Governance Process Innovation for Improved Public Service Delivery

Naimur Rahman
OneWorld Foundation India, New Delhi
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Introduction

Governments have strived for a new governance paradigm that encourages a more embracing notion of "governance", in which a monolithic command-and-control *Weberian State* is being superseded by governance processes that are embedded within society, combining the strengths of public organizations, civil society, and the private sector to co-create value in public service delivery. Government and public sector organisations are working towards building capacities to use their resources effectively and more creatively to help make government be more accountable and responsive to its citizens.

Within this paradigm, synthesis is attempted between traditional values of public service – impartiality, integrity, and respect for public service – with principles of modern management: the promotion of open and responsive forms of administration, improvements of governance efficiency, and management innovations – to unlock public-service value and produce improved social outcomes. And this called for governance innovations and developing new types of skills and leadership on the part of civil servants and public service managers.

Governments can and do innovate – and it can occur at all levels of government, i.e., central, state, district or local levels. They can also be jump started by citizens with the government playing only a facilitating role. In fact, many of the local level governance innovations in India were initiated by civil society and/or citizen's group. But this is not an easy journey. Many public sector organizations make sporadic efforts to encourage innovation, but not necessarily implement the formal changes in organizational structure and culture needed to spark transformational change. Innovation is a process, one that reflects an organization's orientation; without altering the key organisational structures, roles and processes, innovation initiatives at the might remain as an isolated project or special program, or even fail to deliver fundamental change.

The central idea of this working paper is to explore the journey of innovation within public sector organisations and enunciate the key institutional requirements for innovation to take root within organisational structure, system and culture.

Innovation in Government

Generally speaking, innovation is a creative idea or act of conceiving and implementing a new way of achieving a result and/or performing work; and has traditionally been associated with the private sector, since effective innovation equates to organisational and commercial growth - and even emergence of new industry. Increased profit and survival in competitive global economy have been powerful incentive for private enterprises to innovate. In the context of government innovation refers to new products, new policies and programmes, new approaches, processes and methods of delivery that result in significant improvements in efficiency, effectiveness or/and quality of outcomes. Furthermore, innovation in public administration also entails development of new policy designs and new standard operating procedures by public organizations to address public policy problems.

Innovation theory is not a formal and established theory, but an amalgam of various disciplines: economics, management, organisational psychology, cognitive theory and systems theory – dealing with various aspects of innovation. Researchers working within innovation theory argue that innovation is not the result of a linear academic process, but actually takes place in a system consisting of individuals, firms and institutions and within a certain cultural and regulatory framework. An innovation would therefore involve the incorporation of new elements, a new combination of existing elements or a significant change or departure from the traditional approach of doing things.

