Chapter 2

PROCESS REFORMS AND e-GOVERNANCE

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Abstract

"Governance" is about delivery of services: be it corporate or public governance; governance of urban or rural services, governance of public services, education, health, or shelter, or for that matter the conduct of Common Wealth Games or sale (or allotment) of land and permitting construction of 31 floors to Adarsh Housing Society in Mumbai. It would be good governance if it respects the rule of law, is 'customer-centric' and 'citizen-friendly'. Need for 'good governance' for country's sustainable development and reputation have to be adequately addressed. There is a compelling need for the government to put its acts together and get closer to the citizen. While quality of service is a prerequisite for good governance, innovation and speed would add value. There is no time for experimentation, no room for maneuvering and certainly, no future in tinkering with weak systems and bad processes. Nothing short of a total overhaul will do if governance is to succeed in a difficult environment. There is a need to draw up a clear strategy to redesign the governmental processes and to recognize and select good technology solutions to give good governance. While information technology is an essential enabler for the reengineering initiative, it is not an end in itself. E-governance is good governance and it would offer an altogether new vision for governance, an opportunity to obliterate outmoded processes and systems that have now turned into anachronism. However, enabling the age-old, obsolete, and archaic processes of governance with information technology would result into increasing the *'efficiency'* of ineffectiveness.

Need for Process Reform

There is a need to understand as to why the Indian State is malfunctioning. We need to find out the root causes of unsatisfactory performance and remove them to improve significantly the governance capability of the governments at the central, state, and local levels. Can we infuse professional management of government bodies and participation of key stakeholders in the decision process? Could we ensure clearly defined accountability for performance and transparency in functioning of all concerned? The

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focus has to be on rapid and sustainable reforms in the *process of governance* to deliver the requisite quality of citizen-friendly services for better quality of life for the citizens.

Hoping that the 21st century will be India's century that the world would look up to, the big question to realize this dream is about its own preparedness for enabling this major breakthrough: **ensuring quality of governance!** The only answer, to my mind, is to act now and to act fast to raise the quality of governance which is an imperative for survival and growth. The answer does not lie in conducting never-ending enquiries and litigations (by governmental agencies, courts, or the media) after an event and, in some cases, fixing responsibility for misdeeds, determining scapegoats, and tinkering with procedures here and there. The **answer**, perhaps, lies in ***pre-defining*** **the operating autonomy along with 'ownership, responsibility, and accountability' of the concerned stakeholders for the "processes"** leading to the delivery of requisite services. The internal and external recipients (beneficiaries, customers, or citizens) of services need to be pre-defined. **The focus must necessarily be on the "processes" and their "outcomes"** (not only on outputs). **We need to make an honest attempt to carry out 'process reforms' at all levels if our intended** (not only stated) **objective is to give good governance to the society.** The emphasis will have to shift from 'supply driven' processes to 'demand driven' processes and input and procedure oriented work-culture to output and outcome focused service delivery.

The Bottlenecks

The process reform in governance has to be an effort to ameliorate the way we work and remodel the cumbersome and inefficient procedures that adversely affect the quality of governance. Somehow, government departments, under pressure to introduce e-Governance and improve their performance to show results, buy and install latest information technology gadgets and 'computerize' the existing tasks unmindful of the consequences of improving the 'efficiency' of the redundant, unproductive, and obsolete steps in the process.

Governance is caught in the cobweb of rules and regulations and cumbersome procedures with too many steps and too many persons dealing with them, making it almost impossible to arrive at any decision. The processes of governance and procedure of work are 'official-centered' and not 'citizen-centric'. There is no participation of citizens in the process of governance. Culture of commitment to quality, excellence, and continuous improvement in governmental working is missing.

