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Governance for Inclusive Growth: Innovations for Citizen Centric Administration in India

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Introduction

In today's globalised and networked world, governments face the formidable challenge of meeting the expectations of an empowered and aware citizenry which make increasing demands for better public services when fiscal constraints arising from a global recession has dimmed the prospects of economic growth and substantially restricted the room for manoeuvre. Equally challenging is the need to ensure an inclusive growth paradigm and reach out to underserved and underprivileged citizens who may lack the ability to make demands on the government, but need its support most of all. Realising that inclusive growth would remain a mere dream if one allows development strategies to be warped by the harsh realities of fiscal austerity, governments are increasingly searching for innovative solutions to meet the changing needs and expectations of citizens in an increasingly complex environment.

Such innovative solutions cut across areas like policy development, program design, regulatory approaches, service delivery, and use of technology and range from policies that provide access to government information and mandate delivery of services in stipulated time, to use of crowd sourcing to gather ideas from citizens for collective problem solving and collaboration with entrepreneurs to make use of government data to create innovative apps or services. Technology has played a major role in many of these innovations and has helped governments move from basic automation to *Government 2.0*, the networked and interactive government.

As a developing nation which is emerging as a major player in the global political and economic platforms, India has graver challenges to address than its industrial counterparts. On one side, the country has a strong democratic system that is kept on its toes by an increasingly active and aggressive civil society, fearless media and technology savvy citizens who are aware of global trends and are quick to demand their share in the governance process. On the other side, the country is staring at the increasing magnitude of corruption in all walks of life and is grappling with the challenge of bridging the widening gap between the rich and the poor. India faces the urgent need to evolve an inclusive growth paradigm to reach out to its illiterate, underemployed and underserved population who were the last to benefit from the economic reforms and prosperity of the last decade and are now the first to be affected by the pains of global recession. These dilemmas are compounded by the compulsions of coalition politics which has affected India's ability to evolve a coherent national agenda for economic and social growth and introduce much needed reforms in several sectors.

It therefore becomes an urgent priority for India to evolve innovative solutions to ensure inclusive and equitable growth for all sections of the society. India has already started its efforts in this direction. Government of India has declared 2010-2020 as the 'Decade of Innovation' with a focus on inclusive growth. It has set up a National Innovation Council in 2010 whose primary mandate is to develop a

national strategy for innovation. Innovation Councils are also being set up at State and Sectoral levels to support the National Council. India already has a National Knowledge Commission recently backed up by a National Knowledge Network which ensures seamless and open access to knowledge across the country to foster innovations across sectors. From a regimen governed by an Official Secrets Act, today India has one of the most progressive legislations granting access to information, a National Data Sharing and Accessibility Policy 2012 which mandates all Union Government departments to share information on *opendata.gov.in*, a website modelled on the lines of *data.gov* of the United States of America. The first report of the National Innovation Council (2011) aptly summarises India's approach towards innovation which is founded on inclusive growth:

"The country has significant challenges of exclusion and inequitable access due to multiple deprivations of class, caste and gender – all of which require innovative approaches and solutions, and looking beyond the conventional way of doing things. Innovation is going to be central to providing answers to the most pressing challenges in our country and for creating opportunity structures for sharing the benefits of the emerging knowledge economy and knowledge society. India is also uniquely poised to reap the advantages provided by a nation of a billion connected people, with over 800 million mobile phones, and global leadership in Information and Communication Technology and software. This connectivity as well as ICT talent is changing the nature of processes, business, industry, governance, education and delivery systems: and our innovation thinking has to leverage the unprecedented advantages provided by this changing landscape of connectivity, networks, openness, technology and collaboration.

However, the challenge before India is to develop an inclusive model of innovation that will move the country to become not merely a knowledge-producing economy but a knowledge-sharing society that will have relevance to many parts of the world. This is a challenge that the National Innovation Council has taken upon itself. In doing so, it seeks to reclaim India's legacy in global thought leadership".

While the above discussion throws light on the policy and institutional arrangements of the Indian Government for innovation, there is a need to differentiate this from innovation per se within Government. Drawing upon Duijn (2009), India's innovation policy is characterised by the efforts of public policy actors to improve the innovation system comprising private sector firms, knowledge institutes and technology developers. Here innovation is merely focused on developing and implementing policies that support the knowledge infrastructure and stimulate economic growth and making private sector innovation possible through public sector policies.

While the benefits of these innovations may eventually trickle down to common citizens, it is equally important to evolve innovative solutions directly targeting citizens with main focus on public

administration and its primary function, public service delivery, to ensure that it is citizen centric, responsive, transparent and accountable. The following section therefore examines India's strategy and approach for innovations for citizen centric administration.

