven their importance and essentiality to know the performance of municipal services after the implementation of CC. Among three factors, the time dimension has been found to be much influential to affect the level of satisfaction. Secondly, the working of complaint system has also shown positive relationship with the satisfaction with services. In contrast to time and complaint handling system, cost of services is not positively correlated to the level of satisfaction with services. It indicates that as citizens pay more for services, they become less satisfied. As cost increase, the level of satisfaction keeps on decreasing. After the introduction of CC, the majority of respondents opined that service charge has been increased. Findings also indicate that institutional performance is stronger than socioeconomic background to show its relationship with dependent variable.

## **6.3 Institutional Trust**

Institutional trust has been examined with two factors which are (a) citizens' preference for getting services by voluntary organizations and private companies and (b) citizens' evaluation of officials.

In order to know the citizens' trust and satisfaction with municipal services, it has been compared with private companies and voluntary organisations for providing similar services to people with the assumption that if people are loyal to municipalities then they may have



more trust with municipalities in spite of the voluntary organizations and private companies for better services. It has been found from the analysis that respondents have low level of trust with private companies as well as voluntary organizations. It, in some way, indicates that people trust more on local level institutions and they prefer the services delivered by municipalities.

Citizens' satisfaction with services has been examined with citizens' evaluation of officials in the process of getting services. Citizens' evaluation of officials has been found much effective and one better way of knowing the respondents' level of satisfaction with the municipal services. *Sewa grahi* were found to be highly motivated by the introduction of CC in municipalities. Citizens' perception regarding the municipalities' officials has been used to evaluate the officials' behavior and their way of dealing with citizens. Citizens' evaluation on officials has been analyzed with five factors which are responsiveness to citizens', citizens' access to officials, prompt and efficient service delivery by officials, officials' friendliness in dealing with citizens' and equality on treatment. These all five factors have shown positive correlations with level of satisfaction with municipal services. In fact, institutional trust has been found to be most influential to determine the citizens' satisfaction. Out of five factors considered under citizens' evaluation of official, equality in treatment has been found very much influential which is followed by friendly in dealing with citizens to be influential. It indicates that equality on treatment to citizens and the officials' way of dealing with them is very strong to develop the municipal impression to citizens. If citizens found the equality in treatment and friendly behaviors then they become very satisfied with the municipal services as shown by the analysis.

#### **6.4 Future Research**

In fact, this study has just been able to explore the citizens' satisfaction with municipal services in three aspects: socioeconomic background, the institutional performance and the institutional trust. This research could not look into administrative context and the capacity of municipalities for service delivery. The research could not address the issue concerning how the existing administrative culture fosters or hinders the effective implementation of CC in the municipalities of Nepal. Except the three broad factors socioeconomic background, institutional performance and institutional trust, this research could not deal with other

factors. It would be beneficial if future research is done, especially on a comparative basis of urban and rural municipalities. Is there any difference in satisfaction between the respondents of rural and urban inhabitants? What is the implementation status of CC between the urban and rural municipalities?

The current research has left many open questions for future study concerned with the municipal services after the implementation of CC. It may include the following questions:

- 1) Do municipalities face political influence for delivering services to people?
- 2) To what extent the administrative culture has influence on implementation of CC at the local level?
- 3) How is the implementation status of CC in other public institutions?

This study has been limited mainly within the level of satisfaction with only nine services and it lets open space for other issues such as corruption, accountability of officials etc. Additionally, it would be better if future research is conducted on other issues such as relevance and applicability of CC, Challenges for implementing NPM principles in the developing country like Nepal and so on.

## **6.5 Conclusion**

This study was able to capture the real picture of socio-economic background of Nepalese society and map their level of satisfaction with local institutions. Institutional performance and institutional trust have been found to be more significant to determine the citizens' level of satisfaction with municipal services rather than socio-economic backgrounds. The findings of this study indicate that satisfaction with municipal services is not much dependent on ethnic, religious and social identities such as social class, economic class and family size. On the other hand, it can be said that the institutional performance and institutional trust variables are very much useful to explain the citizens' satisfaction with municipal services. It has proven that institutional trust matters a lot to become satisfied with the local services.

