

## **Revitalising Municipal Governance: The Impact of Deputing Chief Executive Officers in the Municipalities of Bangladesh**

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### **Abstract:**

This article explores the impact of deputing Chief Executive Officers (CEOs) in the municipalities of Bangladesh and how this strategy has brought about transformational changes in the governance and administration of these local government institutions. Initially, appointing CEOs in municipalities was intended to improve operational efficiency, increase transparency, and ensure accountability within local governance structures. But it was challenging to assign the BCS (Administration) cadre officials in the local representative-led municipalities. Through a comprehensive analysis of the implementation process and its outcomes, this article highlights the significant impacts in service delivery, financial management, and citizen engagement achieved by such deployment. Drawing on empirical evidence and case studies, the article demonstrates the effectiveness of this initiative in revitalizing municipal management and fostering sustainable development at the grassroots level.

**Keywords:** Municipalities, CEO, Local Governance, Paurashava, Transformation

### **Introduction:**

The local governance landscape in Bangladesh has undergone significant reforms in recent years, focusing on enhancing efficiency, transparency, and accountability. As part of this reform agenda, placing Chief Executive Officers (CEOs) from the BCS (Administration) cadre in first-class municipalities has become a key strategy to revitalize administrative structures and improve service delivery mechanisms.

Municipality staff called a country-wide movement demanding their due salaries in March 2018. According to an editorial published in the daily *Prothom Alo* on April 19, 2019, eighty-five percent of municipalities were failing to pay salaries to their employees, and only 49 out of 329 municipalities could pay salaries at that time. In July 2019, they gathered again with the same demand. Considering the grievance among municipal staff, the Local Government Division (LGD) the guardian ministry of municipalities issued an order on August 19, 2019, where LGD asked for detailed financial reports from 59 municipalities defaulting on employees' salaries for ten or more months. Besides these, the municipalities were also suffering from irregularities and low quality of development project implementation and public service delivery over the years, ultimately failing to achieve the goal of the local government system.

In response to ongoing financial crises and inefficiencies, LGD decided to designate chief executive officers from the BCS (Administration) cadre to enhance discipline and improve service delivery, financial management, and citizen engagement within municipal institutions. On March 23, 2021, LGD wrote to the Ministry of Public Administration (MoPA)—the ministry mandated for recruitment, posting, and deputation of BCS (Administration) cadre officials—expressing the need for CEO deputation. On September 30, 2021, MoPA issued an order to all the Deputy Commissioners to assign a senior assistant commissioner-level officer of their office as the chief executive officer in the first-class municipalities in their territory as an additional charge.

### **Legal and Strategic Provision:**

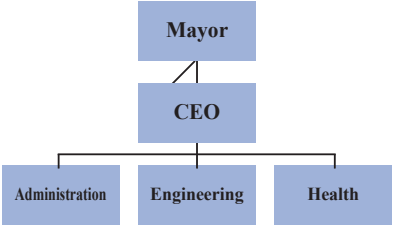
According to the Local Government (Municipality) Act, 2009

#### **Chief Executive Officer**

74. (1) Notwithstanding anything contained in Section 72, the government may appoint a Chief Executive Officer for any specified municipality.

(2) The Chief Executive Officer shall be appointed on such terms as may be prescribed by the government.

(3) If an officer is appointed under sub-section (1) for a municipality, he shall be the chief executive officer of that municipality, and other officers and employees of the municipality shall be subordinate to him.



(4) The Chief Executive Officer shall have the right to attend and participate in the deliberations of any committee of the Municipality, and in any such meeting, he shall, with the permission of the President, make any statement or explanation and inform the meeting of any violation of law or rule, and in such meeting, the Chief Executive Officer shall have no right to vote or to raise motions.

According to the National Strategy for Paurashava Governance Improvement 2016-2025,

The organogram consists of the Mayor, a Chief Executive Officer (CEO), and employees of (1) the Engineering Department (the head of the department is an Executive/Assistant Engineer); (2) the Administration Department (Secretary); and (3) the Health, Family Planning, and Conservancy Department (Health Officer). The head of Paurashava officers and employees is a CEO who is an employee of the administrative cadre under the civil service. (p16)

Amongst the key Paurashava officers, the vacancy rates for the CEO and Health Officer are high. Since the CEO is in charge of overall Paurashava management, these vacancies in this post could significantly affect the Paurashavas’ administrative performance. (p18)

**Relevant Studies on Local Governance in Bangladesh:**

Islam (2015) aims to examine the historical progression of local governance, namely the expansion of municipalities and their management in Bangladesh. Local governance in the Indian subcontinent can be traced back to around 1200 BC, while the current structure of the local administration is the result of steady development over several centuries. Notably, the Mughal rulers played a great role in the development of both rural and urban local government institutions. The establishment of local government in its contemporary form began during the British colonial era.