Innovation in Public sector

Mulgan and Albury (2003) define innovation in public sector as the "creation and implementation of new processes, products, services and methods of delivery which result in significant improvements in the efficiency, effectiveness or quality of outcomes". While reasons may vary, reform and innovation in public sector has become a global phenomenon with an aim to create a government which costs less, delivers quality, works professionally, effectively uses IT, regulates well and is honest and transparent.

The campaign for reforms/modernisation/innovation in government has been going strong since the mid 1990s when the global summit of government reinvention, concepts on new public management, etc., caught the imagination of administrators across the world. According to Kamarck (2003), many of the concepts in public sector innovation come from a reform movement known as 'New Public Management' or 'Reinventing Government' that began in Britain and Newzealand in 1980s and spread to other countries including United States in 1993 with ideological roots in Thatcher-Reagan revolutions. In its first phase during 1980s, the government reform movement has been characterised by economic liberalisation and privatisation whereas Phase II during mid 1990s focused more on administrative reform of core state functions and the building of state capacity. The movement received considerable impetus from the Bill Clinton - Al Gore initiatives to 'reinvent government'. Kamarck concludes that whereas first world countries largely focused on efficiency and extensive introduction of information technology as part of the movement, developing countries focused more on building state capacity, decentralisation and fighting corruption.

Public Sector Innovation in Indian context

India's adoption of new public management principles in early 1990s resulted from a severe economic crisis and conditions imposed by international lending institutions. According to Mathur (2005), "when India embraced upon an ambitious programme of economic reform in 1991, the ideas about public administration reform had already entered the package of aid promised by the World Bank and IMF". While these reforms began with efforts to reduce government size, a major policy direction evolved in the Chief Ministers' Conference in 1997 which set the agenda for good governance in the country by endorsing citizen's right to information and the introduction of Citizen's Charters[1] in government. The

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[1]Citizen's Charter is a document declaring the obligations, duties, commitments of a public authority for providing services effectively and efficiently with acceptable levels of standards, time limits and designation of government employees for delivery and grievance redress. It has its origins in Charter Mark of United Kingdom

Conference issued a statement that provided an Action Plan for Effective and Responsive Government at the Central and State level.

While Citizen's Charters were soon adopted by the Central Government and most State Governments, implementation in the true spirit was found lacking in most cases (DAR&PG). To improve upon this initiative, Government of India came up with Sevottam (Excellence in Service Delivery) as an Indian certification for public organisations to benchmark quality of service delivery in terms of Citizen's Charter compliance, grievance redress mechanisms and capacity for service delivery.

This period also coincided with the use of technology in government departments for improving internal efficiency and overall quality of administration. Today, India has a National eGovernance Plan with 27 Mission Mode Projects for leveraging the power of technology in various sectors of government operation.

India's public administration paradigm met with another decisive shift in 2005 with the legislation of the Right to Information (RTI) Act granting right for citizens to access government information. This was followed by the enactment of National Rural Employment Guarantee Act (NREGA) in the same year which granted India's rural households the right to employment at minimum wages for at least 100 days in a year and the Right to Education (RTE) Act in 2009 which made it a constitutional mandate to provide free and compulsory education for all children in the age group of 6-14. Legislations guaranteeing Right to Food (National Food Security Bill) and Right to Services are under various stages of implementation. A rights-based approach to development which requires the public administration to think of citizens as right-holders rather than beneficiaries is discernible in India's policy apparatus. More importantly, each of these legislations can be credited as major policy innovations which have inspired several institutional and procedural innovations in their wake.

Consequently, participation and engagement of citizens in governance process is emerging as a key priority for India. Social accountability mechanisms like public hearing, social audit and citizens' report cards are now becoming part of government program designs and legislations are being formulated to give legal and institutional backing for initiatives like Social Audit[2].

Prior to discussing an innovative good practice that is bringing paradigm changes to the way Indian administration thinks and works, an overview of the national strategy and systems for innovation in government would be useful.

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[2] Government of Andhra Pradesh has passed the Andhra Pradesh Promotion of Social Audit and Prevention of Corruption Practices Bill,2011 which enables offences discovered through social audits to be tried in courts

Strategy and Systems for Public Sector Innovation

India took a major step towards evolving a national strategy for reforms/ innovation in government with the constitution of Second Administrative Reforms Commission in 2005. The Commission examined fifteen thematic areas and by the end of its term in 2009, submitted 15 reports and 1513 recommendations. Of the 13 reports considered so far, the Government has accepted 1005 recommendations; 533 have already been implemented and another 472 are under various stages of implementation. The Planning Commission and National Pay Commission have also played major roles in shaping the reform policies of the Government.

