

Better Governance for Inclusive Growth: ASIAN Perspectives

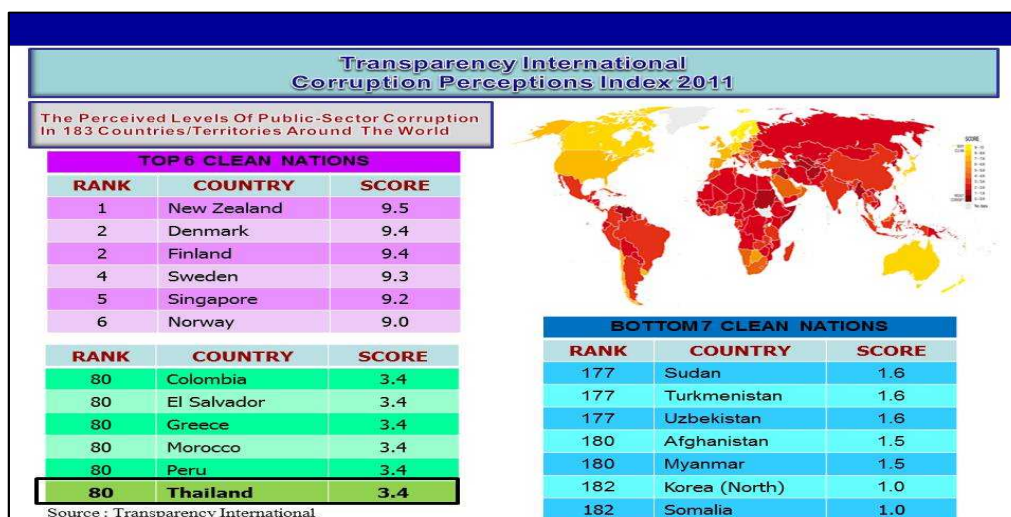
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1. Background

Thailand faces continual changes in political, economic and social conditions at a global level. In the recent past, the movement of capital, labor goods and services have become more liberalized as a result of borderless globalization. While some economies such as China, India, Brazil and Russia have experienced rapid economic growth, others including Thailand, are progressing towards a diversion of economic change resulting instead in increased competition and pressure. Concurrently, the ongoing energy crisis, and in particular the continual rise in oil prices, has affected the global economy, to the extent of giving rise to recent international armed conflicts. In addition to the adverse effects of globalization and economic development are environmental problems and climate changes which stem from the rapid use and subsequent depletion of natural resources and the consequent emission of carbon monoxide. Furthermore, in the last three years there has been an increase in food prices, and it is predicted prices will increase further still due to inadequate supply, high demand and an imbalance of food storage and difficulties in food distribution, especially in many developing countries. While Thailand stands as one of the top producers of agricultural produce for export in the global market, and is therefore in a position of economic advantage, it is necessary to show a just stance and not to take advantage of economies that are deprived.

Moreover, Thailand also faces issues regarding corruption as can be seen from the transparency perceptions index in 2011 where the country was ranked 80th out of 183 countries (see the picture below). The 10th National Economic and Social Development Plan (2007-2011) stated that raising good governance in public administration is a significant strategy in reforming the Public Sector, due to the lack of public participation in Thailand. This was one of the root causes that have initiated many problems, including corruption and unfair policies that have created a negative impact on the country's international image.



