

Welcome Address by

Shri K M Chandrasekhar
Cabinet Secretary

His Excellency the Vice President of India, Principal Secretary to the Prime Minister, National Security Adviser, Secretary, Administrative Reforms, distinguished Colleagues, Ladies and Gentlemen,

I extend very warm welcome and sincere thanks to His Excellency, the Vice President, who has so kindly accepted our invitation to grace this occasion and inaugurate the programme for this year's Civil Services Day. I am particularly delighted because Shri Ansari represents a unique combination of qualities which will inspire future generations of Civil Servants. He was a dedicated Civil Servant in the best traditions of public service, a learned and thoughtful Vice Chancellor and a diplomat who has distinguished himself in a wide range of responsibilities.

It gives me great pleasure also to welcome senior and retired officers who have left an imprint on administration as Cabinet Secretaries and Secretaries to Government in the past. I welcome my colleagues at all levels of seniority and I welcome too the representatives of the media who are present here to cover the inauguration of the Fourth Civil Services Day. A special word of thanks and a warm welcome to the Principal Secretary to the Prime Minister and to the National Security Adviser, with whom I have had the privilege and honour of working very closely during the last couple of years. Smt. Rajani Razdan, Secretary, Administrative Reforms & Public Grievances, along with her officers, has been the driving force behind the organization of the Civil Services Day and I would be failing in my duty if I do not express my deep gratitude to her for the manner in which she has whole heartedly immersed herself in the task of making this event useful and meaningful for the 4th year in succession. I thank also our knowledge partners, the Centre for Good Governance, Hyderabad and the Centre for Policy Research, New Delhi, who have prepared intensive and thought provoking background papers on performance management and Civil Services accountability.

We have carefully chosen our themes for the deliberations today. In the first part of our day long deliberations, we will have the opportunity to examine in depth various aspects of performance management. Given the pervasive role of Government in our society, enhanced Government

effectiveness is the key determinant of a country's competitive advantage. Experts agree that, in the long run, the race among nations will be won or lost not on the basis of comparative advantage arising from resource endowment, but by the competitive advantage created by effective governance. This explains the successful development experience of countries like Ireland, Singapore, Korea and Japan, even without any apparent comparative advantage in terms of resource endowment. I believe also that the benefits of effective government will reach across to all strata of society and that there is no trade off between efficiency and equity. Performance management in fact is an effective instrument for promoting equitable growth.

Starting from this premise, I see several broad trends in the area of performance management. First, there is a clear movement away from the Administrator Model to the Management Model. The Management Model represents an internal culture of making managers manage, as opposed to the Administrative Model which values compliance to pre-determined rules and regulations. It requires the managers to assume greater responsibility while at the same time, giving them greater operational freedom and holding them accountable for results. Various techniques have been followed such as mandatory strategic planning by Government agencies, explicit target setting, devolved resource management, performance monitoring and reporting, and regular evaluations using benchmarked data. Many countries, including Canada, New Zealand, Australia, Netherlands, Denmark, the United Kingdom, the United States and Finland, have made significant progress using such techniques with New Zealand being clearly the leader of this pack. The second trend is represented by more countries moving from the Bureaucratic Model to the Market Model, which represents greater use of market type mechanisms as opposed to operating public services as a monopoly provider. The third trend is represented by the efforts of many Governments to reinvent themselves. Reinvention is not the same as reform; it involves something much deeper, something tantamount to changing the very DNA of public organizations so that they habitually innovate, continually improving performance without external pressure. The fourth broad trend is reflected in the efforts of the Government to promote knowledge management and knowledge sharing within the public sector, which results in overall improvement of performance of all wings of the Government. The fifth broad trend is obviously e-Governance. It is safe to say that no Government has successfully transformed itself without extensive utilization of e-Governance tools. The converse, however, does not hold true. Use of e-Governance tools by itself is no guarantee for

success. If e-Governance is used for cosmetic effect to create an impression of efficiency, it is unlikely to deliver potential benefits.

The issue of accountability is a related one. The immediate question that arises is: accountability for what? For far too long, we have associated accountability with sins of commission and omission. We need now to think of ways in which we can redefine accountability and make it accountability for performance aimed at specific service delivery to the people. We will need to shift from rigid, closed and hierarchy bound systems to a more open, responsive and accessible structure. This will necessarily involve dramatic changes in the fundamentals of administration, and we may have to boldly strike new paths in areas such as channels of communication within Government, sharing of information, evaluation of performance, and even systems of audit.

To encourage informed debate amongst Civil Servants and others, we have launched a website dedicated to all aspects of performance management in Government. You can visit this website at www.performance.gov.in. We have also launched a newsletter entitled 'Performance Matters'. You will find a copy of the first issue in your folders.

I thank all of you for attending this event and I hope that interaction on these critical issues later in the day will open our minds to new possibilities in administration.