Thesis Report
on
Role of Innovations in Improving the Public Sector Management: A Study on Power Sector of Bangladesh

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Letter of Transmittal

April 25, 2025

Ummah Tafsirun
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Subject: Submission of Thesis Report Titled "Role of Innovations in Improving the Public Sector Management: A Study on Power Sector of Bangladesh"

Dear Madam,

With great respect, I am pleased to present my thesis titled "**Role of Innovations in Improving the Public Sector Management: A Study on Power Sector of Bangladesh.**" This report is an essential part of my MBA program requirements, and I have had the privilege of conducting this study under your esteemed guidance.

The research investigates how innovations, specifically in policy and technological advancements, can improve transparency and efficiency in the management of Bangladesh's power sector. Drawing on relevant literature, data from public records, and a thorough analysis of both challenges and opportunities, this thesis delves into how innovative approaches can address the sector's governance issues.

I believe this report provides valuable insights into how innovations can optimize the management of public resources, with a particular focus on the power sector in Bangladesh. I would greatly appreciate your feedback and any suggestions for further improvement. If you need any clarification or additional details on any aspect of the thesis, please feel free to reach out.

Thank you once again for your invaluable guidance and support throughout this research process.

Yours Sincerely,

Shah Mohammad Abdul Wahab
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Declaration of Student

I, Shah Mohammad Abdul Wahab, a student enrolled in the Master of Business Administration program at Sonargaon University, with student ID: EMBA2401031027, hereby affirm that the report titled "**Role of Innovations in Improving the Public Sector Management: A Study on Power Sector of Bangladesh**" is my original work, solely authored by me.

In preparing this report, I have made every effort to adhere to international copyright laws, academic integrity standards, and ethical research practices. All sources of information have been properly cited, and I assure that no material within this report has been plagiarized.

Additionally, I confirm that this report has not been submitted for evaluation in any other academic program or used to fulfill the requirements of any other degree. This work is entirely original and has been created specifically to meet the requirements of my MBA program at Sonargaon University.

Yours Sincerely,

Shah Mohammad Abdul Wahab
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Letter of Authorization

I, Ummah Tafsirun, hereby officially confirm that the project report titled “The Role of Innovations in Enhancing Public Sector Management: A Study on the Power Sector of Bangladesh” is the genuine and original work of Istiak Ahmmed. The research for this report was conducted under my direct supervision and guidance.

To the best of my knowledge, I affirm that the content and findings presented in this report have not been previously submitted, in whole or in part, for any other project, dissertation, or thesis leading to the award of a degree, whether in the same context or otherwise. This report represents an independent contribution by the student, with all sources of information appropriately acknowledged and cited.

This confirmation is provided in good faith, based on the research and documentation submitted by the student throughout the course of this project.

Ummah Tafsirun
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Acknowledgement

I would like to express my heartfelt gratitude to everyone who has supported and guided me throughout the journey of this thesis titled "The Role of Innovations in Enhancing Public Sector Management: A Study on the Power Sector of Bangladesh."

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Lastly, I owe my deepest gratitude to my family for their unwavering belief in me, constant motivation, and support throughout the course of this research. Their understanding and encouragement during the challenging moments of this thesis have been my greatest source of strength.

Thank you all for your contributions and for being such an essential part of this academic endeavor.

Executive Summery

The study focuses on innovations within Bangladesh's power sector. Data was collected through in-depth interviews with innovation officers and surveys of innovation team members from 19 agencies under the Ministry of Power, Energy, and Mineral Resources. These agencies oversee electricity generation, transmission, and distribution. Interviews were conducted over 10 days in February 2025, with qualitative analysis used to organize and analyze the responses from all 19 officials.

Public service innovations (PSI) have had a positive impact on the power sector. 77.34% of respondents reported improvements in service quality, while 92.45% said innovations enhanced their organization's image. Despite these improvements, challenges remain, such as resistance to risk-taking, lack of understanding about innovation, insufficient incentives, and bureaucracy. ICT adoption has simplified procedures, reduced costs, and increased public access, with citizens now benefiting from online applications for services. Social media has also played a key role in connecting citizens to government services. Furthermore, technological innovations, such as smart grids and renewable energy, are improving energy efficiency and consumer satisfaction.

Innovations in Bangladesh’s power sector, particularly technological advancements like smart grids and solar systems, have improved service delivery, reduced outages, and lowered costs, especially in rural areas. Digital platforms have brought transparency, and social media has facilitated communication between consumers and utilities. However, bureaucratic resistance and unethical practices still hinder further progress, and public dissatisfaction remains due to inconsistent service and high costs. Addressing these issues will be key to realizing the full potential of innovations in the power sector.