Most innovations in public sector have started to solve certain problems. Governance process innovation becomes almost inevitable, if the probability of deriving the intended outcome (of the problem) is less than certain. Mitchell & Breen, in their paper "The role of research in informing the governance process of the use of ecosystem resources" (2007) beautifully demonstrated this course of Innovation in the Government context – defined by a process of adaptive management founded on coordination and collaboration.
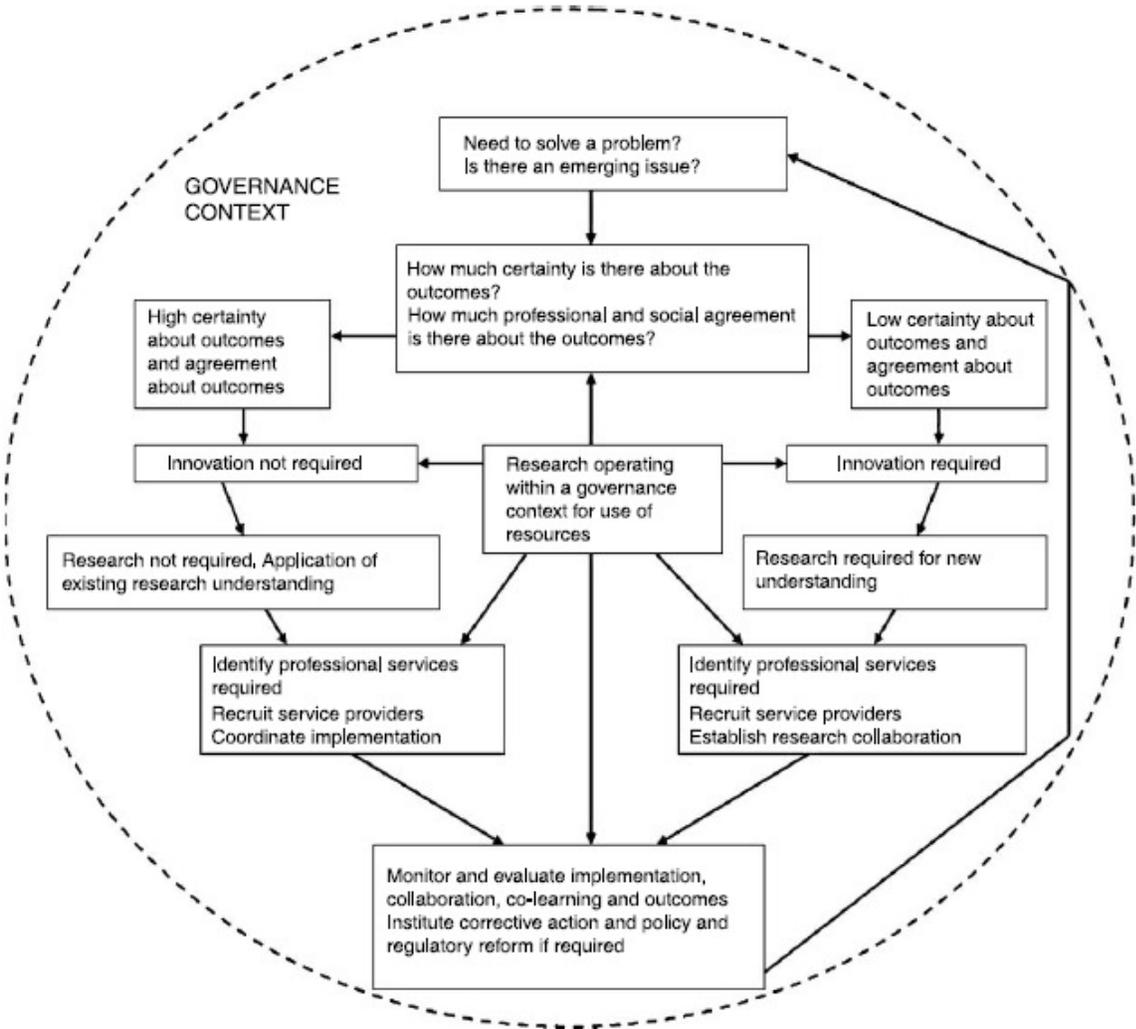
Innovation can be induced from an outside actor or it can be internally driven – and the process barring few exceptions, would involve societal and interactive learning loop, where the organisation makes use of various competences and knowledge within its ecosystem – most importantly the tacit knowledge of the staff – to enrich the innovation outcome.

