

Civil Service Reforms

by

M.Satish, Knowledge Manager (Human Development)
Centre for Good Governance, Hyderabad.

Civil Service is essential for the functioning of government. The civil service has long been regarded as the 'steel frame' of administration in India right from colonial days. The colonial legacy of civil service is still continuing in this fast changing era of globalization. It is in this context that civil service reform forms a quintessential part for good governance. This paper delineates the importance of civil service right from ancient period to the modern and presents the problems affecting civil services, the reforms that are needed as suggested by various Committees and the reorientation that is needed for the civil service for effective service delivery.

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Civil service refers to the body of government officials who are employed in civil occupations that are neither political nor judicial. The concept of civil service was prevalent in India from ancient times. The Mauryan administration employed civil servants in the name of *adhyakshas* and *rajukas*. The examination for civil servants in those days too was very stringent as quoted by Kautilya's Arthashastra. The expanse of the territory and the need to hold it intact made it imperative for the Mauryan administration to recruit civil servants based on merit. The concept of civil service again came into prominence when British in search of creating a framework to hold the territories of India, created the much coveted 'Indian Civil Services' or the ICS.

Many changes took place in Indian Civil services since Lord Cornwallis introduced it in India. The Indian Civil services were created to foster the idea of unity in diversity. The civil service was expected to give continuity and change to the administration no matter the political scenario and turmoil effecting the country. Indian civil service has also played the part of giving this continuous support to the nation. But what is appalling and needs a serious consideration is the element of '*change*'. It can be said that the civil service as a whole has maintained its status quo instead of sweeping changes in social and economic scenario. Some may argue that it is the resilience of the civil service, but it is an obvious fact out in the street that the Indian civil service was not able to deliver service based upon the expectations of the people or the founding fathers of the Constitution.

The present paper deals about the problems effecting Indian civil service and the reform that is needed to make it vibrant and deliver according to the expectations. The civil service is an integral part of administration and the structures of administration too determine the way the civil service functions.

Civil Service Reform is a deliberate change effort by government to improve its capacity to effectively and efficiently execute policies. Reforms in the Civil Service have occurred ever since the Chinese invented bureaucracy – they are a continuous process with no general starting point, and equally no end.

The Indian bureaucracy, with its national character, has been a strong binding force to a Union of States. The institution of civil service has rendered yeoman service to the overall socio-economic development of the country. It has been at the forefront of development process right from the 'commanding heights regime' to the 'liberalization and de-regulation era'. It has not only played a pivotal role in designing and activating policies but also ensured basic service delivery at the cutting edge of government-citizen interface.

The importance of the Civil Service to governance stems from the following:

- Service presence throughout the country and its strong binding character
- Administrative and managerial capacity of the services
- Effective policy-making and regulation
- Effective coordination between institutions of governance
- Leadership at different levels of administration.
- Service delivery at the cutting edge level
- Provide 'continuity and change' to the administration.

In recent times, there has been accelerated change globally brought about by technological advances, greater decentralization and social activism. The ramifications of these changes are being felt by government in the form of increasing expectations for better governance through effective service delivery, transparency, accountability and rule of law. The civil service, as the primary arm of government, must keep pace with the changing times in order to meet the aspirations of the people. The purpose of 'reform' is to reorient the Civil Services into a dynamic, efficient and accountable apparatus for public service delivery built on the ethos and values of integrity, impartiality and neutrality. The reform is to raise the quality of public services delivered to the citizens and enhance the capacity to carry out core government functions, thereby, leading to sustainable development.

Prior to the developing the contents of Civil Service Reform, there is a need for an open, objective stock taking of the current situation.

India's massive bureaucracy is maintained at huge cost by the country's taxpayer whose average income is among the lowest in the world. But the public perception about the members of the civil services, who function at cutting edge and higher coordinating and policy making levels, is that they are 'burdensome low-performers' heading a highly bloated bureaucracy, which is, often, perceived to be corrupt and inefficient in governing the country.

