Sample Material of

PUBLIC ADMINISTRATION (Paper -1) STUDY KIT

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"New Public Administration" (NPA) idiom has broken fresh ground and imparted new substance to the discipline of Public Administration. It is no more 'new'. Yet in the absence of any 'newer' Public Administration, it continues to be one of the latest landmarks in Public Administration. The movement has all but disappeared, though some of its scholars continue to subscribe to its basic premises of relevance, activism and equity. Having its source in the intellectual ferment and socio-political turbulence that marked the American life in the middle and the late 1960s, it has crept into the 1970s and after.

Causes of Genesis

By the end of 1960s the American society appeared to be in a state of disruption, dissolution and breakdown. The traditional Public Administration had shown its weaknesses in understanding the agony of the present social crisis. Its "acknowledged glacial pace and apparent remoteness", could not meet the demands that have arisen in the contexts of social and economic crises. If failed to touch the fear of the nuclear bomb, mounting internal cleavages in the United States, the war in Vietnam that violated the moral conscience of the world, devastating population explosion, dangerous pollution of environment, dissension of racial and economic origin, increasing social conflict and deepening fears and anxieties about the future.

The term 'New Public Administration' was used to describe new philosophical outlook for Public Administration The traditional dogmas of Public Administration-'efficiency' and 'economy' were found inadequate and incomplete goals of administrative activity. It began to be said that efficiency is not the soul of Public Administration. Man is the focal point of all" administrative activity who cannot be subjected to the mechanical test of efficiency. So the administration must be human being oriented and its approach shou1d be value-based.

It pleads for more relevance research; to describe and to act so as to improve lie according to human criteria. "New Public Administration is a movement inspired by younger scholars who challenged several tenets administration," primarily the emphasis value neutrality in research and practice and appealed to scholars to take more provocative role guided not only by the search for efficiency but by a sensitivity to the forces of change, the needs of the client and the problems of social equity in service delivery."

Landmarks in the Growth

The major landmarks in the growth and emergence of New Public Administration are the following:

1. The Honey Report on Higher Education for Public Service, 1967.
2. The Philadelphia Conference on the Theory and Practice of Public Administration, 1967.
3. The Minnowbrook Conference, 1968.
4. Publication of "Toward a New Public Administration: The Minnowbrook Perspective" (edited by Frank Marini), 1971.

5. Publication of "Publication Administration in a Time of turbulence" (edited by Dwight Waldo), 1971.

1. The Honey Report on Higher Education for Public Service, 1967

It was in 1966 that John Honey of Syracuse University undertook an evaluative study of Pubic Administration as a field of study in the U.S. Universities. The Honey report, submitted in 1967 identified four problems confronting the discipline which needed immediate action: (1) Inadequate funds at the disposal of eh discipline; (2) Uncertainly and confusion over the status of the discipline (Is it a discipline, a science, or a professions); (3) Institutional shortcoming (inadequacy of Public Administration departments); (4) Lack of communication between Public Administration scholars and the practicing administrators.

It was this report which aroused considerable interest in U.S. Universities. It was however, found wanting in several respects. It did not say anything about the role of Public Administration in crisis ridden society of the period. However, the report became the basis of discussions for the wider issue of the role of Public Administration in solving and creating social awareness.

2. The Philadelphia Conference on the Theory and Practice of Public Administration, 1967

In 1967 The American Academy of Political and Social Science organized a conference in Philadelphia under the chairmanship of James C. Charles worth.

Major viewpoints expressed in the deliberations of the conference are:

(1) The scope of the subject should remain flexible to facilitate its growth. The growth in the dimensions and functions of the administration is a continuous Process, it would be erroneous to that the demarcate rigidly the boundaries of the study of Public Administration.

(2) Again, it being obvious that administrators are involved in policy making process as advisers and facilitators besides being primarily concerned with policy implementation, the dichotomy between policy and administration and therefore between the study of government and study of Public Administration is meaningless.

(3) Too much emphasis on perfection of hierarchy and internal processes in administrative organisations results in rigidities in administrative performance which detract from its relevance and efficacy in rapidly changing environments; organizational innovations and management flexibility are therefore appropriate.

(4) The discipline and practice of Public Administration should pay increased attention to the social problems of urban squalor, unemployment, poverty, environmental pollution and degradation.

(5) There are great socio-economic disparities, hence social equity should be given due attention. For promoting equity as an administrative value along with the existing values of efficiency and accountability, as well as for improving administrative responsiveness, people's participation in administrative decision making and activities should be institutionally provided.

There was, however, no agreed definitions of Public Adminisration, yet Philadelphia Conference highlighted the importance of Public Administration in a braod philosophic context.

MINNOWBROOK I (1968)

The essence of the Minnowbrook conference was the advocacy for a normative approach in place of value free efficiency approach of the classical theory. The conference was of the view that the stream and the subject should be on social equity which means promoting the cause of underprivileged sections of society. The organisation should develop new norms which need not strictly adhere to status quo but should keep pace with changing times. Public Administration should act as an agent of change.

MINNOWBROOK II (SEPTEMBER, 1988)

Exactly twenty years later-that is, in September 1988-the Second Minnowbrook Conference was held. It was funded by three universities-The Syracuse University, The University of Kansas and The University of Akron. The conference met at Syracuse University on September 4, 1988. It was attended by as many as sixty scholars and practitioners, all belonging to polity sciences such as his or economics, sociopolitical science and public administration.

According to H. George Frederickson, Minnow brook I was contentious, confrontational Land revolutionary while the event of 20 years later was more civil, more practical …. Both conferences were theoretical but the 1968 Conference dialogue was decidedly anti-behavioral, while the 1988 Conference was more perceptive to the contributions of the social and behavioral sciences to Public Administration.

In brief, the concerns and urges of the 1980's were both common and different from those of 1960's. The scholars who attended the 2988 Conference came from to background and context far themes developed at 1988 Minnowbrook Conference (20 years after the first conference) largely focus on the current and future visions in the field of Public Administration.

Administrative Thought

BUREAUCRATIC THEORY

- **Origin of the Term**
- **Bureaucracy: Meaning**
- **Forms of Bureaucracy**
- **Type of Bureaucracy**
- **Max Weber and the Concept of Bureaucracy**
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Origin of the Term

The term bureaucracy is derived from the Latin term 'bureau'. Bureau means writing table of desk. In French "la Bure' means a cloth used on tables of public authorities. From table cloth, the table covered by cloth got the name 'bureau'. Later 'bureau' began to be used for the office room where table is kept. Thus by 18th century the term began to be used to refer to a place where officials work. The suffix 'cratic' is derived from the Greek word which means 'rule'. Thus 'bureaucracy', refers to rule of officials.

It was a Frenchman de Gournay, who first coined the term 'Bureaucracy' in the middle of the 18th century. He wrote, "We have an illness in France which bids fair to play have with us; this illness is called bureaumania." It seems that do Gournay used the term in a criticizing tone. This is evident when he said that "officials are not appointed to perform public interests, but public interest is established so that offices might exist." The important conceptual innovation by de Gournay's was identification of a group of rulers and methods of governing.

In Germany the word 'bureaucracy' was called 'burokratic': In Germany it was defined as "The authority or power which various government departments and their branches arrogate to themselves over fellow citizens." In Italy the dictionary meaning was "neologism', signifying the power of officials in Public Administration.