To create a sustained capacity to innovate, the public service organisation, would therefore have to dismantle bureaucratic structures and to build new systems that encourage fresh thinking; and be willing to draw on all sources of innovative ideas, and committed to strengthen any weak link in the cycle of *innovation journey*, from ideating to refining, apprising, creating model and being taken to scale.
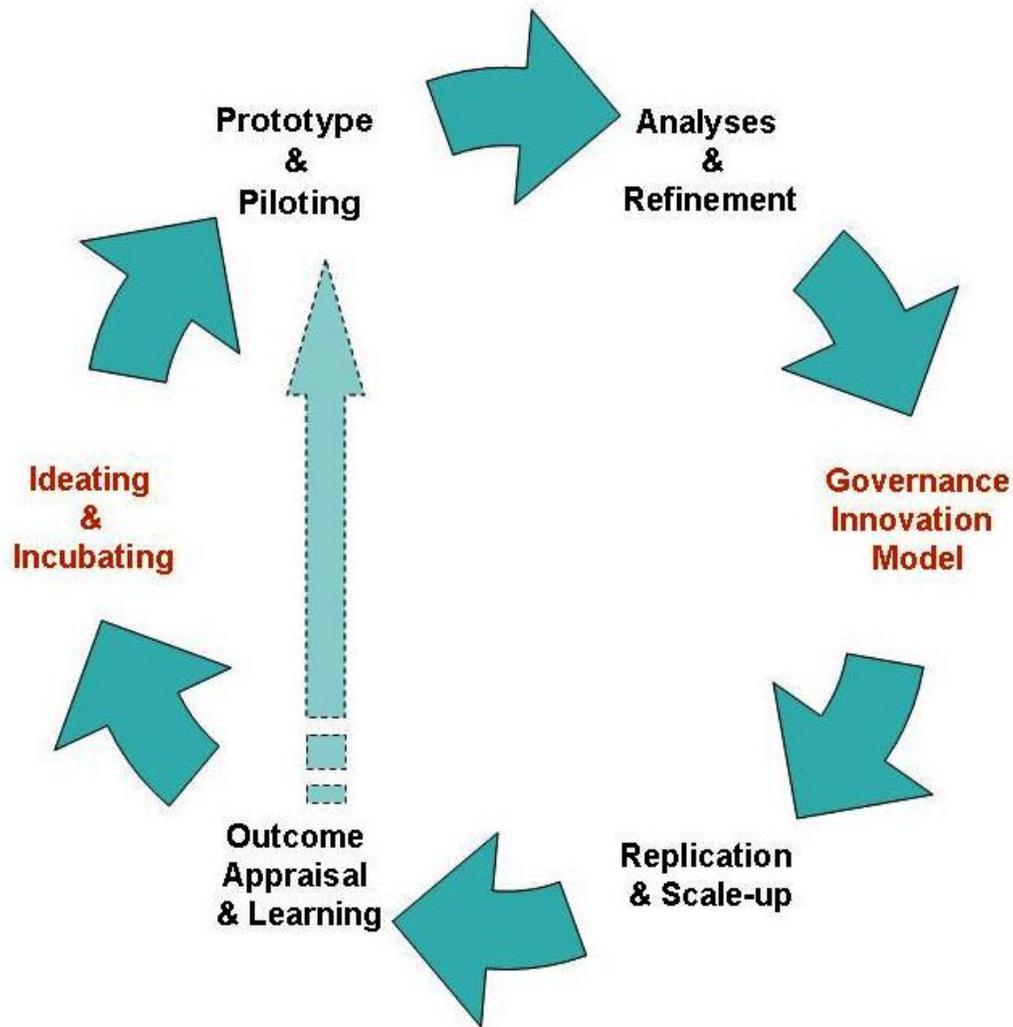
Ideating Governance Innovation happens to be the most important stage of this 6-stage progression of *innovation journey* – and typically starts with finding the outcome of an emerging public administration issue or the need to address / solve a problem.

Once selected, an idea must be appropriately developed, executed and appraised for refinement. The innovation journey also needs effective leadership to learn from the innovation process and make mid-course corrections – to create the *innovation model* that is scalable.

On the basis of the outcome it generates, the innovations within the government and public administration can broadly be grouped into three categories:

(a) *Conceptual innovation*, which focuses on the introduction of new forms of governance (e.g., participatory policymaking, engaged and interactive governance, people's budget reforms)

(b) *Institutional innovations*, which focus on the renewal of established institutions and/or the establishment of new institutions – to address emerging governance need and/or for public service revitalization.