This study contributes to understanding innovation in Bangladesh’s power sector, a relatively new area with limited literature. Future research could expand by including regional authorities or specific projects to offer deeper insights. Furthermore, analyzing the impact of recent energy sector awards could provide additional perspectives on successful innovation practices.

Innovations such as smart grids, solar home systems, and digital billing have improved reliability, affordability, and access to electricity, especially in rural areas. However, traditional bureaucratic practices, corruption, and political influences still impede full progress. The study recommends reforms in governance, public-private partnerships, and consumer education to integrate innovations more effectively into the power sector. The findings serve as a guide for other developing nations aiming to modernize public sector management and achieve sustainable energy goals.

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Role of Innovations in Improving the Public Sector Management: A Study on Power Sector of Bangladesh.

Chapter 01
Introduction

There is a widespread and popular perception that governments are not working and they are ineffective in meeting citizens' demands. Governments need to reinvent themselves to meet citizens' expectations. With the free flow of information, the growth of informed citizens has increased pressure on governments to become more accountable and transparent. Although governments all over the world have been shifting from many of the responsibilities of operators to facilitators, any failure, anywhere in the state, ultimately falls on the government. In that sense, government is still central to any society. Therefore, public service needs to be more competent than before. Without innovation in government, the bureaucracy will not be able to play its role in an ever-changing environment. Innovation in public service is central to meeting the increasing challenges and this means to socio-economic development of the society. Public Service Innovation (PSI) is a key driver in making public organizations more effective in facing challenges, solving problems, and fulfilling citizens' demands. PSI has gained new momentum since the wave of New Public Management (NPM). By the 1990s, NPM became popular in many nations. Bangladesh was not an exception to this trend. After the post NPM era, over recent decades, many countries, both developed and developing countries have adopted public sector innovations with a fundamental objective of improving government performance. Of note is that the public sector accounts for a significant portion of GDP in most countries and public sectors play a vigorous role in socio economic development (Adelman, 1999). However, public sector organizations and their activities are uncomfortable guests in innovation studies, which is why their presence is very scant in literature (Edquist, 2005). Empirical works devoted to public service innovation have long been scarce. It is important to note that most of the pioneering PSI studies are on the experiences of developed countries while developing countries are largely neglected. However, since the 1990s, literature on PSI in developing countries has been surging, though it is still limited. For example, in the case of China, Zhu (2014) focuses on innovation and its diffusion in public service in authoritarian China and finds that classic theoretical hypotheses on geographical proximity, competition, and vertical intervention concerning innovation diffusion need to be modified. Wu, Ma, and Yang (2011) identified types of innovation in the Chinese public sector such as management, service, and collaborative innovation and found that city and county levels appear to be more innovative than their counterparts at other levels in central and western China. This

is also important to note that the objectives of PSI in developed countries are different from those of developing countries, although the fundamental objective in each is to improve governance. Developed countries have been facing a number of challenges such as slow growth, budget constraints, shrinking population etc. However, they have administrative capacity to carry out PSI and they are adopting NPM style management. On the other hand, developing countries with growing economies and increasing public expenditures have more opportunities to face innumerable challenges and bring visible changes in governance. However, they have less capacity to undertake and carry out public service innovations.

1.1 Research Rationale

The power sector in Bangladesh is crucial for the country's economic development, yet it faces numerous challenges, including inadequate infrastructure, energy shortages, and inefficiency in service delivery. As Bangladesh continues to grow, the demand for reliable and sustainable energy is escalating. Innovations in public sector management are emerging as key solutions to address these issues and improve the efficiency and effectiveness of the power sector.

This study seeks to explore the role of innovations—ranging from technological advancements, policy reforms, and service delivery to organizational strategies— in transforming the management of the power sector in Bangladesh.

By examining the impact of these innovations, the study aims to provide actionable insights to optimize the public sector management of the power sector, making it more efficient, transparent, and responsive to the needs of the population.

The proposed research is critical for understanding the potential role of innovations in transforming the public sector management of Bangladesh's power sector. Given the urgency of addressing the sector's challenges and the potential for innovation to improve efficiency, service delivery, and sustainability, this study will provide valuable insights for policymakers, sector leaders, and academic scholars. By identifying and analyzing the impacts of innovations in public sector management, the research will contribute to shaping the future of Bangladesh's power sector, ensuring it meets the needs of its growing population while advancing towards a more sustainable and efficient energy landscape.