2. Status of the Thai Public Sector

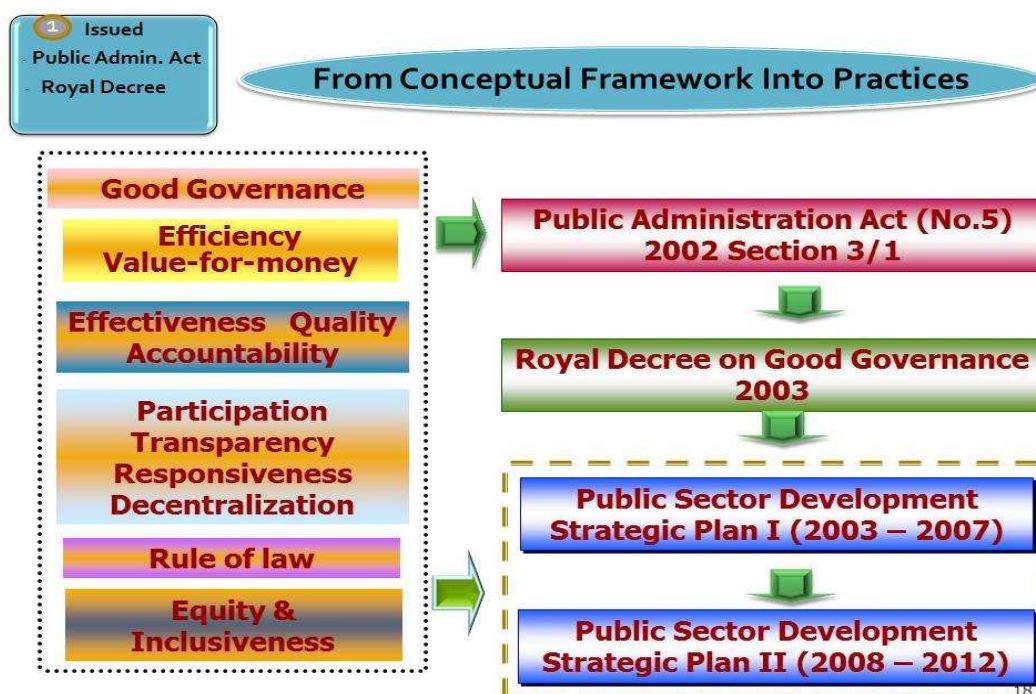
Government agencies under the supervision of the Executive Branch are grouped into four categories according to their legislative status: Government Organizations, State Enterprises, Public Organizations and Special Service Delivery Units.

- 1) Government Organizations, as stated in the Public Administration Act of 1991 and its revised version and the laws concerning local administration are:
 - Central Government Agencies comprised of the Office of the Prime Minister and 19 Ministries
 - Regional Government Agencies comprised of 76 Provinces
 - Local Government Agencies comprised of 76 Provincial Administrative Organizations, 1,619 Local Government Agencies, 6622 Sub-district Administrative Organizations (6,622) and 2 other local organizations
- 2) State Enterprises (58 organizations)
- 3) Public Organizations: categorized into two types:
 - those established under the Public Organization Act of 1999. (25 organizations)
 - those established under a specific act (15 organizations and 13 universities under the supervision of the government).
- 4) Special Service Units
- 5) Special Service Delivery Units (2 types)
 - a unit that provides business or industrial activities to mainly serve its affiliated organization; for example, the Cabinet Printing Office and the Royal Gazette

- a unit that provides public services in social and cultural areas, such as the Institute for Good Governance

2. The Goals of Thai Public Administration

The Thai public administration is one of many key institutions in the socio-economic and political structure of the country, yet it obviously plays a key role in shaping the direction of the country's future development. In order to be able to guide the country to meet the objectives, the Office of the Public Sector Development Commission introduced the New Public Management (NPM) technique in 2002. It aims to place increased emphasis on Good Governance by monitoring the efficiency and quality of public services, and allowing the general public to have greater participation in decisions that directly affect them.



The goals of Thai Public Administration are clearly set out in Section 3/1 of the Public Administration Act of 2002, which states that public administration must be undertaken with the benefit and well-being of the people as the guiding, or “citizen-centered”, principle. Efforts undertaken for the greatest public benefit are to be accomplished through results-based implementation, with a focus on efficiency, value-for-money, work process and cycle time reduction, rightsizing, and decentralization. In addition, every government agency must adhere to the principles of good governance in the performance of its duties, ensuring that budget allocations and personnel appointments are made consistent with the principle, and providing opportunities for public participation, information disclosure, and monitoring and evaluation of performance.