The Department of Administrative Reforms & Public Grievances (DAR&PG) a Central Government department with its origins in the recommendations of the first Administrative Reforms Commission of 1966 is responsible for overseeing the implementation of second ARC recommendations at the Centre and in the States. Further, DAR&PG also plays a catalysing role in identifying and scaling up innovations from various parts of the country by organising national conferences for discussing and disseminating good practices, providing financial assistance for replicating and sustaining innovations, and rewarding innovating agencies and leaders through Annual Prime Minister's Service Excellence Awards and eGovernance Excellence Awards.

Governance Knowledge Centre, a major initiative of DAR&PG is an online repository of public sector innovations from across the country. DAR&PG has collaborated with the United Nations Development Programme (UNDP) for a programme called Pathways for an Inclusive Indian Administration and has also been instrumental in establishing the Centre for Innovation Policy Systems (CIPS) at Hyderabad to support the government in documenting and disseminating best practices. DAR&PG also works in close collaboration with the Centre for Good Governance, Hyderabad for advisory support on bringing about good governance through innovative practices; in fact, creation of a National Centre for Good Governance to support the Centre and States in public sector innovations is under active consideration.

The Government has also established a Performance Management Division (PMD) under the Cabinet Secretariat to design a state-of-the-art performance management system in the Government. The Performance Monitoring and Evaluation System evolved by PMD operate through Results Framework Documents (RFDs)[3] which help assess performance of Departments against their annual targets. RFDs have played an important role in improving the internal performance of Departments and Ministries in the Government of India.

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[3] RFD is a record of understanding between the Departmental Minister and Secretary of the Department, providing physical and verifiable details of the work to be done during a given financial year. RFD is essentially a performance agreement.

Another major institution that has been instrumental in some major policy innovations with a strong focus on citizen entitlements is the National Advisory Council (NAC). NAC was first set up in 2004 by the Prime Minister of India to fulfil the Common Minimum Programme comprising the commitments made by United Progressive Alliance (UPA)[4] in its election manifesto. NAC consists of members from the UPA, prominent activists from the civil society and representatives of the academia and industry. At a time when civil society plays an aggressive role in shaping the policy direction in India, NAC has given a formal platform for them to contribute to the formulation of path breaking policies like the RTI Act, NREGA, RTE Act and the Food Security Bill. It may not be wrong to state that NAC is a true policy and institutional innovation by the Government to initiate reforms and innovations from outside the government with broad based participation from various policy actors.

India is in the direction of becoming a truly citizen centric administration by making simultaneous efforts for internal reforms - through measures to increase the efficiency and user friendliness of the public administration – and for external reforms by adoption of rights-based legislations to improve its interaction with the citizens. All these processes are often closely associated with the increased adoption of ICT (and other 'new technologies') by public administrations in order to improve its effectiveness. In fact, the application of so called "e-governance" policies forms one of the main manifestations of public sector innovation policies in India.

Several States in the country have taken up business process reengineering of its internal operations, have automated their transactions with citizens and businesses and are in the next stage of achieving eGovernance integration across departments to create a whole-of-government system. The Government of India and several State Governments have enacted Electronic Services Delivery legislations that make its mandatory to deliver electronic services across the country within the next five years. There are initiatives like *Mee Seva* (at your service) in the State of Andhra Pradesh which seeks to digitise all government records and deliver key citizen certificates electronically with digital signatures. Most States have enabled its citizens to file their grievances online and track the status of their applications. Many departments undertake all their recruitments online and some others use smart cards to deliver payments to beneficiaries of various government programmes.

It is in this context that a landmark policy innovation by India to make public services a legal entitlement of citizens assumes significance. The Act and its implementation mechanisms have the capacity to integrate all service delivery innovations and initiatives of India under a broad framework and provide a coherent strategy for improving the timeliness and quality of public services. This would enable Governments to reach out to their underprivileged constituency and increase their quality of life by

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[4] United Progressive Alliance(UPA) is a coalition of center-left political parties in India, formed after the General Election in 2004.[1] At the time of its formation it was led by the Indian National Congress (INC). The chairperson of the UPA is Sonia Gandhi. As of 2012, UPA heads the government of India.

finally providing them what is their due. The Act therefore has the potential to eliminate a scenario famously summarised by a former Prime Minister as follows, "*out of every one rupee of spent on anti-poverty programmes, only 15 paise reaches the poor*".

The following section discusses the Right to Public Services Act and its implementation mechanisms in detail.