1.2 Research Questions

Based on available research on public service innovations in general as well as in the context of Bangladesh, this study tries to explore the following questions;

1. Why did Bangladesh undertake public service innovations?

2. To what extent have public service innovations improved Government Performance in power sector of Bangladesh?

1.3 Research Terms and Definitions

Innovations in the public sector: Innovation is the process of improving or making significant enhancements to an existing idea, product, or service. It can also refer to the application of new methods or ideas to solve problems more effectively. Innovations in the public sector means implementation of practices, technologies, or strategies that enhance the effectiveness, efficiency, service delivery and responsiveness of public services. These innovations are aimed at improving governance, service delivery, and overall public sector performance.

Power sector: Power division of the Ministry of power energy and mineral resources of the Government of the People's Republic of Bangladesh and its subordinate agencies involved in the generation, transmission, distribution, and regulation of electricity.

1.4 Objective of the Research

The objective of this research is to explore the role of innovations in enhancing the management of the public sector, specifically within Bangladesh's power sector. The study aims to identify key innovations, assess their impact on operational efficiency and service delivery, and examine the challenges in implementing these innovations. Specifically, the study aims to:

i. Identify key innovations (technological, organizational, policy-driven, and managerial) implemented in the power sector of Bangladesh.
ii. Evaluate the impact of these innovations on the efficiency, transparency, accountability, and overall performance of public sector management in the power sector.
iii. Examine the barriers and challenges faced in adopting and scaling innovations within the power sector, including institutional, regulatory, and financial constraints.

iv. Assess the role of digital technologies (such as smart grids, renewable energy integration, and data analytics) in improving the sustainability, reliability, and accessibility of electricity services in Bangladesh.
v. Investigate the role of governance and policy reforms in fostering an environment conducive to innovation in public sector management within the power sector.
vi. Provide actionable recommendations for policymakers and public sector leaders to better integrate innovations into the power sector, ultimately improving service delivery, operational efficiency, and sustainability.

Through these objectives, the research aims to contribute valuable insights for advancing innovation-driven reforms in the public sector, particularly in Bangladesh's power sector, to meet growing energy demands and improve overall sector performance.

1.5 Public Service Innovations in Bangladesh

Public service innovation has become a key driver in connecting citizens and solving their problems in Bangladesh. Since independence in 1971, a number of reform committee/commissions have been set up. Since 2009, the Government of Bangladesh has set up formal and regular institutions to carry out innovations in Bangladesh Public Service. These are: Reform Wing under the Cabinet Division, the Governance Innovation Unit (GIU) under the Prime Minister's Office, and Access to Information (a2i) program in collaboration with United Nations Development Program (UNDP) etc. Like private sectors, public organizations are setting the goals and objectives with the introduction of an Annual Performances Agreement (APA). The Ministry of Finance has started performance based budgeting and gender budgeting. In 2007, the Prime Minister's Office (PMO) and the Cabinet Division initiated whole-of-government service process simplification (SPS) work. The main objective is to reduce TCV: (a) time to receive a service; (b) cost (fees, travel cost, opportunity and other contingent liabilities) and (c) number of visits to government offices to complete and receive a service. The Governance Innovation Unit (GIU), Access to Information (a2I), and the Civil Service Change Management Program (CSCMP) under the Ministry of Public Administration (MOPA) are playing key roles in designing and implementing public service innovations in Bangladesh. Power sector has also taken several steps in this regard to simplify service delivery and ensure effective use of the available resources.

Chapter 02
Literature Review

The concept of public service innovation has evolved to include the idea of "thinking outside the box," emphasizing creativity and the ability to think in non-linear ways. There is no universally accepted definition of public service innovation in the literature, largely because innovation research initially gained prominence in the business and organizational management fields, where the focus has traditionally been on the private sector (Alves, 2013).

Public service innovation (PSI) gained significant attention in 1996 when the Ford Foundation, a globally renowned private organization based in New York, encouraged innovation through its State and Local Government Awards Program. Additionally, during the 1990s, U.S. President Bill Clinton promoted innovative approaches as a key part of reinventing government.

Despite efforts by many scholars to define PSI in a way that is applicable across all contexts, this has proven challenging (Windrum, 2008), as the understanding of innovation varies depending on the context (Koch & Hauknes, 2005). Public service innovation refers to the creation or development of new projects, services, institutions, or policies within government, even if similar initiatives have been implemented elsewhere. It involves integrating new ideas to create social value (Bason, 2010), and can be either incremental—introducing small improvements to existing services—or radical, which involves entirely new solutions or services. In essence, PSI is about significantly improving products, processes, or business practices.

