

# CIVIL SERVICE REFORMS

## Why in News?

A spate of recent research, combining unprecedented access to data on the career profiles of IAS officers with granular measurement of local development outcomes as well as electoral and political dynamics, sheds new light on various important questions relating to IAS.

## 1 KEY INSIGHTS INTO THE IAS

- A competent, functional IAS is necessary condition (not sufficient) for improving governance outcomes
- Officers with strong local ties - often linked to improved public service delivery (institutional thinking prevents allotting home cadre)
- Initial skills shape career trajectories, but in the long term training or acquiring specialized skills are important
- Political interference generates substantial inefficiency
- Individual bureaucrats can have direct & measurable impacts on health, education, and poverty outcomes
- Greater political competition does not necessarily lead to better bureaucratic performance

## 2 CHARACTERISTICS OF INDIAN CIVIL SERVICES

- Meritocratic recruitment via a competitive examination
- Predictable, long-term career incentives that reward seniority
- A distinct (albeit rigid) set of allocation and assignment procedures
- Mandarin-style service

## 3 CHALLENGES

### FAILING STATE OF IAS

- Not functioning at its highest capacity
- Perverse incentives for career advancement
- Lack of specialized expertise
- Perception of widespread corruption
- Report by a political consultancy - Indian bureaucracy is the most inefficient in Asia
- Leading political scientist wrote, "the bureaucracy confuses ends with means, rules with outcomes, control with efficiency."

### DECLINING HUMAN CAPITAL

- Increasingly attractive private-sector opportunities
- According to a study, successful candidates
  - Are less likely to hold a postgraduate degree
  - Are getting older
  - Take an average of four attempts
  - Spend a majority of their twenties preparing for civil services

### DIMINISHED INDEPENDENCE

- Culture of political interference
- Short average tenure in posts - as low as six months in Uttar Pradesh

### POOR INCENTIVES FOR ADVANCEMENT

- Bias toward seniority
- Even poorly performing officers are given promotion

### LACK OF SPECIALIZATION

- IAS - a generalist service
- Domain knowledge has become more valuable

### MALFEASANCE

- Taken together, several of the factors listed above are major drivers of malfeasance
- Endemic political interference can lead to rent-seeking behavior even from honest officers

- Stiff resistance from incumbent IAS officers on civil service reform

## 4 REFORM AGENDA

- Protect against arbitrary, politically motivated transfers and postings of civil servants
- Data: data on civil servants' abilities, education, & training for initial placements. Later, performance metrics to be used for promotion and allocation
- Lateral Exit: compulsory retirement through a transparent and uniform system of performance review
- State cadre: experiment with increasing local officers & track their performance
- According to 2<sup>nd</sup> ARC recommendations:
  - Lowering the permissible age of entry into the civil services
  - Establishing national institutes of public administration for aspiring civil service applicants
  - All promotions be based on successful completion of mandatory training instead of seniority
  - To strengthen accountability mechanisms: 2 intensive reviews at the 14 and 20 year marks
    - Fix a minimum tenure for senior posts, and
    - Establish safeguards against arbitrary dismissal
- The Centre had constituted a task force to study cadre structures of various central services to check stagnation level and other issues

## 5 SOLUTIONS

- Thwarting Political Interference
  - Government should prioritize action on draft bills:
    - Public Services Bill (2007),
    - Civil Services Bill (2009), and
    - Civil Services Standards, Performance, and Accountability Bill (2010)
  - Implement SC's order of civil service boards to manage the tenure, transfer, and posting of All India Services
- 2<sup>nd</sup> ARC suggestions:
  - A system of performance appraisal that privilege domain competence over subjective annual performance appraisal reports
  - Lateral Entry: for joint-secretary level and above, open them up to candidates from all senior administrative services, such as the IES, IRS
  - Opening up additional secretary positions to individuals from the private sector
- Important Civil Service Conduct rules for preventing Nepotism:
  - Rule 4(1) for impartiality, objectivity and Non-Partisanship in matters of employment
  - Rule 4(3) for Probity in governance and Integrity
  - For Efficiency and Quality of service delivery: review the performance of every official when they reach the 50-55 age bracket and complete 30 years in service

## 6 WAY FORWARD

- Abolishing ideas of IAS are not practical
- Further research is needed to
  - Understand the impact of local officers on development outcomes,
  - Develop data on bureaucratic efficiency, and
  - Systematically examine the workings of state-level bureaucracies
- Pay by performance (Efficiency): last three pay commissions suggested to link a bureaucrat's salary to performance
- Getting more out of the bureaucracy is an essential element of administrative reform
- Codifying ethical norms and practices
- Providing norms for qualifying and disqualifying a public functionary
- Structure of decision making to be made transparent, procedures to be simplified