Country Good Practice: Right to Public Services Act

India made a major policy innovation in citizen centric administration through the Right to Information Act, 2005 providing easy access to public information. Six years hence, yet another path breaking legislation, the Right to Public Services Act, grants citizens the legal right to timely public services with penalties to officers for default or delay. The Act marks a fundamental change in India's public service delivery approach and involves multiple innovations at multiple levels including policy innovation, process innovation and institutional innovation at central, state and local government levels.

Evolution of the New Policy Regime

Right to Public Services (RTPS) Acts emerged as a response to the perceived need for a change in the existing policy paradigm owing to a host of factors which primarily include changing social values and preferences of a society whose constituents are increasingly aware of global service delivery standards and are vociferous in demanding their share. There was also an external pressure for improving public service delivery from donor agencies like the World Bank and UNDP, not to mention the prevailing restive mood in the country against corruption and lack of transparency in governance systems.

RTPS has been a major policy innovation where other measures like the Citizen's Charter and grievance redress mechanism tended to be ineffective due to absence of legal backing and failure of conventional accountability in the face of apathy of public officials. The beginning as made by Madhya Pradesh, the largest State in India, when it enacted the 'Public Service Guarantee Act' in July 2010 whereby time bound delivery of specified services was made mandatory as a legal right of the citizens of Madhya Pradesh.

Soon, evidencing healthy competition, nearly twelve States have enacted their versions of Right to Public Service legislations. The initiative received a shot in the arm with Government of India's 'Rights of Citizen for Time bound Delivery of Goods & Services and Redressal of their Grievances Bill 2011' which would give a national character to the legislation; it is awaiting approval of the Parliament.

Key provisions of the Right to Services Acts

The essential elements of the Right to Services legislation are:

- Clear notification of and publicity to services covered under the Act
- Assigning application number to track status
- Fixing responsibility for time bound service provision on Designated Officers, First Appellant Officers and Second Appellant Authority
- Appointment of a Competent Officer for filing a complaint against a defaulting official and an Appellate Authority who can review and decide on the order passed by the Competent Officer and then penalize or repeal the complaint made against an erring official.
- Stipulating a due procedure for penalty or compensation for failure to deliver services
- Provision for revision against penalty imposition on public officers-Right to Appeal/Revision

Right to Public Services in States: Starting with Madhya Pradesh, many other State Governments have so far enacted the Right to Public Services (RTPS) Act, albeit under different names. While the very Act is a major policy innovation for efficient service delivery, the process of its implementation has also seen complementary innovations in terms of service delivery kiosks, electronic applications, and institutional capacity building. Some of these innovations in the States are discussed below:

Madhya Pradesh: Madhya Pradesh 'Guarantee of Public Service Delivery' Act, was notified it on 18th August 2010 and implemented on 25th September 2010. The Act which initially covered 9 departments and 26 services now covers 16 departments and 52 services. In phase I, applications were processed manually and monitored continuously at district, division and state levels using a simple web based mechanism. Training was given to designated officers, first appeal officers and second appeal authorities. Phase I culminated in July 2011 with a third party survey of citizens and officials regarding their awareness about the Act and satisfaction with its implementation. In Phase II, online registration of applications was taken up together with *suo moto* appeals for delay or default in provision of services. In Phase III currently underway, the government is establishing Public Service Centres across the State as an automated single window system for citizens to submit all their RTS applications. Further, the Government of Madhya Pradesh has established a dedicated Department for Public Services Management to oversee the implementation of the Act.

Bihar: The Bihar Right to Public Services Act, 2011 enacted in August 2011is being implemented in phases. In Phase I, 50 critical services of 10 departments have been brought under the purview of the Act. Special mention has to be made of its effective use of a variety of ICT tools: *Adhikar*, the service delivery and monitoring software enables direct entry of applicant data on the application form and generation of an acknowledgment receipt along with a Unique ID (UID) which facilitates instant

recognition of the district, block, department, office and the service for which the application has been filed. Monitoring reports can be generated for services at the block, sub-divisional, district and state level. Every Designated Public Servant has access on a need-to-know basis. Other features include provisions for tracking application status and an online list of pending cases. A state level unit has been set up for monitoring of total applications received as well as disposed and pending cases.

Facility for citizens to apply for services online from home has been piloted in one district and would be replicated in others.

Interactive Voice Response System (IVRS) named *Samadhan* has been established in 20 districts of the State to help citizens to make queries about the provisions and functioning of the Act, seek help in identifying the appropriate public servant for the service sought, get help in applying for the service, and reach the Public Grievance Officer in case of a complaint.