From a governance perspective, PSI involves the introduction of new ways of engaging citizens and enhancing democratic institutions. An innovative service is one that reduces cost, time, and complexity. Its ultimate goal is to create public value and promote social justice. PSI is a process that requires a shift in mindset, solving problems for people, delivering services more effectively and efficiently, meeting citizens' expectations, improving existing services to better people's lives, adapting ideas to new contexts, or creating entirely new services, policies, or tools. Harvard Kennedy School Professor Stephen Goldsmith defines innovation as focusing on "better, faster, cheaper" solutions for governments to provide real value to the public while reducing service costs. The OECD Observatory highlights that public sector innovation must

lead to improvements in efficiency, effectiveness, and user satisfaction. Common characteristics across most definitions of PSI include significant changes or new approaches to achieving objectives.

The question then arises: why do countries pursue public service innovations? Public service challenges are complex, and existing tools or approaches may be insufficient. When government legitimacy is questioned, governance crises emerge, and governments must find ways to provide better services with limited resources. Citizens, civil societies, and media are increasingly demanding better public services. The capacity building of public management organizations is essential for solving complex problems through innovation. The quest for better governance is primarily driven by concerns over government inefficiency, high costs, and inadequate responsiveness to citizens. In many developed countries, the growing trend of budget deficits (Scott-Kemmis, 2009) puts additional pressure on governments to reduce costs and maximize efficiency. For example, in the U.S., government budget constraints have led to the decentralization of social services to state and local governments. Similarly, in 2010, the UK's coalition government focused on public sector reform to address a significant budget deficit.

In developing countries, the situation is often more dire. Prolonged military rule has led to elite groups accumulating resources, while state-building activities were neglected, creating a divide between urban and rural areas. Governments in these countries need to find innovative solutions to address societal challenges (Bason, 2010). Factors such as tight budgets, rising citizen expectations, and economic, social, and environmental pressures are pushing governments to innovate in public service.

According to Stephen Goldsmith and William D. Eggers (2004), recent shifts in governance have been driven by factors such as the expansion of "Third Party Government," the rise of digital technologies, and increasing citizen demands. The World Bank's government effectiveness rankings suggest that governance reforms or innovations are needed in all countries. Developed nations may require small, targeted reforms, while countries with moderate effectiveness may need both large-scale and smaller reforms. Countries with low levels of government effectiveness need comprehensive reforms or innovations to make a meaningful impact. The rankings of government effectiveness encourage low-performing

countries to undertake public service innovations. Countries also learn from best practices through the diffusion of innovations, adapting them to their own contexts.

International organizations like the World Bank, IMF, and ADB pressure governments in developing nations to implement reforms or innovative programs as part of aid conditionalities. Kinder (2012) notes that public service users' expectations have shifted from an old supply-driven model to one where they expect services of comparable quality to those offered by the private sector. A study on public service delivery in India by Punit and Arora (2006) identified factors such as citizen pressure, political will, and media involvement in driving innovations in service delivery. Since public agencies are mission-driven, innovation failures are often discouraged, and challenging the status quo is difficult due to risk aversion within public organizations (Potts, 2009).

The dominant view is that public service innovation is a top-down process initiated by political decisions and implemented by senior management (Hartley, 2005). However, empirical studies challenge this, showing that innovations often emerge from the bottom-up, driven by middle management and frontline employees. Kinder (2012) suggests a new theoretical framework that emphasizes listening and learning from citizens. Saravanan and Sheedhar (2011) argue that for innovation to succeed, governments must be frugal, involve all stakeholders, and design organizations to foster innovation. Marin and Bermijo (2015) emphasize that the use of both external and internal information is crucial for implementing innovations in public organizations.

The crucial question is whether public service innovations improve government performance. Over the past two decades, particularly in developed countries, numerous governance innovations have made governments more effective and citizen-focused. Innovative public services are essential for delivering better, more efficient services. Stewart-Weeks and Kastelle (2015) argue that the public sector must be inspired to engage in innovation. Blanco (2015) suggests that innovation has become a buzzword, with few opposing initiatives that promote positive values such as efficiency, responsiveness, and creativity. Empirical studies show that innovations result in cost savings, increased citizen satisfaction, and improved outcomes (Bason, 2010), as well as enhance the public sector's image and stimulate innovation in the private sector. Through co-creation, public organizations can develop innovative solutions to

address social issues. However, some scholars argue that PSI does not always result in progress. Kinder (2012) contends that the performance resulting from innovation will become increasingly important for public service organizations. Hartley (2005) argues that innovative projects provide greater public value, and CAPAM (2011) states that the performance of the public sector is judged by the effectiveness and efficiency of the services it delivers.