Khan et al. (2018) developed a planning framework grid to assist and direct local government planning under the SDGs. The SDGs prioritise local and

regional governments in recognition of the rapid pace of change in rural areas. These governments can fulfill diverse beneficial functions in ensuring the long-term achievement of interconnected objectives. Their study aims to develop a practical framework that establishes a connection between the Sustainable Development Goals (SDGs) and the efforts of local governments, with a particular focus on Bangladesh.

Khan et al. (2021) investigate the trust of citizens in the historically significant local government institution (LGI) of upazila parishads in Bangladesh, despite the absence of adequate study. To evaluate the trust of citizens in LGIs, they implemented indicators. The study found that most respondents were dissatisfied with the performance of the LGI, which suggests a lack of trust among citizens. Dishonest practices like bribery, unfair treatment by service personnel, and prolonged waiting times for service all contributed to a lack of trust among citizens. Service providers identified challenges like insufficient funding, frequent turnover of staff, a lack of training in modern technology, and undue pressure from powerful individuals.

Ferdous et al. (2024) conducted a detailed analysis of the performance and citizen trust in local government institutions (LGIs) in Bangladesh, with a particular emphasis on Union Parishad (UP), the lowest level of LGIs at the grassroots level. This entailed conducting interviews with key informants who were service providers and administering a questionnaire survey to service recipients. The data that was collected was subsequently analysed and triangulated. The study evaluates the performance of the UPs using a set of criteria and demonstrates that citizens' dissatisfaction with the UP's performance has resulted in a lack of confidence. The citizens attribute the lack of trust to factors such as significant delays in service delivery, discriminatory practices, and disrespectful behaviour toward service recipients. In contrast, the institutional actors attribute the inadequate performance and failure to satisfy local demands to the lack of decision-making power and insufficient funding at the grassroots level.

Municipalities are mandated to provide a wide range of services such as social care, schools, housing and planning, and waste collection for people and businesses in the local community. The municipal councils are envisioned to fulfill the needs for social care, schools, housing and planning, and waste collection in a democratic and accountable manner. They also provide services such as licensing, business support, registrar services, and

pest control. Fundamentally, these institutions are supposed to operate sustainably by generating revenue from their internal sources. Despite these expectations, the municipalities in Bangladesh have struggled to cover basic expenses, let alone fund capital investments, and maintain service deliveries for years. The government aimed to address these issues by appointing an experienced executive from the Bangladesh Civil Service to oversee municipal operations. Although the legal provision is present, the decision to appoint an experienced executive from the Bangladesh Civil Service went through mixed reactions from stakeholders and experts. While some are optimistic about the decision and anticipate positive changes, others view the appointment of an executive from the Bangladesh Civil Service as interference by the central government or bureaucrats in the local government system. To address these contrasting views, a study on the impact of CEO deputation in the municipalities of Bangladesh is necessary to understand the implications of this decision.

### **Objectives:**

Main Objective: of the study is to assess the impact of CEO deputation on the effectiveness of municipal governance in Bangladesh. The specific objectives are to (a) identify the specific mechanisms through which CEO deputation influences municipal governance; (b) analyze the factors influencing the success of CEO deputation in Bangladesh; and (c) explore the challenges and limitations associated with deputing CEOs country-wide and propose policy suggestions for scaling up such deputation.

### **Methodology:**

This study employed a qualitative approach to gain insights into CEOs' roles in enhancing citizen participation, fiscal discipline, and service delivery. The methodology was designed to explore both the institutional process and visible changes in governance, fiscal management, and service delivery of selected offices after the deputation.

CEO deputation has been implemented in a limited number of municipalities so far. Thus, a multiple case study approach was adopted as the intervention requires in-depth contextual examination. This design facilitates comparing patterns and identifying mechanisms through which CEOs brought transformation.

There are 194 first-class municipalities in Bangladesh. As of 2023, only 18 of

these municipalities had a deputed CEO. From these 18, three municipalities—Laksam (Cumilla), Sreepur (Gazipur), and Manikganj Sadar were purposively selected based on the availability of complete financial and administrative records before and after CEO deputation, accessibility for field investigation, variation in geographic location and demographic size, and evidence of documented reforms implemented by CEOs. Such sampling ensured the inclusion of municipalities where the impact of CEO leadership could be meaningfully traced over time.

This study incorporated both primary and secondary data sources, including in-depth Key Informant Interviews (KIIs), document and administrative data review, and field observations.