Bureaucracy: Meaning

J. S. Mill used the term bureaucracy to denote the professional governors of the government in a society. To Laski bureaucracy is rule of the officials in a system of government. Herman Finer also described bureaucracy as rule by officials. Mosca described bureaucracy as one class of ruling elites whose rule is absolute. Michels has expanded the concept of bureaucracy to include salaried professionals in government and non-government and non-governmental agencies such as political parties. Marshall E. Dimock identified bureaucracy with institutions and large scale organizations in society. John A. Vieg says that its means 'desk government' or management by bureaus'. For Prof. Chales Hyneman, bureaucracy is big organisation. Another definition of bureaucracy is that it is "a hierarchical organisation of officials appointed to carry out certain public objectives."

Martin Albrow made a good study of bureaucracy and traced the coinage of the term since 18th century and noted that its definition falls under seven categories.

1. rational organisation;
2. organizational inefficiency;
3. rule of officials;
4. public administration;
5. administration by officials;
6. an organisation form characterized by such qualities as hierarchy and rules and ;
7. an essential quality of modern society.

Forms of Bureaucracy

The term ‘bureaucracy’ is being used with different meanings to signify different things. Bureaucracy, however, was originally conceived as a negative or perverse concept. It was Max Weber, a German Sociologist, who gave it a respectable and positive implication. The term bureaucracy is used in the following different terms:

1. Bureaucracy as a Form of Government: Aristotle when considering his three type of constitution-Kingship, Aristocracy and Policy suggested that each had its deviation or corrupted forms, among which he included Tyranny, Oligarchy and Democracy. No dubt bureaucracy as a system of government would in such a scheme be included Tyranny, Oligarchy and Democracy. No doubt bureaucracy as a system of government would in such a scheme be included as a corruption of aristocracy.

2. Bureaucracy as Form of Organisation: The scholars like Pfiffner, E. N. Gladden and Max Weber used the term in this sense.

3. Bureaucracy as a Big Government: Where large scale enterprises exists, there bureaucracy will be found. Chales Hyneman observes that bureaucracy is a big organisation.

4. Bureaucracy as an Ideal Construct: Max Weber regarded bureaucracy as a universal social phenomenon and the means of carrying ‘community action’ over into rationally ordered ‘social action’. He outlined the characteristics of the ‘ideal type’ from functional point of view.

5. Bureaucracy as a Rational System of Working: In administration rationality means cost-effectiveness, productivity and efficiency. Peter Blau, believes that bureaucracy as an organisation maximizes efficiency in administration.

6. Bureaucracy as an Ailment of Organisation: According to Harold J. Laski, Bureaucracy is the term usually applied to a system of government the control of which is so completely in the hands of officials that their power jeopardizes the liberties of ordinary citizens.

Bureaucracy would mean bureau rule, much as autocrat means the rule by the despot and democracy the rule of the people. According to Garl J. Friederick, “Bureaucracy is a form of organisation marked by hierarchy, specialization of roles and a high level of competence displayed by incumbents trained to feel these roles.” F. Morstein Marx defines as “the type of organisation called bureaucratic in this widely used sense has several unmistakable characteristics. They included as principal factors hierarchy, jurisdiction, specialization, professional training, fixed compensation n and permanence.”

Type of Bureaucracy

Broadly, the bureaucracy is categorized into four types of Morstein Marx, viz.,

1. The Guardian Bureaucracy;
2. The Caste Bureaucracy;
3. The Patronage Bureaucracy; and
4. Merit Bureaucracy.

1. The Guardian Bureaucracy: Plato’s concept of the philosopher king is an example of the guardian bureaucracy. They were considered the custodians of justice and welfare of the community. This type may be defined as “a scholastic officialdom trained in right conduct according to the classics.” These guardians were expected to develop a moral fortitude and they can exert influence upon the exercise of power subject to righteousness. Such in Prussia between 1640 and 1740 A.D.

2. Caste Bureaucracy: Caste bureaucracy is generally found in oligarchical political systems. Under such system only persons belonging to higher castes can become public officials. For example, in ancient India, only Brahmins and Kshatriyas could become higher officials. In England, for example, aristocratic classes were preferred to the civil service position. The civil services during the early Roman Empire, Japanese civil services in 1950’s are a few example of the caste bureaucracy.

3. Patronage Bureaucracy: This type of bureaucracy is also called ‘spoils system’. Under this system, the protégés of the politicians are nominated to the civil services. The public jobs are distributed as personal or political favours to their supporters. The U.S.A. has been the traditional home of the spoils system, though patronage had full sway even in the U.K. till the middle of the 19th Century. Under the spoils system in the U.S.A. each administration has a fee to hire and fire virtually all federal workers: “To the victor, the spoils.”

4. Merit Bureaucracy: The object of merit bureaucracy is to recruit the best man for the public service, his merit being judged by objective standards. In this bureaucracy recruitment is based on qualifications and governed by competitive examination.

Historically, it has been observed that bureaucracy antedates development administration and does not fit in with the requirements of modernization. Conservatism rather than change is the essence of bureaucracy. Culturally also, as the critics have maintained, the bureaucratic from of organisation does not suit the needs of the traditional societies that are currently going through a process of change. Bureaucracy has also been critised as urban oriented and elitist in nature and unrelated to the needs of rural areas where most of the people of the developing countries live.

In brief, it is argued that bureaucracy is an ailment of organisation. It is unresponsive to popular demands and desires; undue formalism, self aggrandizement, empire building et. Are some of its negative features. Red tape, delay, buck-passing, pigeon holding, indecision, etc. are forms of administrative inefficiency and identified as bureaucratic incompetence.

Max Weber and the Concept of Bureaucracy

Origin of Bureaucracy: Weber has examined the reasons for the rise of bureaucracy in the modern state. According to him, the system of free enterprise and money economy, the essence of capitalism, fostered bureaucracy. In the face of fierce economic competition, capitalist enterprises needed a highly efficient organizational form. Capitalism requires and encourages strong and orderly governments in its own interest. The bureaucratic principles gave the enterprises the capacity to accomplish economic planning to maintain a stable market for goods and services. It was on the demand of the capitalist enterprises that corporate principles of administration were soon transferred to public agencies. Weber observes, "The capitalistic system has undeniably played a major role in the development of bureaucracy. Indeed, without it capitalistic production could not continue…. Its development, largely under capitalistic auspices, has created and urgent need for stable, strict, intensive and calculative administration. It is this need which gives bureaucracy a crucial role in our society as the central element in any kind for large-scale administration." Weber further observes, "Capitalism is the most rational economic basic for bureaucratic administration and enables it to develop in the most rational form, especially because, from a fiscal point of view, it supplies the necessary money resources."

Theory of Domination: Weber's theory of bureaucracy is a part of his theory of domination. Domination means the authoritarian power of command. In other words, he raised the question as to how one person exercises power over others. His answer was that the exercise of power becomes acceptable if it is justified or legitimized. Legitimation in one way leads to one type of domination; legitimation is another way leads to one type. He thus laid down three types of detonation: (i) traditional, (ii) charismatic domination, and (iii) legal nomination. The conformity with customs and personal arbitrariness are two characteristics of traditional domination. Charism and its acceptance forms of basis of charismatic domination. In a legal rational domination, obedience is owed to the legally established impersonal rules. Legal domination is based upon belief in the desirability of rational principles. Legal domination is best exemplified by bureaucracy. The position of the bureaucrat, his relations with the ruler, the ruled and his colleagues are regulated by impersonal rules.