Process-centric Governance

Time and again, there have been attempts to carry out administrative reforms with a view to improving the performance of public organizations: government departments, local and urban bodies, financial institutions, public sector undertakings, and rural institutions. Most of these attempts begin with the intention of improving productivity, reducing costs, and enhancing the quality of service. Governmental organizations carry out various studies, buy and install latest technological devices and computerize their operations. At

times, the buzz word is 'e-Governance' for which funds are aplenty. Have these efforts solved the problems of governance? Have they reduced the mounting grievances that citizens legitimately hold against government's unsatisfactory performance?

The persistence of performance problems in governance in the face of intense efforts to resolve them is driving the administrators and the politicians to distraction. **The reason, to my mind, for not reaching where we intend to is that we are trying to find solutions to bottlenecks in 'tasks or activities' and not the "processes" of governance. While a task is a component or unit of work performed by a person, a process, in contrast, is a related group of tasks or activities that together create a result or a 'service' of value to the citizen.** To illustrate, a citizen's need-fulfillment of getting a passport (a ration card, a driving license, a PF loan, a railway ticket, or registering a private limited company) is a process that produces and delivers value to the customer. The process is comprised of great many tasks: filling of forms, providing of documents, entering data into computer, police verification, etc. **None of these tasks, by itself, creates value for the citizen; all these (and many more) activities put together create value for him.**

 The problems of governance are not 'task' problems. **They are 'process' problems. The reason for under-performance of officials in the government is not their inefficiency in doing their work or performing their task, but** *some of the tasks they are performing need not be done at all to achieve the desired result or service.* Individuals performing these tasks may not understand as to how individual tasks combine together to create a service; they may not have the information and the perspective needed to explain to the customer the status of the process leading to the service that he awaits.

The processes are central to governance: and if we want to improve the quality of governance, we need to focus on 'process reforms'; e-Governance, without process reengineering may not lead to good governance.

Identification of Processes

The first critical step in process-focus is identification of the process itself. Since processes cut across existing organizational boundaries, it is difficult to identify them clearly in the first go. A conscious effort needs to be made to avoid relabeling the existing functions or tasks as processes. Everyone in the organization, from the highest to the lowest functionary, has to be aware of these processes and be clear about the inputs and outputs thereof. He needs to realize that he does not merely do his own work of, say, data-entry or of reading the electricity meter of a consumer; he should take pride in working in the sub-process and that he contributes to the overall effort of service-delivery.

If the organization is serious about its processes, it must know how well the processes are performing. For this it needs to specify the indicators of process performance and yardsticks against which these can be measured: time-schedules, accuracy, cost, etc. The

last step leading to process-centering is process management through team-effort. It may be emphasized that team is not merely a group of people who work together, or like each other, or scratch each other's back: it is a group of people who have a common objective of providing good governance through citizen-centric service delivery.

Components of a Process

With focus on processes, we can classify all work activities in an organization into three types:

- **Core activities** or value-adding work which directly contributes to service-delivery to the customer for which he pays;
- **Support activities** or non-value-adding work which does not directly create any value for the customer but is required to be done 'internally' to ensure that the service is delivered;
- **Redundant activities** or wasted effort for work that neither adds nor enables delivery of the requisite service.

It is fairly easy to identify the core activities in a process: activities that directly create value for the customer, for example, making of a passport and delivering it; examining a patient and giving a prescription. Core activities can rarely be eliminated from a process, although these can be reformed.

Redundant activities need to be eliminated forthwith. These would include: generating reports that nobody would ever read, irrelevant checking or inspection, etc.

While the first and the last categories are easy to identify and manage, it is the second group of activities – support activities – that are difficult to understand and change. Support activities connect the core activities to ensure that the service is delivered but they also represent all the administrative overhead in process of governance. It includes activities like: controlling, monitoring, supervising, checking and advising, and reporting and reviewing. It is work in this group that is required to be done to make a process function. However, activities in this group represent the most significant causes of delay, inaccuracies, inefficiency, and inflexibility, thereby adding cost and complexity to the process. It is difficult to understand and change activities in this group.