The ailments afflicting Indian civil services are:

- Lack of professionalism and poor capacity building
- Inefficient incentive systems that do not appreciate upright and outstanding civil servants but reward the corrupt and the incompetent
- Outmoded rules and procedures that restrict the civil servant from performing effectively
- Systemic inconsistencies in promotion and empanelment
- Lack of adequate transparency and accountability procedures - there is also no safety for whistle blowers
- Arbitrary and whimsical transfers – insecurity in tenures impedes institutionalization
- Political interference and administrative acquiescence
- A gradual erosion in values and ethics

- Patrimonialism¹ (World Bank, 1994)

It is well recognized that Civil Service Reform is not only necessary but also inevitable. It has as much value in governance as in socio-economic development.

Civil Service Reforms and Good Governance

A well-functioning civil service helps to foster good policymaking, effective service delivery, accountability and responsibility in utilizing public resources which are the characteristics of good governance. "Good Governance" is being used as an all-inclusive framework not only for administrative and civil service reform, but as a link between Civil Service Reform and an all-embracing framework for making policy decisions effective within viable systems of accountability and citizen participation. Administrative reform focuses on rationalizing structures of government. Governance reform tends to refer to the improvement of legal and policy frameworks to create proper decision making environment; participatory systems for elements of civil society to become actively involved in policy and programme formulation and their implementation; and an effective and transparent system and process for control and accountability in government activities. Civil Services reform cannot be seen in isolation and it has to be undertaken along with administrative reforms for effective results.

Although comprehensive reform that involves governance, the civil service, and civil society is ideal, it requires sustained commitment from political and administrative leaders. It is also too complex to implement all at once. Few countries have undertaken comprehensive reforms and there are mixed results. The challenge lies in finding and linkages among the governance, civil service and civil society components, determining which require priority attention.

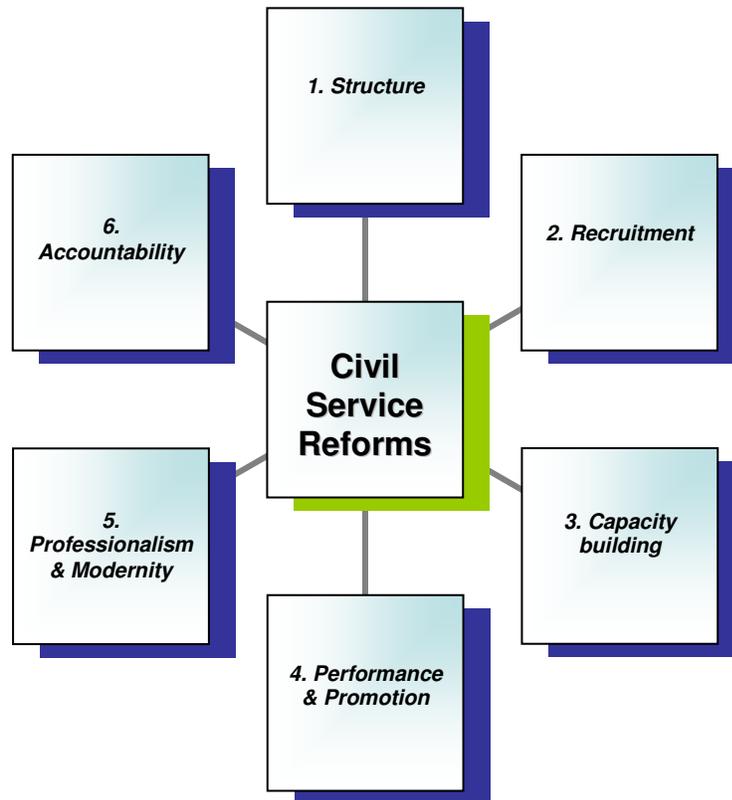
Civil Service Reforms and Socio-Economic Development

Civil Service Reform aims at strengthening administrative capacity to perform core government functions. These reforms raise the quality of services to the citizens that are essential to the promotion of sustainable economic and social development. CSR can contribute to macroeconomic stabilization by restoring budgetary stability, strengthening revenue collection, managing aid effectively, and improving development performance through proper implementation of investment frameworks and the management of public expenditure plans and programmes. The reform can contribute to the design and implementation of an equitable programme of social development. Enhancing the capacity of civil servants and improving their morale are critical to all these functions.