Additionally, the Royal Decree on Criteria and Procedures for Good Governance, promulgated and enacted in 2003, sets the criteria and management directions to enable government agencies to bring about change, be more responsive to the public's needs, and improve service quality through rightsizing, a focus on high performance, and the creation of an open bureaucracy through public participation. To achieve such targets, the Royal Decree on Criteria and Procedures for Good Governance of 2003 specified approaches to plans and operational procedures to be followed by government agencies and officers in the carrying out of their responsibilities and to be more responsive to the needs of the people, changes resulting from globalization and technology, as well as the forces of democratic trends and public participation. A subsequent change in government resulted in a new constitution in 2007 that contained sections pertaining to good governance in the public sector, particularly under Sections 74 and 78. These sections are stated below:

Section 74: Government officials, officers and employees of state agencies and enterprises, or other public officials are expected to act in compliance with the law, to protect the public interest, and to provide convenience and services to the public consistent with the principle of good governance. Responsible persons shall maintain impartiality and political neutrality in the implementation of their duties.

Section 78: The state shall implement policy directives in the administration of state affairs so as to:

- (1) ensure sustainable development in the social, economic, and security sectors consistent with the sufficiency economy principle and in keeping with the national benefit;
- (2) systematize central, regional, and local governance in order to set appropriate roles and responsibilities in national development and support provinces in establishing plans and budgets for provincial development;
- (3) devolve authority to local administrative organizations and promote independent decision-making in implementing activities; encourage participation in the national policies; support the development of local economies and public utilities, including an accessible information technology infrastructure extending coverage equally; and strengthen the local agencies to enable them to expand and to effectively serve the local population;
- (4) develop the state administrative system with an emphasis on quality development, high moral and ethical conduct by state officials in tandem with improvement of operational models and methods, to ensure efficient administration of state affairs, and to encourage state organizations to adopt the principle of good governance as a guideline in providing government services.

- (5) systematize government services and other state affairs to ensure that management and delivery of public services is timely, efficient, transparent, and accountable, and that public participation is incorporated;
- (6) support legal organizations in the independent implementation of juristic affairs;
- (7) develop a political plan that includes the establishment of a Political Development Council, an independent organization, to oversee implementation of the plan;
- (8) provide appropriate benefits for government officials.