2.1 The Reform Wing under the Cabinet Division

The Prime Minister heads the Cabinet Division and the Cabinet Secretary is the senior most secretary of the Government. This division is mandated to co-ordinate all ministries and divisions regarding public service innovation in Bangladesh. In 2013, the Cabinet Division formed Innovation Teams in all ministries, divisions, departments, districts, and upazilla (sub-district) level organizations. Innovation teams carry out activities such as Innovation Circles on the division level, Student Innovation Camp, Service Innovation Fund Projects under A2I, Government Direction to use Social Media, Workshops and Trainings, Innovation Piloting and Replication of Successful projects.

2.2 Governance Innovation Unit (GIU)

In 2012, the Government of Bangladesh formed the Governance Innovation Unit (GIU) in the Prime Minister's Office to serve as a catalyst for innovation and good governance. The head of this unit is one of the Advisers of the Prime Minister with the status of a full Minister. The current head of the unit has a wide range of experience working as Director of the Ash Centre for democratic Governance and Innovation in the Harvard Kennedy School of Government. The main objective of this organization is to facilitate the generation and installation of innovative ideas and practices in the public service. It undertakes different initiatives to develop the capacity of the individuals as well as the organizations in public sectors.

2.3 Access to Information (a2i)

The primary goal of Access to Information (a2i) is to ensure easy, affordable, and reliable access to quality public services for all citizens of Bangladesh. It empowers civil servants with the tools, expertise, knowledge, and resources for undertaking innovative approaches for citizen-centric solutions in collaboration with non-government actors, including small

entrepreneurs. A2i drives the creation of a public service innovation ecosystem and delivery infrastructure from the Prime Minister's Office, working closely with the Cabinet Division. It focuses on cultivating empathy; reducing time, cost and visits (TCV); service process simplification (SPS) supporting innovation through service innovation fund, etc.

2.4 Citizens' Charter

The concept of a citizens' charter came to the Bangladesh government in 2000 with the recommendation by the Public Administration Reform Committee (PARC). According to the direction of the Cabinet Division and the then Ministry of Establishment which is now called Ministry of Public Administration, all the ministries/divisions and subordinate offices implemented the citizens' charter. With the help of the Civil Service Change Management Program (CSCMP), the second-generation citizens' charter initiative was piloted and is now being implemented.

2.5 National Integrity System (NIS)

The National Integrity System (NIS) is the sum of all institutional structures (pillars), legal frameworks, and processes to address governance deficits. The NIS concept has been used for assessing the institutional effectiveness in addressing corruption. The stakeholders are the government, civil society organizations, and other components of society. The NIS can facilitate bringing integrity into institutions, which will improve governance. Although the Government recently approved the NIS, its recommendations for different accountability institutions have been evolving and are in different stages of implementation.

2.6 Annual Performance Agreement (APA)

In order to ensure transparency, accountability, and proper utilization of resources, the Government has introduced a Performance Management System (PMS) in public sector organizations. Annual Performance Agreements (APAs) are made between the Cabinet Division as the 1st party and all other ministries/divisions as the 2nd parties. This will move public service organizations from process-orientation to result-orientation, and will provide an objective for evaluating overall performance of the ministry/division at the end of the year.

Chapter – 03
Causes of Undertaking Public Service Innovations

As discussed in the literature review section, there are many factors which pushes countries to undertake PSI; those factors differ from developed country to developing country as well as from country-to-country. Contextual reality in Bangladesh is different from developed nations and even from other developing countries. Globalization and technological advancement have brought changes in the socio-economic, political, cultural and organizational milieu in Bangladesh (GIU, 2015). That is why some factors are more important than others for public service innovations in Bangladesh.

3.1 Economic Growth Demands Better Governance

As governments all over the world have been facing myriad challenges due to the complexities of globalization, they need to respond to a variety of challenges and demands by citizens through efficient, effective, convenient and quality service delivery. There is an increasing need and demand for more efficient public services. The quality of governance has been recognized as an important ingredient of economic growth (Mahmud, 2014). This is mostly visible that a low level of income and poor governance perpetuate each other. However, Bangladesh is an exception; the growth itself is creating demand for better governance. Although good governance facilitates economic growth, the case of Bangladesh, despite the non-existence of the majority of the elements of good governance, the country has shown remarkable economic and social development that can be a model of development for other developing countries. This has been achieved despite many growth retarding factors such as lack of resources and land scarcity, natural disasters, widespread corruption, and governance failure (. Scholars, particularly economists from the World Bank have termed this “Paradox” or “Development Surprise.” They warn that this growth is not sustainable if the governance is not improved. Reforms or innovations in public service are a must in order to do this. It may not be possible to maintain steady economic growth in future if such governance deficit exists. The economic growth has created demands for changes in governance, which pushes government to undertake public service innovations.