Ideal Type

Drawing on studies of ancient bureaucracies in Egypt, Rome, China and the Byzantine empire as well as on the more modern ones emerging in Europe during the 19th and early part of the 20th centuries, Max Weber formulated an 'ideal type' model of a bureaucratic form of organisation. Weber wanted to construct an 'ideal type' or a mental map of a fully developed bureaucracy. The 'ideal type' is a metal construct that cannot be found in reality. It is an abstraction, an idea or a mode. He constructed an 'ideal' type of bureaucracy that he felt ought to be followed in modern state system.

Thus, in Weberian analysis, bureaucracy is not to be confused with the civil services. It refers to the sociological concept of rationalization of collective activities. It describes a form or design of organisation which assures predictability of the behaviour of employees.

According to Weber, "Bureaucracy is by far the most efficient instrument of large scale administration which has ever been developed and the modern social order has become over-whelming dependent on it." He maintained that a purely bureaucratic type of administrative organisation was capable of attaining the highest level of efficiency. He further writes, "This type of organisation is in principle applicable with equal facility to a wide variety of different fields. It may be applied in profit making business or in charitable organisations, or in any number of other types of private enterprises services ideal or material ends. It is equally applicable to political and to religious organisations. With varying degrees of approximation to a pure type, its historical existence can be demonstrated in all these fields."

Thus Weber contributed a rational type of bureaucracy having the following main characteristic features:

1. Division of Labour: The total task of the organisation is broken down into a number of specialized functions.

2. Well Defined Authority: Hierarchy: Hierarchy is the second fundamental characteristic which is found in a pure bureaucracy. There is a separation between superior and subordinate offices, i.e., each lower office is under the control and supervision of a higher one. Weber attaches greater importance to the principle of hierarchy and observes, "the organisation of offices follows the principle of hierarchy, that is, each lower office is under the control and supervision of a higher one.

3. Abstract Rules: Bureaucracy operates in accordance with the rules. These rules operate only in relation to the official job of an office holder. The role of rules has been stressed by Weber so that personal favours, arbitrariness, grace or gratitude may not hinder the working of an organisation.

4. Impersonality: A bureaucratic from of organisation does not entertain irrational sentiments. Officials are expected to carryout their duties without allowing themselves to be influenced by their personal likes and dislikes.

5. Monthly Salary and Pension Right: Officials hold office by appointment and on the basis of a contractual relationship between themselves and the organisation. Then there are fixed salaries which are given in accordance with the nature of the job and responsibility as well as the social status. In addition, there are chances of promotion and career advancement on the basis of seniority and merit.

6. Official Records: One important feature of Weberian bureaucracy is that "the administrative acts, decision and rules are formulated and recorded in writing even in cases where oral discussion is the rule or is even mandatory.

These above mentioned features constitute Max Weber's ideal, pure or rational type of bureaucracy. At the hands of Weber, bureaucracy emerged as neutral, hierarchical, organized, efficient and inevitable in contemporary society. This was 'idea type' bureaucracy. In fact the ideal type is never actualized. The characteristics of bureaucracy were precision, continuity, discipline, strictness and reliability. These characteristics made it technically the most efficient form of organisation. Max Weber had defined bureaucracy in terms of its structural characteristics.

A Critical review of Webrian Concept of Bureaucracy

1. Ideal Type is a mental model: Weber wanted to construct and 'ideal type or a mental picture of a 'fully well developed' bureaucracy. The ideal type of a mental model that cannot be found in reality. It is a concept conveying an image or an Idea.

2. Authoritarian norms have been embodied: According to Car J. Friederich highly authoritarian 'norms' have been embodied in Weberian terminology. It seems to the author that Weber's fully developed bureaucracy is most nearly represented by three modern organisation: (1) an army, (2) a business concern without any sort of employee or labour participation in management, (3) totalitarian party and its bureaucratic administration.

3. Dysfunctional aspects of bureaucracy: Bureaucracy has also been viewed from the perspective of the 'pathological' or 'dysfunctional' aspects of its behaviour including show-news, ponderousness, routine and complication so procedures, causing frustrations to the member, clients or subjects of administrative organisation.

4. Alienation of individual: Weberian bureaucracy has been labeled as impersonal, based on rules and procedures. According to Meyers, "Employees participation in these organisation are characterized as feeling alienated an personally unfulfilled because of the limitations which the organisation's efficiency place on their tree and creative participation in the production process."

5. Anti-democratic: Weberian model of bureaucracy is opposed to democracy. Weber recognized that bureaucracy concentrates power in the hands of those who are in charge of bureaucratic machinery and that such a concentration of power is against the basic premises of democracy.

6. Ignores informal relationships: Weber's model is confined to the stuffy of formal bureaucratic structure only. It fails to take notice of the informal relationships, informal norms values in the organisations.

7. Misfit for transformation of societies: The bureaucratic form of organisation has been quite useful at a certain point of time in history. But its capacity for adaptation to change is, however, rather low.

Simon and March observe that Weberian ideal type would not attain maximum efficiency as it emphasizes more on the structure of the bureaucracy than on the human beings who personify it. La Palombara points out that, "a bureaucracy heavily encumbered by Weberian derived norms may be a less efficacious instrument of economic change." Robert Merton and other sociologists have questioned the rationality of the legal rational model of Weber for it also produces certain dysfunctional consequences. Phillip Selznick, pointing to the division of functions in an organisation, shows how sub-units set up goals of their own which may conflict with the purpose of the organisation as a whole.

In the light of these criticisms in the early 1960's the demise of bureaucratic types of organisations was predicted. Warren G. Bennis had observed, "This form of organisation (bureaucracy) is becoming less and less effective, it is hopelessly out of joint with contemporary realities, and …. New shapes, patterns and models—currently recessive are emerging which promise drastic changes in the conduct of the corporation and managerial." The vacuum created by the eclipse of bureaucracy, according to Bennis, will be filled up by temporary work system which will be more adaptive to rapid social changes.

ADMINISTRATIVE BEHAVIOUR

THEORIES OF MOTIVATION

Meaning of Motivation

The term 'Motivation' is derived from the word 'motive'. Motive may be defined as needs, wants, drives or impulses within an individual. Motives or needs of a person are the starting point in the motivation process. Motives are directed towards the achievement of certain goals which in turn determine the behaviour if individuals. Motives give direction to human behaviour because they are directed towards certain 'goals' which may be conscious or sub-conscious. A goal is an outward stimulus for the motive to work.

Motivation has been defined by Michale J. Jucius as: thee act of stimulating someone or oneself to get a desired course of action, "to push the right button to get a describes motivation as the complex of forces starting and keeping a person at work in an organization. In starts and maintains an activity along a prescribed line. It is something that moves the persons to action and continues him in the course of action already initiated. Thus, motivation is a 'will to work'.

We may define motivation as "a willingness to expend energy to achieve a goal or reward. It is a force that activates dormant energies and sets in motion the action of the people. It is the function that kindles burning passion for action among the human beings of an organization."

Nature of Motivation

1. Motivation is personal and internal feeling. It is a psychological phenomenon which generates within an individual.
2. Motivation is a behavioral concept that directs human behaviour towards certain goals.
3. Motivation is a continuous process.
4. Motivation can be either positive or negative.
5. Motivation is different from job satisfaction.
6. Motivation is an integral part of management process and every management must motivate his subordinates to create in them the will to work.