(c) *Process innovation*, which focuses on refining existing public administration procedures and introduction of new management techniques and processes in – to strengthen performance based management capacity in governance and to improve the quality of public service delivery – including use of service-oriented ICT architecture for both front and back office operations.

The ensuing changes in the way government is structured and operates take many forms, ranging from devolution and decentralization, distributed governance, partnership with private and voluntary sector, creation of independent regulatory entities – to horizontal integration across 'silos' and fostering cross-departmental co-operation and co-ordination. While many of us do celebrate these outcomes, they at the most are only intermediate accomplishments; the real outcome of an innovation endeavour could only be achieved in terms of performance-based management in public administration and/or systems and process improvements for public service delivery[1]. Focusing on intended results or outcomes puts the public service organization's mission at the core of defining, measuring and improving performance.

Governance Process Innovation – Examples for India

m-Technology for Good Governance

The Government of Bihar has leveraged m-technology, using the SMS feature of mobiles, to strengthen administrative monitoring in the state. In the past, compiling reports on the range of state-wide development efforts based upon authentic block level data seemed to be an uphill task. SMS Monitoring System has provided a platform to do this in a simple and effective manner.

This process innovation, initiated by Government of Bihar, leverages easy and affordable access to mobile technology to monitor performance of 10 important development schemes on daily

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[1] Creating appropriate indicators and matrices to measure these governance performance and accountability outcome, is in itself, goes a long way to creating public-service value is perhaps one of the most important innovation of all.

basis using a simple SMS facility. An official at block[2] level sends one SMS on daily basis, reporting on a specific scheme - and this is done for all the 10 public-oriented development endeavours viz. the National Rural Employment Guarantee Scheme (NREGS), Indira Awas Yojana (IAY), pension and bicycle/dress distribution, Targeted Public Distribution System (TPDS), Janani ewam Baal Suraksha Yojana (JBSY), and the Integrated Child Development Scheme (ICDS).

The system requires these 10 implementing officers from each of the 534 blocks in the state of Bihar to send an structured SMS from a registered mobile number, between 5pm and 8pm, giving data on selected parameters indicating the day's progress on a specific scheme. The system's foremost advantage lies in its minimal dependency on factors such as infrastructure, electricity and internet connectivity, which makes it functional in even the least developed areas of the state.

Sent messages are directed to a centralized server, where they are processed by employing a simple mix of mobile and internet technologies; and uploaded to an online database accessible to all - thus enabling policy makers, public service managers and the citizen to monitor the progress of public service delivery directly at the programme implementation level. In addition to the generation of automated daily reports (bar charts) with district level disaggregation, the daily performance data is analyzed at the state level and provided to the concerned departments, who in turn take appropriate action based on the analytics findings.

This simple and easy to use process innovation has triggered a paradigm shift towards *daily* accountability, which in medium term enhances credibility and performance of public service delivery.

<u>Panchayat Level ICT Ecosystem for Improved MGNREGS delivery</u>

This collaboratively innovation of Ministry of Rural Development (GoI), UNDP and OneWorld, attempted to build a strong and transparent accountability mechanism that enables the poor to demand their rights based entitlement to employment as enshrined in NREGA[3]. The implicit

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[2] Block is the sub-district level administrative structure in India, headed by a Block Development Officer (BDO). It typically comprises of a cluster of Gram Panchayats – the lowest level of institutional.

[3] The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) aims at enhancing the livelihood security of people in rural areas by guaranteeing hundred days of wage-employment in a financial year to a rural

belief is that stakeholders' access to key information would enable the rural poor to demand their rights-based entitlements the Act, and would lead to better attainment of the objectives of the Act.

Central to the innovation process was establishment of *Soochna Seva Kendra (Info kiosk)* as the institutional ICT infrastructure at the lowest level of governance delivery. These comprised of audio-enabled touch-screen computer with biometric access; and OneWorld has designed and created innovative applications and procedures to ensure,

- timely and easy information access to workers; reducing their dependency on others,

- creation of an end-to-end system that enhances the transparency and accountability in the scheme.