3.2 Globalization and the Role of International Organizations

Globalization is a process, which is inevitable and irreversible. Globalization has posed challenges and opportunities for many developing countries as well as Bangladesh. However, developing countries are at disadvantageous position to reap the potential benefit from globalization due to incapacities in various arena. Bangladesh faces pressure from development partners to bring changes in governance in order to reap the advantages of globalization by attracting foreign direct investments. International organizations such as the UNDP, the Asian Development Bank (ADB) and USAID took active interest in reform activities in Bangladesh. NPM style reforms advocated by IDAs such as WB and IMF got impetus in Bangladesh. In particular, the Administrative Reorganization Committee (ARC) and the Public Administration Reform Commission (PARC) were established by the government to satisfy its development partners. Thus, IDAs actively influenced the civil service reform process in Bangladesh by sponsoring reform studies and imposing reform conditionality with aid. However, their influences have decreased significantly in recent times because Bangladesh has gradually become less dependent on aid.

3.3 Citizen Pressure and the Role of Civil Society Organizations

The civil society of the country has become increasingly active in pursuing causes of governance and good governance. Civil society groups like Transparency International Bangladesh (TIB), Adhikar, and Shushashoner Jonney Nagorik (SUJON) are acting as pressure groups in advocating for good governance-based administrative reforms and ensuring transparency, accountability and efficiency in the public sector. The government, civil society, and citizens keenly felt the need for reform and innovation to improve governance.

3.4 Lessons from other Countries

Innovations in the public sector create transnational opportunities for countries to learn from one another. The U.K. pursued innovation in government earlier than other countries. The government of Bangladesh has taken lessons from the United Kingdom, Australia, Singapore, Malaysia and some other developed countries in creating a Governance Innovation Unit (GIU) in 2012 in the Prime Minister’s office to ensure fast, efficient and cost effective services to citizens. In hiring CEOs from private sectors, lessons were taken from developed nations. This

type of initiative was first taken in the UK during the period of the then Prime Minister Margaret Thatcher, which was later followed by some other countries such as the USA, Japan, and New Zealand. The Introduction of Public Administration Award (PAA) for innovative ideas and solutions was first implemented in the USA and then spread to many other countries.

Chapter 04
Methods

The study conducted an in depth interview of innovation officers and a survey of members of Innovation teams of all agencies under the power division of Ministry of Power, Energy and Mineral Resources. There are 19 agencies under power division in Bangladesh, which are the key organizations for generation, transmission and distribution of electricity. The innovation team in each agency is responsible for taking, implementing, coordinating and disseminating innovative projects. The middle/senior level officials answered questionnaires. The interviews were conducted over a period of 10 days (February) in 2025. The interviews were conducted in person and typically lasted around 12 minutes. Qualitative data analysis techniques were employed to organize as well as to analyze the collected data. Out of 19 officials, all officials have been interviewed (see interview questions in Appendix-I).

Primary Data Sources:

The primary data for the study were collected through in-depth interviews and surveys. In-depth interviews were conducted in person over a 10-day period in February 2025 with all 19 innovation officers from the 19 agencies under the Power Division. Each interview lasted approximately 12 minutes and qualitative data analysis techniques were employed to organize and analyze the information gathered. In addition to the interviews, surveys were conducted by distributing questionnaires to middle and senior-level officials who are members of the innovation teams within these agencies. These officials, being directly involved in implementing innovation initiatives, provided valuable insights through their responses.

Secondary Data Sources:

Secondary data were drawn from several supporting sources. Organizational information regarding the structure and functions of the 19 agencies under the Power Division of the Ministry of Power, Energy and Mineral Resources provided important context. Additionally, relevant government policies and internal documentation concerning innovation initiatives in the power sector were considered, particularly where they informed or supported the analysis. Lastly, the interview guide included in Appendix-I, which outlines the structured questions used during the interviews, served as a secondary source, as it was likely developed based on existing literature or previous studies.

Chapter 05
Impact of public service innovations on performance

The main objective of public service innovations is to improve performance. 77.34% of the respondents form the agencies of power division reported that innovation in their organizations has improved service quality, while 92.45% said that innovation has improved the image of the organization, and 84.89% reported that innovation has enhanced client satisfaction. However, in the interview, the respondents have pointed some issues, which show that there are some constraints prevailing in carrying out PSI affect government performances. These are fear of taking risks, civil service cultures, lack of understanding of concept of innovation, lack of incentives and lack of skilled manpower. The following statements reflect the respondents' views;

> *"Those, who work more, have more chance to make mistakes, ultimately may fall in problem, so, many of the officials do not dare to take risks, rather they maintain status quo."(Respondent 11).*