3. Thai Public Sector Development Strategic Plan 2007-2012

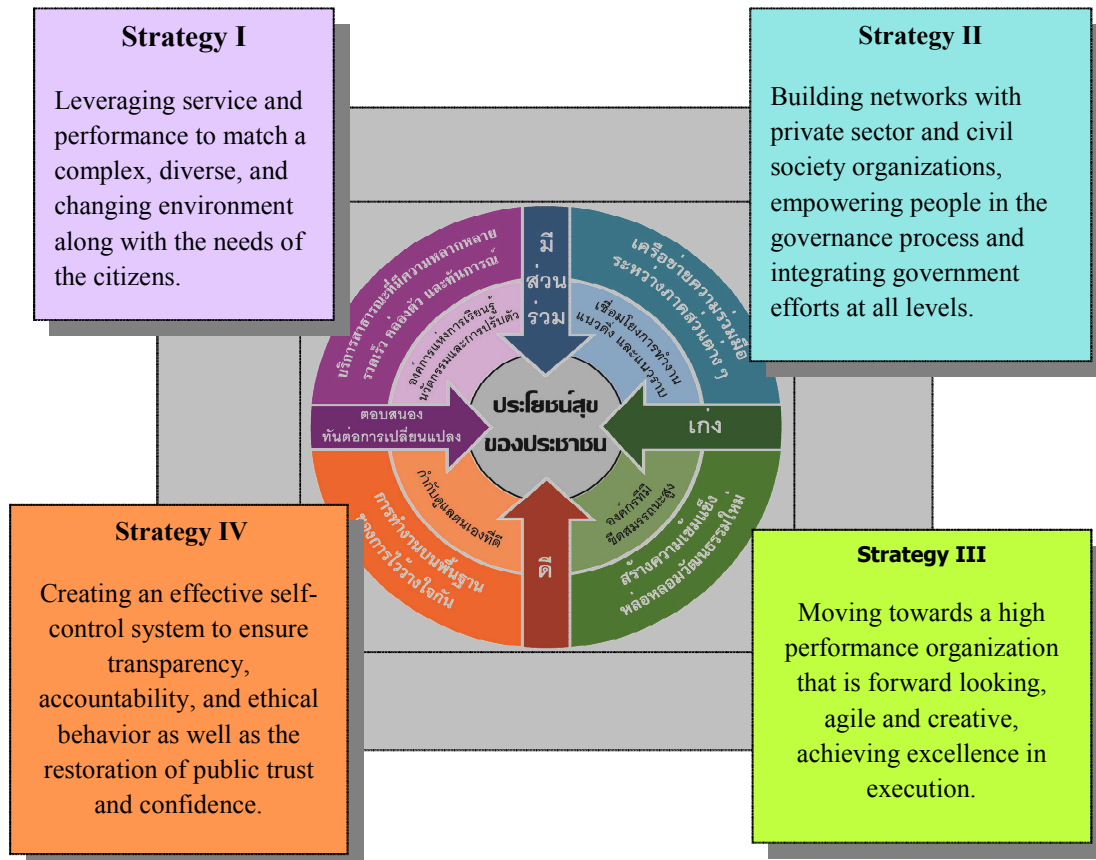
OPDC upholds the Royal Decree on Criteria and Procedures for Good Governance of 2003 as the main guideline of conduct to continuously push forward the development of the Thai Public Sector. The result of Thai Public Sector Development Strategic Plan (2003- 2007) shows that 80.25 percent of people were satisfied with the quality of public agencies' services

Then the Thai Public Sector Development Strategic Plan (2007-2012) was approved by the Cabinet Resolution of July 29, 2007, giving priority to the principle of "Citizen-Centered", converting the role of bureaucracy to that of supporter and facilitator, coordinating with political parties to garner greater benefits for the country, developing preparedness and team attitudes to enable networking and cooperation with other sectors of society, and upgrading capacities to achieve excellence, foresight, initiative, and innovation. The public sector must also be accountable for evaluation, organizational governance, and working with integrity and high moral standards.

The new vision of public sector development during the period 2008 - 2012 is described as follows:

"The Thai public sector system will strive to ensure the well-being of the citizens and to maintain the national interest through high capability on the part of its officials, who will have the capacity to learn and to adjust and respond to change, while at the same time exhibiting strong ethical values and operating under the principle of good governance."

Figure 1 Public Sector Development Framework 1 shows four challenging dimensions to strengthen the capacity of the Thai public sector: adaptability to change; high performance organization; merit-based principles; and participatory governance.



4. Better Governance for Inclusive Growth: Thailand Perspectives

As the process of reinventing the traditional public administrative system into the ‘New Public Management’, firstly, the “Strategic Management Process” is adapted to strengthen the performance of the Thai Public Sector System. Office of the Public Sector Development Commission (OPDC), then introduced the strategic frameworks as guidelines of performance in every dimension of the public service system development. In order to efficiently implement the strategic management, the significant start is to formulate strategy, which is to preset clear objectives and to successfully manage towards the set goals under the given resources and timeframe. Once strategies are formulated, it is necessary to drive those strategies into practice. The strategic management system would not be completed without the process of strategic control. Therefore, monitoring and evaluation process is a key success factor to completing the cycle of strategic management resulting in high performance government organizations.