Significance of Motivation

1. Motivated employees give greater performance than demotivated ones.
2. Motivation inspires employees to make best possible use of different factors of production.
3. Higher motivation leads to job satisfaction workers. As a result labour absenteeism and turnover are low.
4. Motivational schemes create integration of individual interests with organizational objective.

Type of Motivation

Positive or Inceptive Motivation: Positive motivation is generally based on reward. According to Flippo, "Positive motivation is a process of attempting to influence other to do your will through the possibility of gain or reward." People work for incentives in the form of the four P's of motivation: praise, prestige, promotion and pay cheque.

Positive motivation has its own benefits. The receipt awards, due recognition and praise for work well done definitely lead to good team spirit, co-operation and a feeling of happiness.

Negative or Fear Motivation: Negative motivation is based on force and fear. Fear cause persons to work in a certain way because they are afraid of the consequences if they don't. If workers do not work, they are threatened with lay off or demotion. Negative motivation has certain limitations. Imposition of punishment frequently results in frustration among those punished, leading to the development of maladaptive behaviour. Punishment also creates a hostile state of mind and an unfavourable attitude to the job. Moreover, it may result in lower productivity because it tends to dissipate such human sets as loyalty, co-operation and esprit de corps. Inspite of these demerits, negative motivation has been used to achieve the desired behaviour.

Management Techniques Designed to Increase Motivation

Management generally use financial and non-financial motivation techniques to motivate their employees:

1. Financial Motivators: Such motivation is connected directly or indirectly with money. Wages and salary, bonuses, profit sharing, leave with pay, medical reimbursement, etc., are included under this type of motivation.

2.Non-Financial Motivators: These motivators are not connected with momentary rewards. In the words of Dubin, "non-financial incentives are the psychic rewards or the rewards of enhanced position, that can be secured in the work organization. Some of the most commonly used non-financial motivations are:

(1) Appraisal, praise and prestige
(2) Status and pride
(3) Competition
(4) Delegation of authority
(5) Participation
(6) Job security
(7) Job enlargement
(8) Job rotation
(9) Job loading
(10) Job enrichment
(11) Reinforcement
(12) Quality of work life

Modern Theories of Motivation

Some of the important modern theories of motivation are:

1. Maslow's Hierarchy of Needs.
2. McGregor's Theory X and Theory Y.
3. Theory Z of Ouchi.
4. Two Factor Theory of Herzberg.
5. Vroom's Expectancy Theory.

Maslow's Hierarchy of Needs

Maslow identified five levels in his need hierarchy.

Maslow's Hierarchy of Needs

They are in brief, the following: In essence, he believed that once a given level of need is satisfied, it no longer serves to motivate. The next higher level of need has to be activated in order to motivate the individual.

1.Physiological needs: Physiological needs may be synonymous with the biological needs of the human beings like hunger, thirst, sleep and sex, etc.

2.Safety needs: This second level of needs is roughly equivalent to the security needs. Maslow stressed emotional as well as physical safety. These are needs to be free of physical danger and to the fear of losing a job, property, food or shelter. The whole organism may become a safety seeking mechanism. Yet, as is true of the physiological needs, once these safety needs are satisfied, they no longer motivate.

3.The Belongingness and Love needs: As man is a social animal, hence once his physiological and safety needs are fulfilled, he seeks affection, love and belongingness from other human beings. He craves for affectionate relationships and a place of belongingness with his people. These desires motivate their behaviour consciously or unconsciously.

4. The Esteem needs: The esteem level represents the higher needs of human beings. The needs of power, achievement and status can be considered to be part of this level. Maslow carefully pointed out that the esteem level contains both self esteem and esteem from others.

5. Needs for Self-actualization: Maslow regards this as the highest needs in his hierarchy. It is the desire to become what one is capable of becoming—to maximize one's potential and to accomplish something. The desire for self fulfillment, actualization and leaving a meaningful life is reflected in this need. In effect, self-actualization is the person's motivation to transform perception of self into reality.

According to the concept of 'need hierarchy', the satisfaction of the 'physiological needs', which are the most fundamental, results in the 'safety need' becoming more powerful and felt by the individual concerned. Once these are fulfilled, the need for 'belonging' becomes uppermost and the persons behaviour is directed towards securing a respected place in his group consisting of both his superiors and his equals. Ultimately, the needs for 'esteem' and 'self-actualization' come into play. An important consideration to remember is that a satisfied need is not a motivators of behaviour. Maslow further suggests that these levels are interdependent and overlapping. Each higher need level emerges before the lower needs have been completely satisfied.

The hierarchy of needs is not always fixed. Different people may have different orders. There is not definite evidence that one a need is satisfied it loses its motivating force. It is also doubtful that satisfaction of one need automatically activates the next need in the hierarchy. Some persons will not aspire after their lower order needs have been satisfied. Despite these limitations, Maslow's theory provides a convenient conceptual framework for the study of motivation.

McGregor's Theory 'X' and Theory 'Y'

McGregor has developed a theory of motivation on the basis of hypotheses relating to human behaviour. According to him, the function of motivating people involves certain assumptions about human nature. Theory X and Y are two sets of assumptions about the nature of people.

Theory X: The traditional assumptions about the nature of people, according to McGregor, are included in Theory X as follows:

1. Average human beings have an inherent dislike of work and will avoid it if they can;
2. Because of this human characteristic of disliking work, most people must be coerced, controlled, directed, and threatened with punishment to get them to put forth adequate effort toward the achievement of organizational objectives;
3. Average Human beings prefer to be directed, wish to avoid responsibility, have relatively little ambition, and want security above all.

Theory Y: After describing Theory X, McGregor questioned if this view of human behaviour is correct, he propounded Theory Y which, he said, would better represent the human behaviour.

1. The expenditure of physical effort and mental effort in work is an natural as play or rest.
2. External control and the threat of punishment are not the only means for producing effort toward organizational objectives. People will exercise self-direction and self control in the services of objectives to which they are committed.
3. The degree of commitment of objectives is in proportion to the size of the rewards associated with their achievement.
4. Average human beings learn, under proper conditions, not only to accept responsibility but also to seek it.

The central principle implicit in the assumptions of Theory Y is that integration of behaviours is the key process in management, because it results in the creation of conditions conducive for the members to achieve their efforts towards the success of the enterprise. The concept of integration and self-control demands that the needs of the individual and that of the organization should be recognized. An organization should be recognized. An organization designed on the basis of Theory Y is characterized by decentralization of authority, job enrichment, participative leadership and two-way communication system. The focus is on self-control and responsible jobs. Theory X places exclusive reliance on external control of human behaviour while Theory Y relies on self-regulation.

Comparison Between Theory X and Theory Y

Theory X	Theory Y	
1. Inherent dislike for work.	Work is natural like rest or	play.
2 Avoid responsibility conditions.	Accept and seek	responsibility under proper
3 External control and close supervision.	Self-direction and self-control.	
4 Centralization of authority and autocratic leadership Democratic leadership.	Decetralisation and participation in decision in	decision making ….
5 Lack creativity and resist change.	Creativity widely spread.	
6 People lack self-motivation	People are self-motivated.	

A question often posed in which Theory (X or Y) better. Most people believe that Theory Y is more describable and productive. But it may not be best approach for all situations. Theory X might be more suitable in some crisis situations but less appropriate in more routine and formalized situations. In some developing countries like India Theory X may still be useful at the lower levels of organisation.