Before the introduction of citizen charter, the citizens' satisfaction has not received much attention in the service delivery by public institutions in general and municipalities in

particular. Instead much of the literature has heavily focused on bureaucratic performance and administrative culture. Nonetheless, in dealing with the issues of citizens' satisfaction with public institutions, this study has attempted to reveal predominance of some socio-cultural values and socio-economic aspects of Nepalese public administration.

The study exposed how socio-economic factors played a role in order to make them satisfied with the services. At least, this study is able to add some brick in studying public administration from the citizen's point of view in satisfaction.

It also explains the people's trust on public institutions and the local governance system. It has shown that people are very much positive regarding the changes that could be brought by the implementation of citizen's charter in the municipalities for delivering the effective and efficient services. This study successfully mapped the perceptions of *Sewa Grahi* regarding the municipal services and the effectiveness of CC in services.

Although CC has been implemented in all municipalities, still there is lack of awareness about CC both to the public as well as to the service provider. Moreover, there is low availability of trained human resources in municipalities for effective service delivery. Political liquidity and strikes in the country are other factors which hinder effective and efficient service delivery. Further, how can this sector be reformed and what changes to be introduced to make public administration in general and local service providers like municipalities in particular to maintain its identity while delivering goods and services to the people without compromise on quality is still an issue under consideration. At the mean time, balancing citizens' satisfaction and fulfilling the needs of development and citizens' empowerment is also a single major challenge to the public institutions.

Finally, it has been concluded that implementation of CC in municipalities has strengthened the relationship between citizens and the service providers. CC has been able to raise the awareness and sense of responsiveness to both service users and service providers than before. So, it can be said with certainty that implementation of CC really brought changes not only on working of officials but also in perception of their thinking about service users and their satisfaction with services as well. In previous days, service providers used to try to

maintain the gap with citizens while delivering services, but nowadays, this gap is gradually decreasing which has become possible with realization of customer oriented approach of new public management. Whether CC is really improving the municipal services or it is just myth? This is the most critical question to give answer in one statement but relying on my own data analysis and other studies it has been concluded that implementation of CC in municipalities is not just a myth or window dressing but gradually it has taken its path for improvement in quality of services. Also, the citizens' level of satisfaction with municipalities is high it signifies that CC is really able to improve the municipal service provisions in Nepal.

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# Appendix 1

## Questionnaire (For *Sewa Grahi*)

### Part A: Socio-economic background of the respondent

1. Gender: Male ( ) Female ( )
2. Age (current): .....
3. Religion: 1. Hindu ( ), 2. Buddhist ( ), 3. Muslim ( ), 4. Kirat ( ),  
5. Christian ( ), 6. Others (please specify).....
4. Ethnic identity (please specify) .....
- 4.1 If Hindu, please specify which caste.....
5. Place of birth: .....
6. Family size:
7. Current place of residence (VDC/Municipality): .....
8. Education:
  1. Illiterate
  2. Literate
  3. Primary level
  4. Lower secondary level
  5. Secondary level
  6. Higher secondary level
  7. Graduate degree
  8. Master's degree or higher
9. Occupational Status:
  1. Working
  2. Self-employed
  3. Unemployed
  4. Retired
  5. Student
  6. House wife
10. Occupation of those working (If 1 in question 9.1 then):
  1. Farmer
  2. Manual worker (skilled)
  3. Manual worker (unskilled)
  4. Executive, top management, director
  5. Professional-lawyer, doctor, accountant, etc
  6. Academic/Teacher,
  7. Military/police service

- 8. Public servant
- 9. Other (please specify).....
- 11. Occupational sector:
  - 1. Private firm.....
  - 2. Public sector
  - 3. NGOs
  - 4. Foundations/Interest orgs/civil society
  - 5. Other (please specify).....
- 12. Would you specify your monthly expenditure Rs.....

**Part B: With Beneficiary or Service-holders about Effectiveness (Understanding; Timeliness; Accessibility; Reliability; Responsiveness; and Cost)**

- 13. Have you **heard** of the introduction of Citizen Charter in your municipality?  
 Yes..... No.....