Next, in order to move the Thai Public Sector towards better governance for inclusive growth, the Office of the Public Development Commission has undertaken a number of initiatives, for example:

4.1 Improvement of Service Quality

OPDC has encouraged and supported government agencies to improve the quality and effectiveness of their services through several means:

- 1) **Delegation of Authority:** In accordance with the Royal Decree on Delegation of Power of 2007, those in positions of authority must abide by laws, regulations, and other legal directives in the delegation of their respective authority to others in order to: better facilitate the interests and needs of the people; enhance effectiveness and efficiency in providing services; ensure the proper delegation of decision making authority and accountability; and reduce time and processes in the exercise of power.
- 2) **Reduction of Time and Work Processes:** In FY 2008, improvement in work processes and reduction of time expended were specified as key performance indicators of all government agencies, which were required to specify their core work processes and to standardize service times for their completion. The Cabinet Resolution of May 19, 2003 specified that time and steps in all work processes were to be reduced by 30-50% by FY 2007. In FY 2008-2009, this performance indicator was continued, with a focus on maintaining service times at the standardized levels. During FY 2003–2008, an average of 66 agencies applied annually for Service Quality Improvement Awards, having improved their procedures, reducing processing time in 1,259 work processes. In 2008, 47 government agencies applied for awards, and received recognition for improvement in 61 work processes.
- 3) **International Recognition:** As the improvement of service quality has become embedded into the culture of Thai government agencies, the number of agencies applying for United Nations Public Service Awards Service has increased. The OPDC facilitated the Government agencies to get the United Nations Public Service Awards. As a result,
 - in 2008, Yasothorn Hospital received the UN Testimonial on Service,



- in 2009 Maharaj Nakorn Chiang Mai, Faculty of Medicine received the 1st Place Winner for Service Delivery.
- in 2011 the Revenue Department received the 1st Place Winner for Advancing Knowledge Management in government and the Department of Irrigation received the 2nd Place Winner for Fostering Participation in Policy-making Decisions through Innovative Mechanisms

4.2 E-services

e-Government services have been made available through the Public Sector Information and Technology Networks System since 2007, to ensure that Thai citizens have more channels and faster access to public services. The Network System connects 247 central government agencies, 35 provinces, and 210 agencies, providing 14 e-services in 18 ministries and 75 provinces.

Services such as e-Citizen, e-Government, and One-Stop Services have been developed from different channels of communication, for example, e-Revenue and e-Customs, etc. This new service mode enables single-point access to services from various government agencies through the Public Sector Service Center (e-citizen.go.th), bringing about easier, faster and cheaper transactions.

In addition, the Government Contact Center, GCC 1111 (www.1111.go.th) was initiated to provide fast, convenient, 24-hour access to information, knowledge, and services, and to facilitate the verification of personal information, including citizen registration, identification cards, military service registration, passports, social security, etc. Citizens are also able to exercise their right to vote in elections, and to report births and deaths from both within and outside Thailand.

www.khonthai.com provides a channel for studying project reports, viewing statistical data and analyses, as well as for reviewing the outcomes of focus group discussions.

There are also several channels through which citizens can file complaints, report matters of concern, and provide information on activities.

4.3 World Bank's Doing Business Measurements

The improvement of service quality in the public sector has brought about greater national competitiveness, as can be seen in the World Bank report comparing the ease of doing business in different countries around the world through the measurement of regulations and their enforcement in supporting the ease of doing business. Thailand's ranking has improved since 2005. In 2010, Thailand ranked 12th out of 183 countries, the highest ranking it has achieved.

Work Teams	Key Agencies
1. Starting a business	Department of Business Development
2. Dealing with construction permits	Bangkok Metropolitan Administration
3. Employing workers	Department of Labour Protection and Welfare
4. Registering property	Department of Land
5. Getting credit	Fiscal Policy Office
6. Protecting Investors	Securities and Exchange Commission
7. Paying taxes	The Revenue Department
8. Trading across borders	Department of Customs
9. Enforcing contracts and closing a business	Office of Judicial Affairs

This improvement may be the result of cooperation in improving services and sharing objectives among 47 public agencies with high quality service standards. OPDC and the Ministry of Commerce served as core agencies in establishing nine work teams to effect improvements to meet World Bank standards and measurements.