Theory Z of Ouchi

Willian Ouchi developed Theory Z after making a comparative study of Japanese and American management practices. Theory Z is an integrated model of motivation. If focuses attention or organizational and behavioural aspects of management. Theory Z suggests that large compiled organisations are human systems and their effectiveness depends on the quality of humanism used.

According to Ouchi, trust, integrity and openness are essential ingredients of an effective organisation. Theory Z suggests that involvement of employees in related matters improve their commitment and performance. Involvement implies meaningful participation of employees in the decision-making process. The leader's role should be to co-ordinate the efforts of human being in order to develop common culture and class feeling in the organisation. Organisation control system should be made informal. For this purpose emphasis should be on mutual trust and co-operation rather on superior-subordinate relationships.

Two-Factor Theory of Herzberg

Maslow's needs approach has been considerably modified by Frederick Herzberg and his associates. His research purpose to find a Tow-Factor Theory of motivation. In one group of needs are such things as organisation policy and administration, supervision, working condition, interpersonal relations, salary, status, job security and personal life.

These were found by Herzberg and his associates to be only dissatisfies and not motivators. In other words, if they exist in a work environment in high quantity and quality, they yield no dissatisfaction. Their existence does not motivate in the same of yielding satisfaction; their lack of existence would, however, result in dissatisfaction. Herzberg called them maintained, hygiene or job context factors.

In the second group, Herzberg listed certain satisfiers— and therefore motivators—all related to job content. They included achievement, recognition, challenging work, advancement and growth in the job. Their existence will yield feeling of satisfaction or no satisfaction (not dissatisfaction).

Herzberg's Two-factor Theory

Hygiene or Maintained Factor	Motivation Factors
Interpersonal Relations	Challenging Work
Quality of Supervision	Achievement
Company Policy and Administration	Growth in the Job
Working Conditions	Responsibility
Job Security	Advancement
Salary	recognition

The Hygiene of maintenance factors (the dissatisfies) will not motivate people in an organisation; yet they must be present, or dissatisfaction will arise. The second group or the job content factors, Herzberg found to be the real motivators because they have the potential of yielding a sense of satisfaction. These his job, whereas hygiene factors only determine how a worker feels about his company or organisation in general. Expressed somewhat differently, motivation factors are related to job context.

On the basis of these factors, Herzberg reached a conclusion that people felt motivated if the job was interesting and challenging; if the possibilities of growth existed in it; if they were able to obtain a sense of achievement; if they had the responsibility and authority to use their discretion; and they were able to advance in the profession and receive recognition for the tasks they did. These factors are embedded in the job as such. Guided by these responses, he suggested job enrichment instead of job enlargement as a motivational strategy.

Vroom's Expectancy Theory

Vroom's theory is that people's motivation towards dong anything will be determined by the value they place and the outcome of their effort, multiplied by the confidence they have that their efforts will materially aid in achieving a goal. In other words, Vroom makes the point that motivation is a product of the anticipated worth that an individual place on a goal and the chance he or she sees of achieving the goal. Vroom's model is build around the concept of valence, expectancy and force.

Vroom's concept of force is equivalent to motivation and is gain equivalent to the product of valence and expectancy. In his own terms, Vroom's theory may be stated as:

Force = Valence × expectancy

Where force is strength of a person's motivation, valence is the strength of an individual's preference for an outcome, and expectancy is the probability that a particular action will lead to a desired outcome.

When a person is indifferent about achieving a certain goal, a valence of zero occurs; there is a negative valence when the person would rather not achieve the goal.

The result of either would be, of course, no motivation. Likewise, a person would have no motivation to achieve a goal if the expectancy were zero or negative. The force exerted to do something will depend on both valence and expectancy. Moreover, a motive to accomplish some action might be determined by a desire to accomplish something else.

However, the theory has been criticized on the following grounds:

(i) The theory is not empirically tested. It is complex and its validity cannot be fully tested. There are only a few research studies designed to test the theory.

(ii) The theory cannot be applied in practice. From a theoretical standpoint, the model seems to be a step in the right direction but it does not give the manager practical help in solving motivation problems.

(iii) There are so many technical and methodological problems to do research on the theory. valence cannot be measured on ratio scales, each valence is explained in the terms of all other valences.

Organisations

PUBLIC-PRIVATE PARTNERSHIP

(With Adaptation from www.pppinharyana.gov.in)

- **What is PPP**
- **Why PPP**
- **What is not a PPP?**
- **Types of PPP**
- **Characteristic of BOT and similar arrangements**
- **Joint venture**
- **PPP Models Supported by the Government**

Public Private Partnership (PPP) is a contract between a pubic sector institution/municipality and a private party, in which the private party assumes substantial financial, technical and operational risk in the design, financing, building and operation of a project. Traditionally, private sector participation has been limited to separate planning, design or construction contracts on a fee for services basis-based on the public agency's spefications.

PPP Project means a project based a contract or concession agreement, between a government or statutory entity on the one side and a private sector company on the other side, for delivering an infrastructure services on a payment of use charges. Private Sector Company means a company in which 51% or more of the subscribed and paid up equity is owned can controlled by a private entity.

Why PPP:

- Delivery of quality services that provides Value for Money (VFM)
- New options for public sector finances (parallel vs. sequential development)
- Utilization of private sector expertise and efficiency in delivery of public services.
- Good Principle of PPP
  Risk transfer (who does what best)
- Performance standards and competition (payment upon delivery-output focus)
- Maintains value of public assets-whole-life.

What is not a PPP?

The way a PPP is defined in the regulation makes it clear that:

- A PPP is not a simple outsourcing of functions where substantial financial, technical and operational risk is retained by the instruction
- A PPP is not a donation by a private party for a public good
- A PPP is not the 'commercialization' of a public function by the creation of a state-owned enterprise.
- A PPP does not constitute borrowing by the state.

Types of PPP:

Services Contract: The public authority remains the primary provider of the infrastructure services and contracts out only portions of its operation to the private partner. The private partner must perform the service at the agreed cost and must typically meet performance standards set by the public sector. The government pays the private partner a predetermined fee for the service, which may be a one time fee, based on unit cost, or some other basis.

Management Contract: Although ultimate obligation for service provision remains in the public sector, daily management control and authority is assigned to the private partner or contractor. In most cases, the private partner or contractor. In most cases, the private partner provides working capital but not financing for investment. The private contractor is paid a predetermined rate for labour and other anticipated operating cost.

Lease contract: The duration of the leasing contract is typically for 10 years and may be renewed for up to 20 years. Responsibility for services provision is transferred from the public sector to the private sector and financial risk for operation and maintenance is borne entirely by the private sector operator. In particular, the operator is responsible for losses and for unpaid consumers' debts. Leases do not involve any sale of assets to the private sector.

Concessions: A concession contract is typically valid for 25-30 years operator has sufficient time to recover the capital invested and earn an appropriate tcturn over the concession. Government may contribute to the capital investment cost by way of subsidy (Viabilit Funding - VGF) to enhance commercial viability of the concession. The concessions are effective provide investment for creation of new facilities or rehabilitation facilities.

Build Operate Transfer (BOT): BOT and similar arrangements are a kind or specialized concession in which a private firm or consortium finances and develops a new infrastructure project or a major component according to performance standards set by the government. Under BOTs, the private partner provides the capital required to Build the new facility, Operate & Maintain (O&M) for the contract period and then return the facility to Government as per agreed terms. Importantly, the private operator now owns the assets for a period set by contract-sufficient to allow the developer time to recover investment costs through user charges.