Components of Civil Service Reform

Reforms must take into account the role of the Civil Service in the governance needs of the day and the expectations generated from it. The main components of Civil Service Reform should pertain to the following:

¹ Patrimonialism= monopoly of power + discretion – accountability - transparency



1. Size and Structure of Government

Since independence, the government has increased the number of their ministries, departments and officials; in some cases even doubling them. In part, this growth has been stimulated by political considerations; it accommodated more and more intra-party groups by offering more ministerial positions. It also created posts for senior civil servants, along with other jobs at other levels that enlarged the patronage capabilities of a number of political and bureaucratic leaders.

However, this expansion has not been offset by a concomitant shedding of lower priority responsibilities or other attempts to eliminate redundancy. Apart from its budgetary aspect, this kind of expansion has stretched implementation capacity, and compounded coordination problems. Civil servants are spending more and more time in maintaining and/or clarifying their jurisdictional rights and boundaries, clearing their decisions through increasingly complex internal processes, and coordinating their activities through an increasing number of agencies.

In addition, it has created vested interest groups at all levels that have blocked efforts at reform and rationalization. Once a ministry, department, division and unit have been created, it is difficult to abolish, even though its function may well have been transferred or may no longer exist. Similarly, it is difficult to dismiss a government employee who has tenure guarantees.

Although these kinds of expansion have serious impacts on the performance of civil servants, they are difficult to compare systematically in either fiscal terms or in terms of quality of service. Although the cost of running the government as a percentage of Gross Domestic Product is roughly the same in many countries, taxpayers receive vastly different values in return.

Rightsizing civil services

This issue of civil service efficiency vis-à-vis size is critical. Although world wide reduction in size of civil services is often under budgetary pressures and/or threats from donors and lenders, fundamental questions such as the number of ministries and internal cohesion and the integration of functions within each ministry are not looked into. Although limited guidelines exist on the appropriate size and structure of a ministerial administration, it is possible to make some tentative recommendations. The number of ministries should be kept low. Even if political considerations warrant the appointment of new ministers, these should be kept as ministers with a major portfolio within an existing ministry. The critical point is to retain the viability and integrity of a ministry by keeping all the closely related activities in the context of a government's priorities within one administrative structure. This enables ministry officials to carry out their responsibilities efficiently and to be held accountable for their performance. The administrative reforms must look into the role clarification, core governance issues so that optimum number of functionaries are available for effective service delivery without any spillage or leakage.

2. Recruitment

Civil service recruitment and promotion hinge on several factors such as patronage versus merit; the relative importance of ethnic, religious, regional and gender preferences. Even where countries adopt a merit-based system, various practices militate in favour of these biases. An explicit political dimension becomes pronounced not only at the highest levels of policy and programme formulation, but also at the lowest levels of regulatory and control activities.

Such political pressures are most pronounced in countries with diverse ethnic, religious, and cultural groups. These stresses on recruitment and promotion become severe where economic growth has not opened up job opportunities for the employable, either educated or unskilled and the government becomes the employer of last resort. However, where economies expand, public employment tends to shed bias restrictions and even to use private sector practices to bring qualified people into the civil service.

The recruitment examination for Indian Civil Services is of course one of the rigorous examination across the world. The changing trends in the society as well as the economy makes it imperative to stress more on technological knowledge and in areas such as human rights. There is also very little stress on testing managerial skills in the examination.

The changes in our economy also create a need for specialists at various jobs. With rapidly advancing technology and high degrees of specialisation in every field, the country can no longer afford to put generalists in positions requiring specialised skills. The entry and exit of civil servants from public service to private sector and vice versa, will make the civil services jobs more attractive, thus making it a new economy job. This may create the risk of competition feeding into the civil services even more insidiously than it already has. But that will at least help enforce accountability and be beneficial in the long run.

In the decades since independence, Indian scholars and officials have produced an extensive and lively debate about ways in which civil service productivity can be increased and staff accountability and responsiveness enhanced. The thrust is as much about enhancing merit-based systems to raise the productivity and motivation of existing employees as on streamlining and rationalizing the structure of the civil service.