> *"Some senior officials do not have clear understanding of innovation; they do not accept or encourage new ideas, always sticks to the rules and regulation (Respondent 19)*

> *"We do not have any financial incentives to carry out innovations; moreover, we do not have skilled manpower (Respondent 15)*

> *"Bureaucracy has been politicized to some extents. Due to unfair practices in promotion and placements, many good officers are not motivated to take innovative initiatives" (Respondent 5)*

Adoption of ICT has brought the government closer to the people and has cut cost and period of service delivery. It saves citizens multiple visits to government offices. ICT plays a key role in cutting the costs of the government and increasing access to the people. Many of the obsolete government procedures are being simplified. The government is incorporating some private sector innovative concepts such as performance-based budgeting. A study of 23 services over a period of 6 years revealed that simplification and digitization saved citizens over half a billion dollars. On average, time in which services are received has been reduced by 85%, the cost by

63% and the number of visits by 40%. Bangladesh's success in power sector innovation is being recognized internationally. The governments of Maldives and Bhutan have established a learning partnership with a2i to facilitate their own Innovation. Electricity consumers' can now apply for new connection or load management application through online system.

Rural people are also successfully gaining the benefits of power sector innovations in Bangladesh. Roughly 55% of the total population pay electricity bill via digital platforms. Another PSI initiative is to use Social media, particularly the use of Facebook to address citizens' issues. It has become instrumental in addressing citizens' problems as well as implementing and disseminating of small-scale innovations in the public sector in Bangladesh. "Public Service Innovation Bangladesh" – a Facebook group for civil servants -- has become a common platform for Bangladesh Civil Service's internal communications system as well as for networking with citizens. The following statements reflect the views of the respondents.

> *"Citizens are much more aware now. They post any problem in the social media and we need to respond immediately as we are monitored by the senior officials in Facebook Group page." (Respondent 7)*

> *"Civil Society Organizations or NGOs are very active nowadays. They frequently come to media on governance issues and speak on behalf of citizens."(Respondent 2)*

In addition, social media has facilitated small scale innovations in public service in Bangladesh to, its dissemination and networking of public servants and citizens. Small- scale public service innovations are breaking century-old bureaucratic cultures in connecting citizens to the network of Public service. A significant number of public service innovation projects are focused on connecting citizens through providing e services.

Technological innovations in Bangladesh's power sector are significantly enhancing consumer satisfaction by improving reliability, affordability, and sustainability. The government has invested in smart grids and advanced metering systems, allowing consumers to monitor energy use in real-time, promoting better control over consumption and reducing electricity bills.

The expansion of renewable energy, particularly solar power, is helping reduce dependency on traditional fossil fuels, offering more affordable and sustainable energy options. Many rural areas are benefitting from solar home systems, providing electricity where the grid is limited.

In addition, energy-efficient appliances and government-led initiatives encourage the use of low-energy products, further lowering consumer costs. The growing presence of solar-powered micro grids in off-grid areas has improved energy access, reducing outages and ensuring more consistent power supply.

Furthermore, the development of electric vehicle (EV) infrastructure and charging stations in urban areas supports cleaner transportation and lower fuel costs, benefiting consumers. These innovations, combined with improved customer service through digital platforms, are making energy more accessible, affordable, and sustainable for Bangladesh's growing population, leading to greater consumer satisfaction.

Chapter 06
Discussion

Bangladesh, as a developing country, has undertaken significant initiatives to innovate the power sector, aiming to improve service delivery and increase efficiency. The introduction of modern technologies, such as smart grids and solar home systems, has helped reduce outages, improve access to electricity, and lower costs for consumers. These innovations have made energy services more reliable and affordable, particularly in rural and off-grid areas, and have contributed to better performance by reducing time and costs associated with traditional power supply methods.

The use of digital platforms for billing, payments, and customer service has also brought greater transparency to the power sector. Social media has played a role in improving communication between consumers and the utility providers, enhancing customer satisfaction and breaking traditional bureaucratic barriers. Active participation from senior officials in the energy sector has set the tone for others to adopt innovative practices and respond quickly to consumer issues.

However, some challenges remain. Traditional mindsets and rigid practices in some parts of the government and power sector hinder further progress. There are also concerns about unethical practices and corruption in certain areas of the energy sector, which undermine the effectiveness of reforms and innovations. Without addressing these issues, the full potential of power sector innovations may not be realized.

Despite positive changes, the public perception of the power sector in Bangladesh still suffers from dissatisfaction due to inconsistent service delivery, high costs, and a lack of proper regulation. Many consumers express frustration with service interruptions and high electricity bills, and some even report having to pay bribes to get proper services, as highlighted in various surveys. These issues indicate that more efforts are needed to meet citizens' expectations and improve the overall image of the power sector.