BOTs generally require complicated financing packages to achieve the large financing amounts and long repayment periods required. At the end of the contract, the public sector assumes ownership but can opt to assume operating responsibility, contract the operation responsibility to the developer, or award a new contract to a new partner. The main characteristic of BOT and similar arrangements are given below:-

- **Design Build (DB):** Where Private sector designs and constructs at a fixed price and transfers the facility.
- **Build Transfer Operate (BTO):** Where Private sector designs and builds the facility. The transfer to the public owner takes place at the conclusion of construction. Concessionaire is given the right to operate and get the return on investment.
- **Build-Own-Operate (BOO):** A contractual arrangement whereby a Developer is authorized to finance, construct, own, operate and maintain an Infrastructure or Development facility from which the Developer is allowed to recover his total investment by collecting user levies from facility users. Under this Project, the Developer owns the assets of the facility and may choose to assign its operation and maintenance to a facility operator. The Transfer of the facility to the Government. Government Agency or the Local Authority is not envisaged in this structure; however, the Government, may terminate its obligations after specified time period.
- **Design-Build Operate (DBO):** Where the ownership is involved in private hands and a single contract is let out for design construction and operation of the infrastructure project.
- **Design Build Finance Operate (DBFO):** With the design-build-finance-operate (DBFO) approach, the responsibilities for designing, building, financing, and operating & maintaining, are bundled together and transferred to private sector partners. DBFO arrangements vary greatly in terms of the degree of financial responsibility that is transferred to the private partner
- **Build- Operate- Transfer (BOT):** Annuity/Shadow User Charge: In this BOT Arrangement, private partner does not collect any charges from the users. His return on total investment is paid to him by public authority through annual payments (annuity) for which he bids. Other option is that the private developer gets paid based on the usage of the created facility.

Joint Venture: Joint ventures are alternatives to full privatization in which the infrastructure is co-owned and operated by the public sector and private operators. Under a joint venture, the public and private sector partners can either form a new company (SPV) or assume joint ownership of an existing company through a sale of shares to one or several private investors. A key requirement of this structure is good corporate governance, in particular the ability of the company to maintain independence from the government, because the government is both part owner and regulator. From its position as shareholder, however. the government has an interest in the profitability and sustainability of the company and can work to smoothen political hurdles.

Accountability and Control

CITIZEN'S CHARTER

- **Background**
- **Six objectives**
- **Nine principles**
- **Rationale of a Citizen's Charter**
- **Components of a Citizen's Charter**
- **Formulation of Citizens' Charters: A Road Map**
- **Citizen's Charters - Model Guidelines**
- **The International Scene**
- **The Indian Scenario**
- **Evaluation of Citizen's Charters**
- **What Makes a Good Charter?**
- **Things to Remember**
- **The six important areas to be covered in every Citizen's Charter**
- **How to Make the Charters a Success?**
- **Suggestions to Make the Charter more Meaningful**

Background

The "Citizen's Charters Initiative" is a response to the quest for solving the problems which a citizen encounters, day in and day out, while dealing with organisations providing public services. As such, the objective of Charter exercise is to build bridges between citizens and administration and to streamline administration in tune with the needs of citizens. This exercise is intended to enthuse and enable organisations to tune their planning, policy and performance to the needs and concerns of citizens/ stakeholders/users/clients.

The concept of Citizen's Charter enshrines the trust between the service provider and its users. The concept was first articulated and implemented in the United Kingdom by the Conservative Government of John Major in 1991 as a National Programme with a simple aim: *to continuously improve the quality of public services for the people of the country so that these services respond to the needs and wishes of the users.* The programme was re-launched in 1998 by the Labour Government of Tony Blair which rechristened it "Services First".

Six objectives

The basic objective of the Citizen's Charter is to empower the citizen in relation to public service delivery. The six principles of the Citizen's Charter movement as originally framed were:

- **Quality:** Improving the quality of services;
- **Choice:** Wherever possible;
- **Standards:** Specifying what to expect and how to act if standards are not met;
- **Value:** For the taxpayers' money;
- **Accountability:** Individuals and Organisations; and
- **Transparency:** Rules/Procedures/Schemes/Grievances.

Nine principles

These were later elaborated by the Labour Government in 1999 as the nine principles of Service Delivery:

- Set standards of service;
- Be open and provide full information;
- Consult and involve;
- Encourage access and the promotion of choice;
- Treat all fairly;

- Put things right when they go wrong;
- Use resources effectively;
- Innovate and improve;
- Work with other providers.

Rationale of a Citizen's Charter

A Citizen's Charter is the expression of an understanding between citizens and the provider of a public service with respect to the quantity and quality of services the former receive in exchange for their taxes. It is essentially about the rights of the public and the obligations of the public servants.

As public services are funded by citizens, either directly or indirectly through taxes, they have the right to expect a particular quality of service that is responsive to their needs and is provided efficiently at a reasonable cost. The Citizen's Charter is a written, voluntary declaration by service providers about service standards, choice, accessibility, non-discrimination, transparency and accountability. It should be in accordance with the expectations of citizens. Therefore, it is a useful way of defining for the customers the nature of service provision and explicit standards of service delivery.

A further rationale for the Charter is to help change the mindset of the public official from someone with power over the public to someone with the right sense of duty in spending the public money collected through taxes and in providing citizens with necessary services.

However, the Citizen's Charter should not simply be a document of assurance of a formula which imposed a uniform pattern on every service. It is meant to be a toolkit of initiatives and ideas to raise the level of standards and service delivery and increase public participation, in the most appropriate way. The Charter should be an effective tool to ensure transparency and accountability and should help deliver good governance if implemented vigorously by the government departments.

If successfully implemented, the Charter can enable the following:

- Improved service delivery;
- Greater responsiveness of officials towards the public: and
- Greater public satisfaction with services.

Components of a Citizen's Charter

- Vision and Mission Statement;
- Details of business transacted by the organisation;
- Details of clients;
- Details of services provided to each client group;
- Details of grievance redressal mechanism and how to access it; and
- Expectations from the clients.

Formulation of Citizens' Charters: A Road Map

- Formation of Task Force;
- Identification of all Stakeholders and major services to be provided by Organisation;
- Consultation with Clients/Stakeholders/Staff (Primarily at cutting-edge level) and their representative associations;
- Preparation of Draft Charter
- Circulation for comments/suggestions;
- Modification of Charter to include suggestions;
- Consideration of the Charter by Core Group;
- Modification of Charter by the Ministry/Department on the basis of suggestions/observations by the Core Group;
- Approval by the Minister-in-charge:
- Submission of a copy of the charter to the Department of Administrative Reforms and Public Grievances;
- Formal issue/release of Charter and putting up on website;
- Sending copies to People's Representatives and all stakeholders;
- Appointment of a Nodal Officer to ensure effective implementation.