4.4 Participatory Governance

OPDC has developed various methods, models, mechanisms, and work processes to promote participatory governance, a concept that allows the civic sector, the general public, and other sectors to participate in administering the country. Since 2008, a number of activities and projects have been implemented:

- Improvement of public service delivery through citizen participation: To ensure that local needs are truly met through a participatory approach in service delivery, this project was piloted in three service units in Pathum Thani Province: the Office of Land Transport; the Office of Employment; and the Social Security Office.
- Strengthening Citizen Networks: This activity, implemented in all four regions of the country, was aimed at building capacities and strengthening people networks in governance, as well as at

improving the network management system. Project objectives also included the provision of understanding and knowledge related to effective coordination with and participation by the public sector that resulted in knowledge-sharing between citizens and public agencies.

- Development of models of participatory governance at the ministerial level: This project focused on developing models that would support inclusive policy making. An essential element was the creation of understanding among ministry officials, the key players in changing policy-making mechanisms and bringing about participatory governance. The study was conducted in cooperation with academic sector; the pilot agencies were the Ministry of Public Health, the Ministry of Social Development and Human Security and the Department of Public Relations. As a result of this study, the health promotion model, the tourist promotion model and the environment friendly model were set up. These models emphasize participatory governance in the public sector.

In addition to the projects described above, OPDC also organized a number of activities promoting citizen participation in governance, among them: the organization of dialogues on the topic, ‘The Next Steps of the Thai Public Sector Development’; knowledge-sharing sessions on Paradigm Shift, Work Process Improvement, and Governing by Networks; a seminar on the Improvement of Public Management Quality; as well as a conference, ‘Public Sector Reform: What Works and What Doesn’t’, held in cooperation with the World Bank.

4.5 Public Sector Development Network

In previous attempts to promote participatory governance, the role of citizens in administrative participation was found to be limited and reactive. OPDC will expedite the process by inviting relevant parties to become involved in the work of the public sector through the creation of networks, both within and outside individual organizations, including those focusing on public sector development; service delivery; collaboration; and information dissemination. Also to be undertaken is capacity building for local community networks, including civic sector networks and citizen networks, to strengthen the community’s ability to solve problems, such as education issues, for example. The creation of knowledge and understanding about public sector development will be strengthened through these networks. The ‘learning by doing’ approach will be emphasized so that these networks will have the potential to enter the process of participation as a partner with the public sector, as well as on the level of monitoring and assessing public sector administration and management.

Moreover, working mechanisms, models and systems will be redesigned so that the civic sector and citizens can participate fully; for example, in providing guidelines for organizing consultation forums between a

public agency and citizens, *etc.* OPDC will also promote the establishment of a citizen advisory board at every level and encourage cooperation among volunteers from the civic sector. Additionally, participation in planning and budgeting will be promoted. Channels of communication and interaction among networks will be increased to ensure lively dialogue and the sharing of knowledge and experience. Activities to be undertaken include: a capacity-building project for public sector development networks targeted at Chief Change Officers (CCOs) and change agents in central and provincial government agencies; a network management development project, comprising networks from each region; and the development of a website, e-newsletters, and conferences as channels for communication among networks.

5. Conclusion:

Even though political changes took place that affected stability, public sector development received continual support from all government agencies, resulting in a strengthened administration with the capacity to serve the public efficiently. The Public Sector Development Commission will bring about a public sector characterized by high performance, strong ethical values, participatory principles, responsiveness to change, and adherence to good governance principles and guidelines. In addition, OPDC promoted various activities in pushing forward Thai public sector development, among them: reporting on achievements in performance implementation in accordance with increasing the quality of service delivery; promoting participatory governance; initiating an organizational governance policy; and strengthening the capacity of government agencies to innovate and engage in continuous self-development.

In addition, OPDC will continue to bring about the Better Governance in the Thai Public Sector. Hopefully, Good Governance and new public management which are implemented in Thailand can be shared throughout the Asian region. However, success depends on political support, including efficient communication will reassure sustainable development as well.

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