Delhi: Government of Delhi enacted the Delhi 'Right of Citizen to Time Bound Delivery of Services Act' on September 15, 2011. So far, close to 100 services of around 22 departments have been brought under the purview of the Act. Departments are required to comply with Service Level Agreements (SLAs) to deliver the concerned services within a given time period, failing which the competent officer is subject to a penalization of Rs. 10 to Rs. 200/ day and disciplinary action for 25 such instances of failure to deliver services in a financial year.

As a key improvement over similar Acts, the Delhi Act stipulates that all departments shall endeavour to use eGovernance for delivery of their services and maintain real time status of all applications governing citizen related services online; it enables citizens to monitor applications online and seek compensatory cost in case of delay or default in service delivery.

A key innovation in the implementation of the Act which has received international recognition is the electronic Service Level Agreement (e-SLA), with online monitoring system developed to monitor departmental compliance of SLAs. The eSLA helps in keeping a check on non-performing departments and personnel and enables citizens to track their applications and demand their services on time. eSLA has been nominated under Innovations in Public Service Management category in CAPAM International Innovation awards 2011-12.

Key learning and challenges

While it is too early to comment on the success or failure of these Acts in the States where they have been enacted, it is safe to discuss some initial trends. It can be seen that RTPS enjoys high level political support in the concerned States. The very fact that legislation of RTPS acts in Indian States has been primarily due to the state governments' own initiatives, without any imposition from the Central

Government or as a result of any constituency action speaks volumes. In that sense, these are purely state-led legislations trying to make their own public administration internally accountable as well as towards the citizenry (Sirkar, 2012).

States have been quick in learning form their initial mistakes and making suitable course corrections. For instance, Madhya Pradesh amended its Act after one year of implementation to introduce the provision of *suo moto* appeals after noticing that in many cases, citizens shrank from making appeals fearing reprisals and appellate authorities had to remain spectators. Today the Madhya Pradesh Act allows the first and second appellate authorities to take up *suo moto* action in certain situations against defaulting officers even in the absence of an appeal from citizens. Similarly, States have been proactive in creating appropriate institutional mechanisms like the Department of Public Service Management and Public Service Centres as in Madhya Pradesh.

The Right to Public Service Act has helped to streamline governmental activities by checking inefficiencies, preventing delays and addressing lack of coordination across various departments. Further, the two States which have made the maximum progress in implementation of the Act are the very two which have been pilloried for years for maladministration, corruption and complete collapse of public service delivery systems. The case of Bihar and Madhya Pradesh therefore offers great hope and encouragement for other laggard States.

Despite the promises held by the RTPS Acts, some key challenges persist. To sum up the observations made by Sahoo&Kapoor (2012), low awareness about the Act, shortage of resources, need for capacity building and lack of quality standards remain major concerns for States.

Way Forward

Innovation is never easy as it may disrupt established behaviours and relationships; all the more so in public sector which offers little incentive to engage in or invest in innovation as financial rewards accrue to states and not to individuals (Kamarack, 2003). According to the NAO (2009), innovation requires a permissive and supportive environment and needs to be fostered, recognised and rewarded throughout the organisation, both 'top down' and 'bottom up'. As a step towards sustaining and scaling up innovations in government, Government of India has instituted the Prime Minister's Awards for Excellence in Public Administration to recognise and reward outstanding contributions by individuals and organizations.

It is equally important that innovations are mindful of country contexts and realities. For example, India is in the process of collaborating with private contractors in the delivery of public-funded services motivated by the idea that competition will spur cost-saving innovations, in pursuance of a model

perfected by Newzealand, a country credited with doing more than any other country to inject competition and continuous innovation into government. However, drawing upon Alan Schick (1998), one can opine that India with its large informal sector, relatively weak personification of property rights and other formal process to regulate economic activity may struggle with such a model.

It is also important to have effective planning and implementation and engagement with citizens and other stakeholders to translate inspirational and forward-looking ideas into new policies, services or methods of operations, manage innovation risks and to sustain innovations. Building the capacity of public service to generate, implement and sustain innovations would be crucial to the entire process.

Finally, as discussed before, use of technology has become a prime component of most public sector innovations in India. The electronic service delivery act even stipulates that all services shall be delivered electronically in the coming years. However, the country needs to be equally mindful about the persisting digital divide. According to some estimates, digital literacy in India is less than 10% and a huge divide exist between urban and rural areas in terms of digital connectivity. While the Common Service Centres being established across the country under the National eGovernance Plan and the proposed National Knowledge Network may contribute to bridging this divide, India would need a more concerted action to bring about digital inclusion so that innovations would truly be inclusive.

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