Citizen's Charters - Model Guidelines

The need for a Citizen's Charter arises from the dissatisfaction of the citizen/consumer/customer with the erstwhile quality of service offered by a public sector organisation. The following guidelines should therefore be useful:

- To be useful, the Charter must be simple;

- The Charter must be framed not only by senior experts, but by interaction with the cutting edge staff who will finally implement it and with the users (individual organisations);
- Merely announcing the Charter will not change the way we function. It is important to create conditions through interaction and training for generating a responsive climate;
- Begin with a statement of the service(s) being offered;
- A mention be made against each service the entitlement of the user, service standards and remedies available to the user in case of the non-adherence to standards;
- Procedures/costs/charges should be made available on line/display boards/booklets inquiry counters etc. at places specified in the Charter;
- Indicate clearly, that while these are not justiciable, the commitments enshrined in the Charter are in the nature of a promise to be fulfilled with oneself and with the user;
- Frame a structure for obtaining feedback and performance audit and fix a schedule for reviewing the Charter every six months at least.

The International Scene

The UK's Citizen's Charter Initiative aroused considerable interest around the world and several countries implemented similar programmes e.g., Australia (Service Charter, 1997), Belgium (Public Service Users' Charter, 1992), Canada (Service Standards Initiative, 1995), France (Service Charter, 1992), India Citizen's Charter, 1997), Jamaica (Citizen's Charter, 1994), Malaysia (Client Charter, 1993), Portugal (The Quality Charter in Public Services, 1993), and Spain (The Quality Observatory, 1992).

Some of these initiatives are very similar to the UK model, whereas others break new ground by leaning on the service quality paradigm of the 'Total Quality Management' (TQM) movement. Some other initiatives are pitched somewhere in between. Even in the UK, in the context of the Next Steps/Modernising Government Initiatives, Citizen's Charters have acquired a service quality face for delivery of public services. The quality tools adopted for improving public services include the Business Excellence Model, Investors in People, Charter Mark, ISO 9000 and Best Value (Government of UK, 1999).

The Indian Scenario

The Department of Administrative Reforms and Public Grievances in the Government of India (DARPG) initiated the task of coordinating, formulating and operationalising Citizen's Charter. The guidelines for formulating the Charters as well as a list of do's and don'ts were communicated to various government departments/organisations to enable them to bring out focused and effective charters. For the formulation of the Charters, the government agencies at the Centre and States levels were advised to constitute a task force with representation from users, senior management and the cutting edge staff.

The Charters are expected to incorporate the following elements:

- Vision and Mission Statements;
- Details of business transacted by the organisation;
- Details of clients;
- Details of services provided to each client group;
- Details of grievance redresal mechanism and how to access it; and
- Expectations from the clients.

Primarily an adaptation of the UK model, the Indian Citizen's Charter has an additional component of 'expectations from the clients' or in other words 'obligations of the users'. Involvement of consumer organisations, citizen groups, and other stakeholders in the formulation of the Citizen's Charter is emphasised to ensure that the Citizen's Charter meets the needs of the users. Regular monitoring, review and evaluation of the Charters, both internally and through external agencies has been enjoined.

Development Dynamics

DEVELOPMENT DYNAMICS: CHANGING PROFILE OF DEVELOPMENT ADMINISTRATION

- **Development Administration: 1950's to 1970's**
- **Development Administration in the 1970's**
- **Development Administration in the 1980's**
- **Development Administration in the New Millennium (From 2000-Till Now)**
-

Development Administration: 1950's to 1970's

The development Administration first got started in 1950's with President Truman's point four programme and Colombo Plan. This was a decade of optimism, expectations and establishment of international aid agencies in various industrialized countries. In China, India, and Middle East, South East Asia and West and East Africa, a new wave of expectant peoples strained the emerging neo-classical order while tearing down the remnants of the imperial system. Development had become the dominant issue in developing countries. Development Administration was seen as concerned with the will to mobilize existing and new resources and to cultivate appropriate capabilities to achieve developmental goals. Thus, development administration became an essentially action-oriented, goal-oriented administrative system, geared to realise definite programmatic values. It was supposed to be based on a professionally oriented, technically competent, politically and ideologically neutral bureaucratic machinery.

But by the early 70's, a rude awakening was noticed concerning the inadequacies of the developmentalist paradigm of public administration to cope with the urgent problems. The crisis of developmental administration in this decade became one of identity and purpose with seemingly devastating effects on the entire field of public administration, in the North as well as the South. Assumptions, methodology and focus became increasingly irrelevant. In fact, after its accelerated growth of the 1960's, development administration apparently plunged into the depth of an intellectual depression.

By the end of the 1970's, it was clear that something had gone wrong. The western style of economic progress was obviously not forthcoming; instead, the quality of life in many Third World countries was declining. Moreover, the recession of the later 1970s and early 1980s curbed the enthusiasm of developmental strategists of the West and created doubts in the Third World about the invincibility of the Western wisdom.

The reasons are as follows:

(1) For many years, Western scholars have been unable to include the non-western contributions to developmental studies.

(2) Ethnocentrism and ignorance in the West have continued to overshadow the need to appreciate the role of local tradition, culture, religion, and style of governance.

(3) Infusion of foreign aid has failed to enhance the quality of life or satisfy basic needs.

Development Administration in the 1970's

By mid-way through the 70's the paradigm of development administration was severely in question. Not only was their usefulness in doubt in the third world countries, but an intellectual crisis had set in among the students of development administration in the West.

The New International Economic Order became an important new symbol in the development arena. Its demand for a basic realignment of the world economy, through changes in trade, aid and technological transfer, was appreciated but generally ignored by the richer donor nations. While the World Bank and the International Labour Organisation symbolically endorsed this approach to development, the monumental change in the world system demanded by NIEO did not occur. Recently, another important factor, which has broadened the scope and spectrum of Third World problems, is the withering away of the Eastern European and Soviet Union communist States, and the entry of at last some of them especially in Central Asia, into the realm of the Third World. The Golden Age of the 1950's had turned into the Age of Pessimism and Disillusion by the 1980's.

Development Administration in the 1980's

1980's brought the collapse of Soviet Union and end of cold wars, making United States the sole super-power. U.S. began to dominate both theory and practice of Public Administration. Modernization was defined as integration into the global economy and development as economic liberalizations privatization and embracing the 'free market'. Important players in the process of development would be local organizations, NGO's, and Governments. This process of development also includes environmental management, Human Resources Development, building self-confidence and concentrating on civil society, social institutions and human rights. All these were included in World Bank's report on good governance. It is defined as an initiative to build pluralistic institutions that could perform functions in much the same manner as western governments. Good Governance also emphasized on privatization and markets as opposed to government intervention in the economy.

Development Administration in the New Millennium (From 2000-Till Now)

There are many actors in process of development during new millennium with civil society organizations, NGO's playing a pro-active role in process of development is defined in true sense of development with active people participation as the pre-condition for development. The essence of Development Administration now is people's empowerment. This is expected to be achieved through the following means:

(1) Decentralization of political and administration structures.

(2) More active role to be played by market forces for efficient utilization of existing resources.

(3) Introduction of transparency and accountability within administrative systems.

(4) Ensuring basis minimum services to people through various legislations which force the government to treat them as basic rights of people.

(5) Active role of civil societies and Non Governmental Organizations to provide unbiased feedback to government on effectiveness of welfare schemes through social audits.

(6) Self help groups (SHG) to sustain the process of development through active participation by people themselves.

In the end, the development can be characterized as development for the people by the people and to the people. The New Approach is to cut back the scope of government activities through privatisation, deregulation decentralization, and similar efforts. It means a reduction in the scope, or at least in the rate of growth, and the streamlining of procedures of the centralised administrative apparatus in the public sector.