For KIIs, semi-structured interviews were conducted with stakeholders directly involved in municipal governance. The respondents include CEOs, mayors and elected council members, administrative officers (secretaries, accountants, engineers), other municipal staff involved in service delivery, and citizen representatives from TLCC and WLCC committees. Interviews focused on changes in governance processes, financial management practices, challenges faced during reform, and perceptions of CEO effectiveness.

A systematic review was conducted of annual financial statements, holding tax records (before and after deputation), meeting minutes of council, TLCC and WLCC, audit reports, citizen charters, and service delivery manuals, web portals, digital service records, and public notices. This enabled a quantitative comparison of key indicators e.g., revenue collection, salary disbursement regularity, municipal bill payments, and development project approvals. Direct field visits were conducted to observe the operational workflow of municipal offices, including service counters, digital centres, and public interaction points. Field drives and community engagement programs were conducted for tax recovery. Besides, public hearings are attended to witness the grievance redressal mechanism. Throughout the study, non-participant observation provided firsthand insights into administrative discipline, staff behaviour, and citizen responsiveness.

A thematic content analysis approach was used for data analysis here. Interview transcripts were inductively coded to identify frequent responses, while documentary data were quantified where appropriate to compare. Data triangulation was applied, where findings are validated by cross-checking with administrative data and field observations. Cases are compared to

identify cross-cutting mechanisms of change and context-specific factors. Throughout the study, participation was voluntary and respondents' confidentiality and anonymity were ensured. Furthermore, audit trails were maintained for document reviews, and triangulation minimised bias.

### **Limitations:**

There are other influencing factors, such as changes in national policy or local economic conditions, like trade agreements or tax reforms, which affect the performance of municipalities. Isolating the impact of CEO deputation here presents a significant challenge. Furthermore, municipalities led by a CEO may exhibit unique characteristics that deviate from the norm, such as a focus on innovation or a strong emphasis on community engagement, potentially biasing the results. Consequently, results obtained from restricted case studies may not accurately reflect the entirety of municipalities in Bangladesh.

Furthermore, the study may not be able to capture the long-term impacts of CEO deputation, as this policy may take time to show significant results. Implementing follow-up assessments at regular intervals post-deputation could help track the sustained effects over time. Quantifying the costs and benefits of CEO deputation is also a challenge, as some benefits, such as improved organisational culture or enhanced stakeholder trust, may be intangible. Finally, the limited number of municipalities with CEO deputation limits statistical generalisation, while qualitative methods allow for deep insights.

### **Data Analysis and Findings:**

The analysis derives from documentary evidence, interviews, and field observations conducted across the selected municipalities. Overall, the findings indicate that CEO deputation produced measurable improvements in fiscal discipline, administrative performance, and citizen-centric service delivery. These outcomes emerged through targeted interventions in revenue management, institutional governance, and digital transformation.

For instance, holding tax and own-source revenue collection increased substantially following CEO deputation across the case municipalities.



Municipality	CEO Deputation		Remarks
	Before (FY 2021 - 2022)	After (FY 2022- 23)	
Laksam, Cumilla	2,46,02,870/-	3,87,91,759/-	Annual Holding Tax Collection
Sreepur, Gazipur	3,77,68,707/-	6,35,14,778/-	
Manikganj Sadar	4,46,01,352/-	6,00,98,926/-	

Interviews show that CEOs enforced rigorous measures against long-standing defaulters. Strategies included systematic field drives targeting overdue taxpayers, creation of accurate tax databases linked to digital mapping, institution of transparent tax review committees, and strict enforcement of legal provisions, including the cap on tax remission. These efforts increased compliance and created a culture of fiscal responsibility, allowing municipalities to clear outstanding salary arrears, utility bills, and vendor payments.

CEOs introduced procedural uniformity across administrative functions. Key changes included the regularisation of staff salaries after years of delay, monitoring registers for expenditure tracking, standardised project approval processes with technical vetting, stricter procurement oversight aligned with PPR 2008, and internal audit practices even where formal audit units were absent. Field observations confirmed that CEOs’ executive magistracy powers enabled them to conduct mobile courts against illegal establishments, unauthorised construction, and sanitation violations. This increased institutional authority and public compliance.

Case studies demonstrate significant improvements in service delivery, particularly through digital tools and participatory mechanisms. Laksam introduced a unified municipal web portal enabling online applications for certificates, tax payments, and grievance submissions. Sreepur operationalised its Citizen Charter (2022), defined service fees for digital centre services, and disallowed arbitrary charges. Manikganj streamlined certification processes and introduced transparent service timelines. These digital reforms reduced the Time-Cost-Visit (TCV) burden for citizens and minimised rent-seeking opportunities.

CEOs revitalised institutions such as Town-Level Coordination Committees (TLCC), Ward-Level Coordination Committees (WLCC), Public Consultations, and Town Hall Meetings. Municipal records confirm that regular TLCC meetings often dormant previously improved accountability for



project selection and budget allocation.