- 14. If yes, how did you know about this?
  - 1. Hording-board
  - 2. Family and friends
  - 3. From other people
  - 4. Municipality staffs
  - 5. News and print media
  - 6. Other (please specify).....

- 15. To what extent did you receive information about the contents of the Citizen Charter of this municipality?

Not at all	Little	To some extent	To a large extent	Don't know
1	2	3	4	9

- 16. Please mention how useful was the information given with regard to the service that you were looking for?

Not useful at all	Little useful	Quite useful	Very useful	Don't know
1	2	3	4	9

- 18. In your experience, how long **time** it takes in getting services from the municipality?
  - 1. As stipulated in the Charter
  - 2. A little longer than the stipulated time
  - 3. Too long time than the stipulated time
- 19. If the service is delivered within the stipulated time, what mattered most?
  - 1. By due process
  - 2. By using a personnel who was known to you

3. By applying *bhansun* (source-force)
4. By lobbying with humble or persuasive way
5. By bribing
6. By using *Dalal* (middle-man)
7. Others (please specify).....

20. If the service was not delivered within the stipulated time, what mattered most?

1. Officials said my documents were incomplete
2. I didn't bribe them
3. I did not apply to relevant agency
4. The officials said my documents were not valid
5. The officials did not cooperate
6. Others (please specify).....

22. All things considered, how satisfied are you with the time the municipality took in giving the service requested?

Very Dissatisfied	Partly Dissatisfied	Partly Satisfied	Satisfied	Don't know
1	2	3	4	9

23. What is your experience in getting **access** to the concerned officials responsible for service delivery?

Did you have easy access:	Not at all accessible	Accessible with persuasion	Somewhat accessible	Easily accessible	Don't know
a) To the designated desk-staff	1	2	3	4	5
b) To the designated complain-officer in case the responsible desk-staff was not accessible	1	2	3	4	5

24. What in your opinion are the reasons for getting access to concerned officials?

1. By due process
2. By applying *bhansun* (source-force)
3. By persuasion/lobbying
4. By bribing
5. Other (please specify).....

25. What in your opinion are the reasons for not getting access to concerned officials?

1. I had no *aafno manche* (favoring-one) in the office
2. I did not bribe them
3. I had no idea about to whom and how to get access to

4. I did not persuade/lobby
5. I was discriminated because of my social status, caste, rank, etc.
6. Other (please specify).....

26. To what extent did you find consistency between the information as mentioned in the Citizen Charter and the way municipal officials have dealt with your case?

Not at all	Little	To some extent	To a large extent	Don't know
1	2	3	4	9

27. In the case you did not receive proper service delivery, did you get clear reason/answer why it was not delivered?

1. Yes, I got clear answer
2. Yes, I got some answer but was not convinced
3. No, I did not get any clear answer

28. In the case of non-delivery of services, did you manage to lodge a complaint with the designated officer or other concerned officials?

Yes..... No.....

If yes, what was the outcome?

1. Yes, I got the service
2. I have not yet got the service
3. Don't know

29. In general, do you think the complain system functions satisfactorily?

Unsatisfactorily	Partly Unsatisfactorily	Partly Satisfactorily	Satisfactorily	Don't know
1	2	3	4	9

30. What do you think about the **cost** of the services?

	Strongly Disagree	Partly Disagree	Neither agree/nor disagree	Partly Agree	Strongly Agree	Don't know
a) Expensive	1	2	3	4	5	9
b) Expensive but justifiable	1	2	3	4	5	9
c) Willing to pay more if the service is satisfactory	1	2	3	4	5	9
d) If the service was provided by agencies, such as the private sector/ NGOs, the cost would have been less	1	2	3	4	5	9
e) If the service was decentralized to ward-offices, the cost would have been less	1	2	3	4	5	9

31. Please provide your opinion on the following statements.

After the introduction of CC in my municipality	Strongly Disagree	Partly Disagree	Partly Agree	Strongly Agree	Don't know
a) Citizens' understanding and expectation of municipal services have become more clear	1	2	3	4	9
b) Citizens' are provided with adequate information about municipal services	1	2	3	4	9
c) Citizens' awareness of their rights and benefits have increased	1	2	3	4	9
d) Service provisions have become more punctual and timely	1	2	3	4	9
e) More citizens have access to municipal services	1	2	3	4	9
f) Citizens have access to more services	1	2	3	4	9
g) Citizens' access to municipal officials/ employees have become easier	1	2	3	4	9
h) Citizens' confidence in municipality have increased	1	2	3	4	9
i) Responsiveness to citizens' needs and requirements has increased	1	2	3	4	9
j) Citizens pay more user fees/charges than before	1	2	3	4	9