In the context of governmental working, support activities have expanded to the point where they often dominate and far exceed the core activities in the entire process. It is this group of activities that has prompted large government organizations like the Railways, EPFO (Employees Provident Fund Organization) and the ESIC (Employees State Insurance Corporation), etc to undertake major process reforms under the umbrella of BPR.

Role of Individuals in Process-centric Organizations

In a process-centric setup, the job-profile of individuals may undergo significant changes. The officials working in the department would have to transform themselves into 'professionals' and directly create value for the customer. Since the consequences of redesigning processes to reduce support components of work would be enormous, the jobs of officials would become bigger and more complex. The entire work shall have to be reorganized to encompass a larger number of core processes, expanding their scope and breadth and focus on their outcome. Thus, the job for every individual worker will be bigger, complex, and challenging, covering a range of activities and demanding the job incumbent clearly understand governance objectives, customer needs, and process structure. **While he would have operating autonomy and authority to make decisions, he would have to own responsibility for results and be accountable for his decisions.**

While the officials at the operating level in a process-centered organization would be professionals, what would be the role of administrators/managers in this setup? In a traditional setup, an administrator would 'manage' his department and ensure that the work was properly performed. In the new process-centered setup, the Administrator would have a new role, that of the '**process owner**'. He would not only assure the performance of his department but would be **responsible for successful realization of a complete end-to-end process resulting into the requisite service delivery.** While all the officials performing a process will have some ownership of it and share responsibility for its successful outcome, the responsibility shall be more precisely located at the *owner* of the process who is the process leader. **This is where the buck shall stop.**

The Process of Change

The philosophy of process reform implies change. Change, not for the sake of change itself, but, essentially for providing good governance. Responding to change requires the right mechanism and processes. It does not happen automatically.

The giant government setup, both at the political and the administrative levels, may not introduce any major changes until they come perilously near the brink. Governmental organizations in the Country, designed on the model of colonial setup, are built with far more emphasis on ensuring continuity and maintaining status quo than on enabling basic change. Marginal changes are possible and have been carried out here and there in administrative procedures.

Change threatens the status quo resulting into internal political activity. Senior people who have spent their entire careers in the organization are often major impediments to change – it is a threat to their status and position. Since they have to implement change, to prove that they were right they may sabotage the change implementation.

The process redesign may change the role of individuals in the changed environment and it may be necessary to upgrade the capabilities of individuals through new training programmes. There may be a need to restructure some of the organizational units and to

relocate some involving similar processes to integrate some of the tasks. It may be necessary to remove/merge some of the layers at some levels in the organization.

The new processes must relieve its professional and technical staff from the drudgery and deploy them for creative and professionally satisfying work. The routine work involving sifting of details from the heaps of paper, calculations, unnecessary writing and rewriting, etc. may be relegated to the computer and other gadgets that the organization may deploy meaningfully.

Conclusion

The resources of the government are no longer unlimited and government performance no longer can be a hit or miss proposition. Citizens' concern about inadequate and inefficient services at unbearable costs is transforming into anger and frustration. This concern, in respect of both, development processes and ongoing services must be addressed urgently. The need is to provide 'good governance' with dwindling resources. Government must find a new way to work – it must reengineer for results, it must redesign its processes. It has to take a very hard step of examining its mission and how, on a day-to-day basis, it can deliver on that mission from the perspective of the citizens. It has to fundamentally reform the processes of doing its business so that it is responsive and accountable to the citizens who are the key stakeholders of the developmental process. It has to be transformed into e-Governance in its real sense. It has to create "super counters" available online and eliminate the endless maze citizens have to negotiate in going from door to door, floor to floor, to obtain services. Time for services has to be cut from months and weeks to days and hours. It has to change its structure, service delivery, and technology base to strengthen quality through vital performance measure. There has to be a culture committed to quality, excellence, and continuous improvement in governmental working.