There are differing opinions regarding the extent to which the civil service will benefit from the entry of outsiders. On the positive side, many maintain that lateral recruitment practices will help to bring fresh ideas and skills into government, and that it will also provide incentives for current civil servants to perform better or risk being passed over for the prime postings. Yet a number of factors have to be balanced against these advantages. The response of the organized sector to the deputation of its senior management and professionals to central and state governments is not clear. Karnataka's Administrative Reforms Commission cautioned about the need to ensure that the skills which lateral entrants are expected to bring in were not otherwise available within the civil service, which is needed to avoid the risk that the selection process becomes ad hoc and ends up demoralizing existing personnel. The other touchy issues are the offer of market-related salaries and the process of selection. It is necessary to lay down an open and uniformly enforced process of eligibility criteria, selection and assessment to avoid charges of arbitrary and politically biased appointments. Governments also have to contend with union opposition to the offer of market remuneration to outside recruits for performing what the unions perceive as essentially departmental functions.

A final dimension relates to the mobility of senior civil servants across public and private sectors to gain exposure by working for short or long periods with the private and voluntary sector. Beyond provisions for deputation to state enterprises and external aid agencies, there are provisions in the rules of AIS and a number of state services to permit the deputation of senior officials to work in private sector or NGOs.

The challenges confronting expanded use of lateral recruitment are important, but not decisive. The issue must be addressed carefully in a phased and systematic manner, which will allow governments to take full advantage of the benefits in terms of improved skills and motivation while mitigating against some of the costs in terms of political favoritism and demoralization.

3. Capacity Building & Human Resources Development

The training offered for civil service recruits is one of the most comprehensive training systems. The gaps where the training facilities are not in tune with the new trends have to be identified from time to time, so that training can be provided right at the induction level.

The urgency for reforms in civil services is dictated as much by the imperatives of global developments as by the forces of new technology and communication which are shrinking distance and commerce, rendering conventional approaches and practices of administration obsolete and dysfunctional. Towards this end, a number of measures have to be taken for simplification of rules and procedures, delegation of enhanced powers, better enforcement and accountability and speedy redress of public grievances.

Reforming and Restructuring Human Resource Management

Building a motivated and capable civil service requires merit-based and non-discriminatory recruitment, which rests on the absence of political patronage, transparent rules and procedures, open competition and selection by an independent agency. Subsequently, important elements in meritocracy and the motivation of employees are the opportunities for promotion, recognition and reward for performance, inter-sector mobility, placement in right jobs and the scope for skill upgrading and self-improvement. It is equally important to address demotivating factors like frequent and arbitrary transfers, a poor work environment, decrepit housing and health facilities, as well as special factors affecting women in office and field jobs.

Strengthening Meritocracy in Promotion

In the final assessment, promotion—with its higher emoluments and enhanced status—remains a key element of motivation. There are differing approaches to the use of seniority and merit as criteria for promotion in countries following a similar hierarchical, “mandarin” structure of civil service management. Singapore consistently promotes people entirely according to merit and it is common to see younger officers supersede more senior, but less competent, officers. Malaysia follows a system of promotion and annual salary progression based upon a new performance appraisal and remuneration system.

A statutory body Civil Services Board (CSB) can be created to look into issues such as transfers and promotion of Civil servants² (NCRWC, 6.7.1). This will help in reducing political pressures on the careers of civil servants. As there should be cohesion between the political masters and the civil servant for ensuring good governance, the civil service board can be used to delink civil service performance issues from politics. A clear demarcation line can be drawn between the two with the establishment of such boards.

² National Commission for the Review and Working of Constitution (NCRWC), 2002.

4. Performance & Promotion

Reforming the Annual Confidential Report Process

Because of its impact on salary, career prospects and decisions on premature retirement, the framework for performance appraisal has important consequences for the motivation of employees. The Annual Confidential Report process is also meant to be used in training and human resource development, confirmation, and crossing efficiency bars.

The question of how employee performance should be systematically evaluated in a fair and reliable fashion, without generating unnecessary conflict, is a complicated one. Although supervisors have the right to provide continuous feedback and guidance to employees, Annual Confidential Reports (or ACRs) are the principal means of periodic formal appraisal. However, the non-transparent, subjective and unilateral character of ACRs in all states has reduced its utility for public agencies and alienated employees. In most states, the formats are uniform for all the employees regardless of the nature of functions. Discussions between the evaluator and employee being evaluated are infrequent and typically only take place if an adverse remark is being entered.

Serious efforts to reform the system of performance assessment are urgently needed. In the near term, efforts can be made to revise and update the ACR format and incorporate more department-specific feedback. Improvements can also be made without much difficulty to improve the consultative nature of the ACR process and the feedback managers provide to staff. A Performance Appraisal Model will be of great use in reforming Annual Confidential reports³.