FOR MORE PURCHASE OUR STUDY KIT

Public Policy

- **PROCESSES OF CONCEPTUALIZATION**
- **PLANNING**
- **IMPLEMENTATION**
- **MONITORING**
- **EVALUATION**
- **REVIEW**

PROCESSES OF CONCEPTUALIZATION

The first step is to identify whether and why there is a problem of all. Defining the problem involves moving from mundane descriptions to a more abstract, conceptual plane. Here an attempt should be made to diagnose the form of market failure that is confronted for example, an environmentalist who is investigating alternative pollution control measures for the Ganges will find that the water is being polluted by the dumping of industrial water and untreated sewage into the river. Having indentified the context of the problem, the next step is to determine what objectives are to be achieved in confronting it. Too often, we lose right of the basic objectives. Paying careful attention to the objectives is, therefore important. The next step is to determine alternative course of action. Government intervention can take any form. It is important to determine particular situation. Determining alternatives for policy choice generally offer a change for creative thought and well as hard work.

PLANNING

Having identified the underlying problem and having determined the alternatives for policy choice, the policy analyst evaluates the consequences of an alternative course of action are uncertain, and especially if the possible outcomes differ widely from one another, the analyst may wish to develop a decision tree and evaluate the probability of each outcome. The last step in policy analysis relates to making the preferences choice (Course of Action). The situation may be so simple for the policy-maker that he can simply look at the consequences predicted for each alternative and select the one that is best.

IMPLEMENTATION

In the final analysis, the success of public administration can be measured only in relation to the implementation of policies. Policy implementation is of critical importance to the success of government. However good the political system, however the noble the goals, however sound the osganisational system, no policies can succeed if the implementation does not bear relationship to the intentions of policy makers. In its most general form, implementation is a phase between a policy statement and operation', It seeks to determine whether an organisation is able to carry out and achieve the stated objectives of its policies. The exercise involves developing and pursuing a strategy of organisation and management to ensure that the policy process is completed with the minimum of delays, costs and problems. More specifically, the task of implementation is to form a bridge that allows the objectives of public policies to be achieved as outcomes of governmental activity. It involves the creation of a policy delivery system in which specific mechanisms arc designed and pursued in the hope of reaching particular ends.

MONITORING

Monitoring is essentially a subset of the implementation process. It is an activity which occurs in the course of implementing a policy or programme. It is in the process of monitoring that the implementer actually gets to begin seeing the results of policy. The objective of policy monitoring is to ensure through the policy implementation process that resource inputs are used as efficiently as possible to yield intended results. The standards which are used for both efficiency of resource utilisation and effectiveness of policy implementation are inherent in the policy-making process. The monitor has to be able to appraise resource use, technical activities and policy implementation results with an amount of detail which permits him to make changes or corrections when necessary. On the contrary, if the monitor flies too high, as it were, then the details will be lost and the opportunity for effective policy control is lost. The monitor becomes often buried in the detail of policy programme and loses sight of overall policy performance standards.

The significance of the monitoring of public policy lies in seeing that intended results arc achieved through the efficient use of resources. Monitoring helps in designing and implementing systems for the processes, which provide just the sight amount of detail for adequate control of policy execution. Experience has shown that effective monitoring can ensure the proper execution of policy with desired results in the shortest period of time.

An effective monitoring of public policies aids in cost reduction, timesaving and effective resource utilisation. The key issue in monitoring is to create en information system that gives policy makers and policy implementers the information they need to make timely decisions and policies that will keep policy/programme performance as dose as possible to the objectives of the policy. Therefore, it is important that monitoring and control processes should be given due importance and be designed properly.

Financial Administration
FINANCIAL ACCOUNTABILITY

- **Genesis**
- **Accountability for What?**
- **How Accountability Works**
- **Fiscal Prudence in India: FRBM Act, 2004**
- **FRBM Act, 2004 - How will it Help in Redeeming the Fiscal Situation?**

Genesis

The genesis of the current emphasis on financial accountability can be attributed to the following factors:

1. Two decades of fiscal turbulence have contributed to a substantial erosion of credibility of governmental fiscal machinery, and to a growing distrust of governments;
2. The gradual spread of global is at ion has put economic policy-makers in many developing countries and economies in transition in a reactive mood, rather than proactive; external developments that do not always lend themselves to precise identification would appear to have a greater role, or even a dominating role on fiscal policies. Information asymmetries have made the already formidable tasks of policy-makers even more complex and intractable. In the absence of crucial information, the risks faced by the policy-makers have increased significantly;
3. The change in the nature of government and its gradual withdrawal from production activities has made it take an active role in regulation which adds to the complexity of financial accountability;
4. There has been a major change in the composition of expenditures central and federal governments. Apart from sizeable outlays on the servicing of public debt and on entitlement payments, expenditures at the Central government level are increasingly devoted to contract payments, transfers to the private sector, and transfers to regional and local governments. This has contributed to a separation funding from the actual provision of services and has affected pattern of financial accountability; and
5. Over the years, the scope of financial accountability has expanded rapidly and significantly, reflecting changing tasks and expectations and an emphasis on 'prudent macroeconomic management.' This enhanced financial accountability requires governments to accountable for ensuring that there are adequate systems to secure and improve results and to maintain the financial condition of state (fiscal sustainability, flexibility in the use of resources, and reduced financial vulnerability.

Accountability for What?

Governments are voted out of office when the electorate loses faith their ability to deliver the services they need and when opposition promises gain sufficient credibility. In other words, governments are accountable for performance. A distinction is sometimes made between financial performance and overall performance or between financial accountability and performance accountability.

Financial accountability is served simply be collecting and spending public funds in accordance with laws (including budget laws) and regulations. While this still needs strengthening in any countries, it is a long way short of performance accountability.

Fiscal Prudence in India: FRBM Act, 2004

The FRBM Act was enacted by the Parliament in 2003 to bring in fiscal discipline. It received the President's assent in August the same year. The United Progressive Alliance (UPA) government had notified the FRBM Rules in July 2004.

How will it Help in Redeeming the Fiscal Situation?

The FRBM Rules impose limits on fiscal and revenue deficit. Hence, it will be the duty of the Union government to stick to the deficit targets. As per the target revenue deficit, which is revenue expenditure minus revenue receipts, have to be reduced to nil in five years beginning 2004-05. Each year, the government is required to reduce the revenue deficit by 0.5% of the GDP. Similarly, the fiscal deficit is required to be reduced to 3% of the GDP by 2008-09. It would mean reduction of fiscal deficit by 0.3 % of GDP every year.

The FRBM Act prohibits Government to borrow from the RBI after April 1, 2006. The Act requires that on a quarterly basis that Government would have to place before both the Houses of Parliament an assessment of trends in receipts and expenditure, The Government also has to annually present the macro-economic framework statement, medium term fiscal policy statement and fiscal policy strategy statement. The three statements would provide the macro-economic background and assessment relating to the achievement of FRBM goals.

The medium term fiscal policy statement will contain a three-year rolling targets for key fiscal parameters that underpin the Government's fiscal correction trajectory. A statement on this is proposed to be present along with forthcoming Union Budget for 2004-05. Through the FRBM disciplines the Government is also committed to undertake an intra-year assessment of the achievement of its budgetary targets. At the end of the second quarterly assessment, if the non-debt receipts are less than 40 per cent of the Budget Estimates or there venue or fiscal deficit is more than 45 per cent of the Budget Estimates, the Government would not only be required to take corrective measures, but the Finance Minister shall also make a statement in both the Houses of Parliament.