Field verification teams were formed, consisting of engineers, ward councilors, and administrative staff, while project progress was tracked through checklists and photographic evidence. This participatory monitoring system reduced irregularities in project execution, increased adherence to budgets, and ensured better alignment with community needs.

Despite positive outcomes, several constraints persisted in implementing such deputation in the local representative-led municipal bodies. In some cases, the absence of formal job descriptions for deputed CEOs led to chaos and confusion among the stakeholders. In addition, resistance from municipal councils, particularly where power dynamics shifted, hindered the implementation process. Sometimes, CEOs are withdrawn despite positive moves due to persistent pressure from the representatives. There was an absence of established office infrastructure, including support staff and logistics for newly deputed executives. As most of the municipal staff are locally recruited, there lies political interference in project selection and staff management. Furthermore, CEOs were not equipped with adequate training on municipal laws, urban planning, and financial systems before being designated to these roles. These challenges reveal gaps in institutional readiness for CEO deputation that must be addressed for long-term sustainability.

## **Discussion:**

The findings demonstrate that the CEO deputation has acted as a catalyst for revitalising municipal governance in Bangladesh. The improvements observed across financial, administrative, and service delivery dimensions indicate that professional bureaucratic leadership can mitigate longstanding weaknesses in municipal operations.

The deputed CEOs experienced in public administration, legal frameworks, and interagency coordination introduced professional management practices typically absent in local bodies dominated by political leadership and understaffed offices. Their understanding of regulatory frameworks, exposure to digital governance, and authority as executive magistrates enabled them to enforce discipline and standardise procedures. This supports institutional theory, which argues that technical capacity and rule-based administration are essential for improving public sector performance.

Interestingly, although some stakeholders perceived CEO deputation as central government intrusion, the resulting improvements strengthened municipal autonomy by increasing internal revenue, reducing dependency on central transfers, professionalising financial documentation, and building public trust and accountability. In this sense, CEO deputation did not weaken local democracy; rather, it helped municipalities perform their statutory responsibilities more effectively.

Restoration of TLCC and WLCC committees and introduction of citizen charters demonstrate that CEOs played a pivotal role in connecting citizens with service providers. Participatory governance improved service uptake, transparency in resource allocation, and responsiveness to public complaints. This corroborates research indicating that citizen participation is critical to improving LGI legitimacy.

Despite individual achievements, the institutional framework still constrains CEOs. Key persistent issues include political contestation for control over municipal resources, insufficient urban planning capacity at the municipal level, and the absence of sustainable financing mechanisms. These systemic issues must be addressed through policy reforms to unlock the full potential of the deputation model.

### **Policy Recommendations:**

Based on the findings and broader governance principles, the following policy reforms are endorsed:

- Establishing clear legal mandates is mandatory for institutionalising the role, for which the existing municipality should be amended.
- CEOs should be trained in relevant laws and skills before the deputation.
- For financial sustainability, municipals should be brought under IFMIS, while GIS-based tax mapping could be introduced to enhance revenue collection.
- The appointing authority should be more vigilant in addressing political pressure cases. To ensure continuity of reforms, fixed tenure could be introduced.
- TLCC and WLCC committees should be activated with competent members. For encouraging citizen feedback, a dashboard can be linked to municipal websites.
- The CEOs should be equipped with a standard working environment

and logistics support so that they can implement the reforms smoothly.

- Achievements should be tracked by the ministry in different criteria, like revenue growth, service delivery efficiency, and participatory governance, so that the officers remain motivated for innovating new techniques for better outcomes.
- Before scaling up the model country-wide, performance outcomes should be compared between municipalities with and without CEOs.

## Conclusion:

The deputation of chief executive officers to Bangladesh's municipalities has emerged as a practical and impactful strategy for strengthening local governance. The findings of this study demonstrate that CEOs have contributed significantly to improving fiscal discipline, enhancing administrative efficiency, expanding digital service delivery, and revitalising participatory institutions. These improvements have translated into better revenue mobilisation, more transparent decision-making, and greater citizen engagement—outcomes that many municipalities had struggled to achieve for years. Despite these gains, the effectiveness of CEO-led reforms remains constrained by structural challenges, including political interference, inadequate administrative capacity, and the absence of clear institutional guidelines. Addressing these limitations is essential for ensuring the sustainability of the progress made.

Overall, CEO deputation represents a promising model for professionalising municipal management and advancing the broader agenda of decentralisation in Bangladesh. Continued policy support, institutional strengthening, and systematic evaluation will be crucial to fully realising the potential of this reform and ensuring that municipalities can deliver responsive, accountable, and citizen-centered services.

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