Civil Services Performance Systems

'But those who do not consume goods and increase then in just ways should be made permanent in their offices, being devoted to what is agreeable and permanent to the king.' -Arthasastra⁴

The present promotion system in civil services is based on time-scale and is coupled by its security of tenure. These elements in our civil services are making our dynamic civil servants complacent and many of the promotions are based upon patronage system. The non-inclusion of incentives or disincentives for performance is a major drawback for civil services and is making Indian civil Services largely unaccountable to the state.

Civil Servants are not only recruited through open competitive examination, but certain officials from the state governments are also being promoted. The whole idea of All India Civil Services gets lost when other state officers are promoted to civil services and work in the state itself. This is indeed a retrograde step. It should be made mandatory for the officers who are promoted to civil service to serve in other states to keep the idea of creating All India Civil Service working.

³ Surindernath Committee Report, 2003

⁴ Kangle, 1992, Part II, p.86

These promotions should be merit based and the respective authorities have to benchmark the best practices and evaluate the performance of the civil servants both qualitatively and quantitatively with a variety of parameters. The performance appraisal of civil servants has to be according to these benchmarks and the necessary placement reward and punishments can be taken up by the authorities.

The recent reform in Hong Kong Civil Services⁵ wherein it was mandated that the civil servants would be recruited on a permanent basis but their continuation in the job would be subject to verifying the performance indicators from time to time. This model can be replicated in India also.

5. Professionalism & Modernity

The founding fathers of the Constitution wisely provided, by making provisions in Part XIV of the Constitution, for apolitical and independent civil services, with requisite protection for service matters. These provisions pertain not just to the union but also the states. One of the provisions of the Constitution (Article 312) which was hotly debated and faced considerable opposition, particularly from the provincial governments, pertained to the creation of All India Services (AIS) with recruitment based on all India competitive examination and dual control by the centre and the states. Such a constitutional protection was meant to enable the AIS to operate independently, freely, objectively and fearlessly. Unfortunately, political interference and administrative acquiescence has severely dented the professional fibre of the service.

The neutrality of civil servants, especially at the highest levels of policy-making and programme formulation, is important to maintain, particularly in democracies where leaders change periodically. Bureaucratic continuity is a necessity, even though it may become a mechanism for creating a privileged, self-oriented group within the state. It is worth noting that the principle of bureaucratic neutrality as an instrument for the preservation of democracy has never been rejected outright.

Although legal, sometimes constitutional measures can provide for such neutrality, there are also structural arrangements that facilitate the separation between politics and administration both substantively and procedurally. In parliamentary democracies, the secretary of the ministry is a permanent civil servant who heads the ministry's administration temporarily and acts as the chief advisor to the minister. He or she is thereby involved in discussing and often influencing political matters that relate to the ministry. Usually, a thin line is drawn between the secretary's advisory capacity and his or her active involvement in promoting the interests of the dominant party in policy formulation and implementation. However, neutrality does not mean that high-ranking civil servants cannot or should not be involved in articulating public policy. Indeed, senior officials are professionally and morally obliged to provide their political leaders with policy alternatives based on sound arguments, relevant precedents, and sustainability in the context of changing political environments. It is essential that they do so, however, from a non-partisan position.

⁵ http://www.csb.gov.hk/hkgcsb/doclib/211004_progressive_e.pdf

Civil Servants have to bring a new orientation to rules by which the everyday conduct of public affairs has to be regulated. Civil servants have much to contribute to the shaping and not just implementation of the policy. (Beteillie, 1999)

Professional Skills

Professional skills of officers may relate to three functional categories – implementation, program/project preparation and policy formulation – as well as to specific themes (domain areas or specializations). Concreted effort needs to be directed towards encouraging civil servants to cultivate professional skills through direct work experience or through research. Training and study course participated in must be reflected in the ACR as well as peer reviewed published research.