The model includes biometric registration of the workers; information access of the workers; online job demand through info kiosk, online job allocation and generation of e-muster roll, and monitoring the progress using remote dashboard. In an evolutionary implementation, stakeholders determined onsite attendance monitoring, mobile job card services, kiosk-enabled work demand and allocation, e-measurement and generating payment advice to the Bank as critical transactional elements of the ICT chain.

The complete end-to-end solution has been further been extended through a start of art, multi-functional, portable hand held device that includes a biometric and smart card reader for authentication; GPS system to provide details for location specific attendance; camera for registration and to provide images of the worksite; thermal printer to print dated receipts.

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household whose adult members volunteer to do unskilled manual work. For more details please visit http://nrega.nic.in/Nrega_guidelinesEng.pdf

Rolling out the end-to-end solution in the hand held device has been a success, as the workers would get to access to the machine at worksite through the field worker – where they could demand for job and also the device would house the end-to-end system that will increase the transparency about the scheme among the workers. The innovation experience of last one year in deploying biometric based end-to-end ICT platform at Panchayat Level has offered significant learning opportunities to ensure delivery of legal entitlements to citizen.

However, the objective of end-to-end system for improving the delivery process would be will be complete when the Panchayat level information-base related to MGNREGA worker is integrated with information system of the bank – enabling access of transaction related information of the worker's account in the bank – with singular biometric authentication at the Info-Kiosk[4].

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[4] Work in this direction in presently being proposed

Bhoomi: Management of Land Records in Karnataka

Bhoomi was initiated in Karnataka, with the objective of re-engineering an age-old process of maintenance of Land Records. Like any other agro-based societies, Land records in India are instruments of social justice, cohesion and are critical to rural economy. An efficient Land records management system was vital to manage land taxes, revenues, reforms, and administration and would reduce legal disputes, promote resolution, provide accurate crop and insurance data, and support good land market.

The old manual system of management of land records was cumbersome and imposed burdens, hindered collection and analysis of data. The Records were kept in a decentralised manner with no reporting system and were not subject to public scrutiny. Over time, inaccuracies crept into the system through improper management and deliberate manipulation by Village Accountants. Also, Land record updates in manual system were neither regular nor accurate - resulting errors nor delays with regard to Land record data.

Farmers were required to seek the jurisdictional village accountant to obtain the RTC document (record of Rights, Tenancy, and Crops), which is essential for crop loan from bank and other agriculture needs; and often suffered from discretionary treatment – even harassment and extortion. Requests to change of ownership of land (mutation) had to be filed with them, who had the power to oblige or ignore them. There were no service level benchmarks or time limit for delivering the services, which ranged from 3 to 300 days. Delays and document manipulation often resulted in difficulty for farmers in securing updated RTC which is required to secure loans from banks, or to solve land tenure cases in litigation.

Bhoomi was initiated with the task of computerising these 20 million plus manually managed land records, in respect of 6.7 million farmers with an average 0.6 hectare holding. There was a huge task of data conversion to digital format, and also to keep it updated as on a particular day. Over 20,000 person-months were invested to transform handwritten manual land records into digital data. Over 10,000 officials were involved in data preparation and validation processes, which was critical for the success of the project. This was done through rounds of record verification procedure, and the officials duly attested every record they verified with their signature and along with the name. And at the end, more than 6 million farmers were given copies of digital land records. Manually maintained system was invalidated through a Government order and use of only computerized records available from Bhoomi system were mandated from a particular point of time.