Chapter 07
Limitations and future studies

The study of innovations in Bangladesh's power sector holds practical, theoretical, and methodological significance. Practically, understanding the perspectives of key stakeholders, such as energy sector officials and utility providers, is crucial for effectively implementing strategies to promote innovation in the sector. This understanding will help energy managers and policymakers develop more effective strategies to improve the quality of service delivery, reduce energy costs, and increase access to electricity.

In Bangladesh, innovations in the power sector have been introduced relatively recently, and there is limited literature on the subject, particularly regarding the implementation of innovative practices and projects. This study contributes to understanding the current policies and practices in the power sector, offering insights into how innovation can be fostered to improve service delivery, increase efficiency, and address the country's energy challenges. Policy recommendations from industry practitioners can help refine ongoing projects and offer valuable lessons for other developing nations seeking to modernize their power sectors.

Due to time and resource limitations, this study focuses primarily on energy sector ministries and divisions. To gain a more comprehensive view of innovation in the power sector, future studies could include local and regional energy authorities or focus on specific innovative projects that have been recognized within the sector. Additionally, examining the impact of recent public sector energy awards could provide further insights into successful innovation practices in the power sector.

Chapter 08
Conclusion

This study aimed to explore the role of innovations in improving public sector management, specifically within the power sector of Bangladesh. The findings have provided a comprehensive understanding of how innovations, both technological and managerial, are reshaping the energy landscape in the country. By analyzing various innovation strategies and their impact on the power sector, this research has highlighted the key ways in which innovation has contributed to improving efficiency, service delivery, and consumer satisfaction, while also addressing some of the challenges that hinder further progress.

One of the major contributions of this study is its focus on the technological advancements in the power sector, particularly the adoption of smart grids, solar home systems, energy-efficient technologies, and digital billing platforms. These innovations have not only improved the reliability and sustainability of energy services but have also made it easier for consumers to access affordable electricity, especially in rural and off-grid areas. The integration of renewable energy has reduced Bangladesh's dependence on fossil fuels, promoting environmental sustainability, which aligns with global energy transition goals.

Furthermore, the study highlights how innovations in management practices, such as e-governance, digital platforms for customer engagement, and online billing and payment systems, have increased transparency, reduced bureaucracy, and improved public trust in the power sector. These efforts have streamlined operations, minimized corruption, and allowed for better communication between energy providers and consumers, thereby enhancing service delivery.

Despite these positive developments, the research has also identified several challenges in the process of implementing innovations within the power sector. Traditional bureaucratic mindsets, rigid organizational structures, and unethical practices have slowed down the pace of reform and limited the full realization of innovation's potential. The power sector still faces issues such as frequent power outages, high electricity costs, and low public satisfaction, which undermine the effectiveness of the innovations in place. In addition, political influences and resource constraints continue to affect the efficiency of public sector management in the energy sector.

In light of these findings, it is clear that while innovations have significantly contributed to improving public sector management in Bangladesh's power sector, there is still much to be done. Future efforts should focus on addressing the structural challenges and institutional barriers that impede the effective implementation of innovative solutions. Strengthening capacity-building initiatives, fostering a culture of collaboration and transparency, and ensuring adequate funding and resources will be critical to overcoming these obstacles.

Moreover, policy recommendations drawn from this study emphasize the need for comprehensive reforms in governance, such as encouraging greater public-private partnerships in energy projects, improving regulatory frameworks, and expanding consumer education programs to promote energy efficiency. Ensuring that innovations are not just introduced but also effectively integrated into the broader public sector management strategy is key to sustainable improvements in the power sector.

This study adds to the growing body of literature on innovation in public sector management, particularly within the context of developing countries like Bangladesh. By examining the challenges and successes of innovation in the power sector, it provides valuable insights into how developing nations can use innovation to modernize public service delivery, improve governance, and achieve sustainable development goals.

In conclusion, while significant progress has been made in Bangladesh's power sector through innovations, a continued focus on overcoming existing barriers, refining policies, and expanding technological solutions will be essential to realizing the full potential of these innovations. The lessons learned from this research can serve as a guide for other developing nations facing similar challenges in modernizing their public sector management systems, ensuring a future of reliable, sustainable, and inclusive energy for all.

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Appendix

Interview Questionnaires on Public Service Innovations

1. Does your organization have innovation program?
   a. Yes b. No If Yes,

2. What types of Innovations are being carried out?

3. What challenges are you facing in carrying out Innovations?

4. How do you tackle the Challenges?

5. What factors, do you think influence public service innovations in Bangladesh?