Modernity: Reforms and e-governance

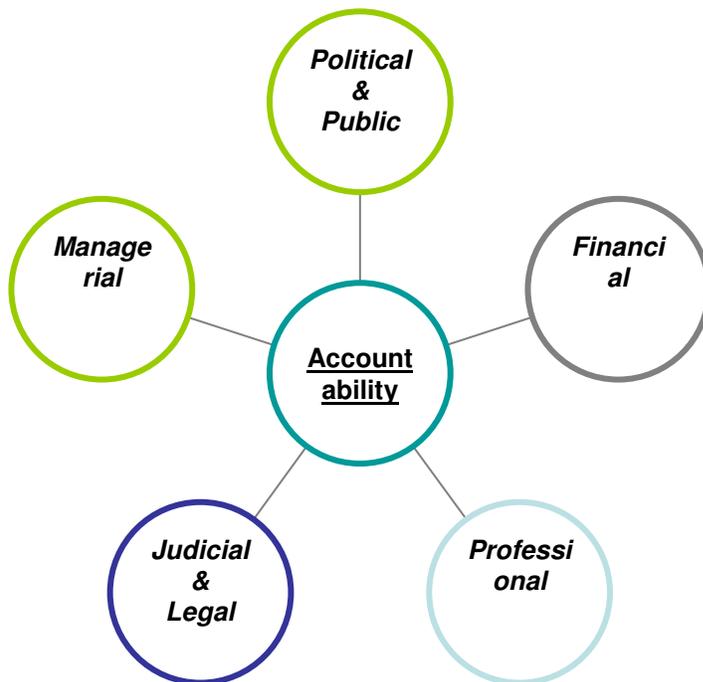
The concept of e-governance is bound to play a major role in the reform process of civil services. With the increase in literacy rates and accessibility to technology, the civil servants will be more accountable and transparent in the conduct of their duties. Any present day civil service reform is incomplete if it neglects the role of information and communication technology.

As we have been emphasizing the need to reform keeping in view of the changing circumstances, there is a need to reform civil services and make civil servants pro-active in the developmental process. The civil servants should not view reforms with cynicism, but should actively take part in the reform process. The sense of reforms should come from within the civil servants to create pro-active, vibrant and accountable civil service.

6. Civil Service Accountability

The Civil Servant has always played a pivotal role in ensuring continuity and change in administration. The civil servants are dictated by the rules and procedures. It is the ‘rule of law’ rather than ‘rule of man’ that is blamed for widespread abuse of power and corruption among government officials. The explosion of media has also opened civil servants to external scrutiny.

The chart on the left shows the accountability of a civil servant at various levels.



Transparency is a necessary part of accountability, though they are two different concepts. To hold a civil servant accountable, it is necessary to find out the information about the civil servants’ decisions and actions. This leads us to the urgent need for legislation such as the Right

to Information and protection for the citizens to blow the whistle.

For greater accountability, the following are some of the measures suggested:

- Strengthening and streamlining reporting mechanisms
- Streamlining and fast-tracking departmental enquiries
- Linking performance with incentives
- Overhaul of employee grievance procedures
- Action on audit findings
- Implementation of Citizens Charters' for monitoring service delivery
- Right to Information Act and its enforcement
- Code of conduct for civil servants

Change in Mindset

A paradigm shift in the nature of civil service/servants is required to cope up with the emerging demands and the changes in society and economy. The following table summarizes the nature of changes required in this esteemed service for better performance.

<ul style="list-style-type: none"> ● Commitment: to the Civil Service ● Core values: Integrity and neutrality ● Precedent: Follower ● Work: Exclusively in policy and ministerial support roles ● Aims: To lead the development of a major policy area ● Experience: widens experience by brief tenures in public sector ● Training: Fast stream ● Orientation: Status Quo ● Monopolistic 	<ul style="list-style-type: none"> ● Commitment: to public service ● Core values: Integrity, Impartiality and delivery ● Precedent: Creator ● Work: varies roles between operations, policy, specialist skills and ministerial support ● Aims: To deliver the outcomes of a major policy area ● Experience: widens experience by taking a private sector role. ● Training: Career-long development and learning ● Orientation: Change ● Competitive
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Challenges to Civil Service Reform

Lastly, it is important to recognize that the reform mandate will throw up greater challenges. The following would be required to counter the challenges.

- Political support and will
- Management capacity to implement reforms
- Nurturing support from civil servants themselves
- 'Safety nets' must be in place for people adversely affected

- Reforms must reflect the political and institutional environment of a country.
- Developing communication between all the stakeholders.

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