A network of Bhoomi record access points was set up in 177 talu[5]ka locations, serving farmers of 30,662 villages in the State. Today Karnataka's farmers can obtain computerised records at the click of a button or through touch-screen – and in a fraction of the previous time and cost. Access to and authentication of data is provided through security features like, pass word and biometric systems. Some of the data management processes' which are outside Bhoomi, but may indirectly affect the land records data are linked to the Bhoomi. The information on the Registration of Land Transaction is now linked to facilitate online updating in Bhoomi.

Bhoomi has now been embraced by over 6 million farmers. Obtaining Land records that had demanded a high *direct* & opportunity cost, for its opaqueness and took weeks or longer, could now be obtained in less than 10 minutes for a transparent fee of just Rs.15, which is far less than the cost a farmer had to bear in the past. The nominal fee of Rs.15 has made the programme highly sustainable. As on today, Bhoomi has a surplus of corpus which has helped which has helped it not only to sustain itself but also to make further improvements to programme.

The benefits flowing out of the project are much more than what was anticipated. Apart from achieving the Transparency, accountability, and authenticity of data, there are other intangible benefits such as arresting further distortion in data by creating secured environment, and creating equitable service to all on first come first served basis.

Banking systems and Judiciary have greatly benefited by easy and quick access to the land records. To a large extent Bhoomi arrested bogus transactions in land, protecting the interests of land owners - including government. Bhoomi, and today it stands as a model of accountability, transparency and efficiency and stability in the management land information services - and this could be achieved through innovative deployment of ICT and minor adjustment of government processes.

Governance Innovation for Social Justice

Governments in India, both at Central and State level, face the unique responsibility of ensuring equitable and inclusive development for all and the realization of the MDGs in a sustainable fashion. The design and implementation of strategies for inclusive development demands that governments examine new ways to reducing poverty and improving the quality of lives of the poor and marginalized groups, including women - and mitigating the inherent *structural*

injustice of a social order that perpetuates unequal control over both economic and political resources within the society. Efficient and accountable pubic administration and participatory and transparent governance processes are the key prerogatives to correct these *structural injustices* and build our societies free of poverty and want.

Also, against the backdrop of the discernible shift towards privatisation and *outsourcing* of public service delivery - and increased pressure to economise government expenditure, there is a real danger that the interests of the poor and underprivileged will not be adequately protected without affirmative public policies and governance arrangements. The role of the State as the guarantor of social justice and the rights of the poor and underprivileged assumes a particularly important role in this context.

Performing this role will not only require greater attention by governments to the social agenda, but also the *deepening of democracy* through innovation of governance processes - for example active engagement of civil society activists in deliberation and policy-making processes. The pro-poor public policy and programmes of recent past (e.g. NREGA, RTE, Food Security bill et. al.) - including the accountability to stakeholders through provision of scrutiny/audit of public sector management by citizen and empowered civil society - Cleary demonstrates the value of these process innovations in governance.

Innovation to unleash value of Public Service

Experiences demonstrate that that introducing innovations in governance has a number of positive results. First, it can help maximize the utilisation of resources and capacities to create public value as well as encourage a more open/participatory culture in government.

Even if, innovations are limited governance interventions or micro-level initiatives, they can produce a domino effect in that a successful innovation in one sector can open the door to innovations in other areas. Innovations can also present an inspirational capacity which builds a sense of the possible among public officials and encourage a culture of continuous improvement. Thus, although an innovation *per se* is a small process, it can trigger a bigger process of transformation of the State.

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[5] Talukas are also sub-district level administrative units, and mostly co-terminus with the Blocks.

Concluding Remarks

Improving public service significantly to create public value in an environment of constant change has become ongoing endeavours of the governments and public services organisations. Within this context, enhancing the innovation capacity of public service institutions to spot gaps in service provision or modes of delivery is essential for public service innovation. This must be combined with an ability to act, that is, transform these ideas into successful action – through appropriate programmatic intervention and/or legal framework that empowers actors to be creative in implementing a policy. Government will best unlock public service value when innovation outcome are mapped against intended social results, and governance performance is measured in terms of these outcomes

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