32. What is your opinion on the following statements?

	Strongly Disagree	Partly Disagree	Partly Agree	Strongly Agree	Don't know
a. The Charter promises a lot but all these are difficult to implement	1	2	3	4	9
b. This is all <i>dekhawoti</i> (gimmick)	1	2	3	4	9
c. Some <i>dalal</i> (middle-men) run the services	1	2	3	4	9
d. I am very hopeful about the changes brought by the Charter	1	2	3	4	9
e. I should also have a 'say' about what contents to be included in the Charter	1	2	3	4	9
f. I feel optimistic about the quality of municipal services after the introduction of the Charter	1	2	3	4	9
g. My trust on the municipality has increased	1	2	3	4	9

33. I am now reading a number of statements about municipal employees/officials. To what extent do you agree or disagree with these statements?

In general, municipal employees/officials (are)	Strongly Disagree	Partly Disagree	Partly Agree	Strongly Agree	Don't know
a) Prompt and Efficient	1	2	3	4	9
b) Corrupt	1	2	3	4	9
c) Serve their personal interest instead of that of the citizens.	1	2	3	4	9
d) Helpful	1	2	3	4	9
e) Friendly in dealing with citizens	1	2	3	4	9
f) Treat all citizens equally irrespective of people's social status, rank, etc.	1	2	3	4	9
g) Reliable and trustworthy	1	2	3	4	9

34. It is often claimed that private sector or voluntary organizations should takeover some municipal services for better service delivery.

	Strongly Disagree	Partly Disagree	Partly Agree	Strongly Agree	Don't know
a) Private companies would have provided public services more efficiently than the municipality	1	2	3	4	9
b) Voluntary organizations would have provided public services more efficiently than the municipality	1	2	3	4	9

35. After the introduction of the citizen charter, who in your opinion has been the major beneficiaries in this municipality

	Strongly Disagree	Partly Disagree	Neither agree or disagree	Partly Agree	Strongly Agree	Don't know
a) Citizens in general	1	2	3	4	5	9
b) Particular ethnic groups	1	2	3	4	5	9
c) Particular interest groups					5	9
d) Particular areas in the municipality	1	2	3	4	5	9
e) The service provider themselves	1	2	3	4	5	9
f) The rich and the well off	1	2	3	4	5	9
g) The poor and the "have nots"	1	2	3	4	5	9

**Part C: With Beneficiaries about Satisfaction with Municipal Services:**

36. How would you describe the quality of the following services after the introduction of the Citizen Charter?

	Deteriorated Substantially	Deteriorated to some extent	Neither improved nor deteriorated	Improved to some extent	Improved substantially	Don't know
Garbage removal	1	2	3	4	5	9
Maintenance and construction of roads	1	2	3	4	5	9
Vital registrations	1	2	3	4	5	9
Sewage and local sanitation	1	2	3	4	5	9
Maintenance of culverts/bridges	1	2	3	4	5	9
Allowances for senior citizens and others social welfare	1	2	3	4	5	9
Recommendations	1	2	3	4	5	9
Relation Certification	1	2	3	4	5	9
Permission for building construction	1	2	3	4	5	9

37. Would you say you are satisfied in general about municipal services after the introduction of the Citizen Charter?

Very Dissatisfied	Partly Dissatisfied	Partly Satisfied	Very Satisfied	Don't know
1	2	3	4	9

38. To what extent would you agree with the following statement?

“The municipality is serving the people, not ruling the people.”

Strongly Disagree	Partly Disagree	Partly Agree	Strongly Agree	Don't know
1	2	3	4	9

## Appendix 2

Frequency distribution of satisfaction with municipal services

Level of satisfaction	Total no (N)	%
Low	245	38
High	409	62
Total	654	100

(Source: field survey 2008)