HOLDING THE STATE TO ACCOUNT
Citizen Monitoring in Action

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BfC Production Team: Shoba Ramachandran, Rajeevan, Gokul and Shailaja
For my grandchildren

*Karam, Zubin and Varun*
Many people in the developing world are concerned about the erosion in the accountability and performance of their governments. These citizens, in many countries, are pessimistic about the prospects to improve this desperate situation. It is against this backdrop that this book explores the potential of civil society in using citizen feedback on the government’s functions, especially its provision of public services as a means to improve performance and responsiveness. It narrates the actual experience of one city in India, namely, Bangalore, where experiments along these lines were carried out. I believe that these experiments are replicable and can be scaled up. The specific findings and the impact they made in Bangalore may be unique to Bangalore. But the method and approach used are of wider relevance and can be applied in many other settings to deal with similar problems. In fact, this has already happened.

The Bangalore Report Card was the result of an initiative that I launched along with a small group of friends soon after my return to Bangalore after several years in Washington DC. We were deeply concerned about the deteriorating infrastructure and public services in the city, and the inability of the government and its service providers to respond to the situation. As citizens, we felt that we should devise an approach to gather and put to use people’s feedback on the services they were receiving and the problems being faced by them, to demand increased public accountability. At that stage, we were not optimistic about the impact that collective citizen feedback might have on the public agencies responsible for the services. Ours was a civil society initiative, but without any organisational base. We were convinced, however, that the feedback had to be widely disseminated and the public agencies challenged to respond to the problems being faced by the citizens.

The small group of friends who joined me in the Bangalore report card experiment were Raja Ramanna, P C Alexander, T R Satishchandran, K R S Murthy, Nandana Reddy, Jyotsana Bangara, Salil Shetty, C K Sharma and P P Madappa. Though some of them have
held senior positions in government, they participated in the report card initiative as private citizens. They provided both credibility and a sense of balance, and independence to the initiative. I am greatly indebted to them for their support and active involvement in this project. It was their participation and enthusiasm that eventually paved the way for the establishment of the Public Affairs Centre.

The financial resources for launching the Centre came from the initial grants offered by the National Foundation for India and the Ford Foundation. I am grateful for their confidence in the power of an idea that was yet to be tested.

Equally important was the role Marketing and Business Associates Ltd. (now known as Gallup MBA India Ltd.) played in the design of the field research and data collection. C K Sharma and Mathew Paul, partners of this market research firm were actively involved in this endeavour and contributed greatly to the subsequent analysis and interpretation of the study findings.

Many colleagues and friends have contributed to the writing of this book. Advice and valuable inputs for the manuscript were provided by Suresh Balakrishnan, K Gopakumar and K R S Murthy. I am grateful for their many suggestions for improvement, both substantive and stylistic. The text has also drawn upon some of the papers I wrote jointly with Sita Sekhar. Rehamt Merchant patiently edited the manuscript and offered numerous suggestions for improvement. I am grateful to all these friends and colleagues for their valuable contributions. Needless to say, none of them has any responsibility for the views expressed in the book or for any errors that remain.

\[\text{Samuel Paul}\]

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<tr>
<th>Abbreviation</th>
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<tr>
<td>Bangalore Agenda Task Force</td>
<td>BATF</td>
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<td>Bangalore City Corporation</td>
<td>BCC</td>
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<td>Bangalore Development Authority</td>
<td>BDA</td>
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<td>Bangalore Metropolitan Transport Corporation</td>
<td>BMTC</td>
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<td>Bangalore Telecom</td>
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<td>Bangalore Water Supply and Sewerage Board</td>
<td>BWSSB</td>
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<td>Karnataka Electricity Board</td>
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<td>Karnataka Power Transmission Corporation Limited (KEB's successor)</td>
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<td>Non Governmental Organisation</td>
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<td>Regional Transport Office</td>
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SERVING THE PEOPLE: HAVE WE FAILED THE TEST?

The rhetoric of serving the people rings loudly from political platforms, especially during elections. Governments invest huge resources to produce and deliver public services. But those who depend on the government for essential public services, often run from pillar to post to avail of these services. Even when they pay for services, there is no guarantee that a citizen will get what he/she has paid for. Nor are norms of quality and responsiveness ever assured with public services. The poor for whom services are promised to be ‘free’, often incur heavy costs when they use these services. In brief, a time has come when holding the state to account for public services seems an almost impossible task for ordinary citizens.

This neglect of the problems of ordinary people is not exciting news. Media attention is reserved largely for big scams and the abuses of power by political leaders and high officials. But the abuses and sleaze that exist at other levels of the government where the public interacts with the former are equally large and more worrisome. They adversely affect the well-being and productivity of millions of people, every day, across the country. They breed much dissatisfaction and frustration among the people. Yet the attention given to these problems by the government and elite of the country leaves much to be desired.

Will it make any difference if civil society becomes more proactive and demands greater accountability from the government for its performance? Can a beginning be made at the local level to exert increased public pressure on the government’s service providers to perform better? This book attempts to answer these questions not by diagnosing the infrastructure and service related problems of the country as a whole, but by narrating the lessons learned from some
experiments conducted in one city, namely, Bangalore, to energise civil society institutions and the government to address the problems of public services, using methods and strategies that seem replicable. The basic message of this volume is simple: civil society’s monitoring action leveraged by the power of citizen feedback on public services can signal the government and its agencies to be more accountable. This is best done at the local level.

The lesson from Bangalore is simple and direct. When many cities, towns and villages begin to demand increased accountability in this manner, the quality and responsiveness of our public services will improve. This may sound simplistic to those who see increased public spending as the sole requirement for upgrading public services. Of course, larger investment in infrastructure and basic services is necessary. But it is naive to assume that public spending by itself will improve the quality, responsiveness, and efficiency of public services.

The provision of essential public services to the people is a basic function of governments. Many of these services are ‘public goods’ or possess public good characteristics that give governments a logical role in their provision, especially in poor countries. Thus roads, preventive health services, and pollution control are public goods from which all people benefit. Even services such as education that primarily benefit those who attend school have public goods characteristics. If the government fails to provide these services, most people will have nowhere else to turn to get them. It is therefore not surprising that nearly three quarters of a state government’s budget in India is utilised directly or indirectly to provide a wide range of services to the people. This includes health, education, roads, transport, law and order, electricity, municipal services, and numerous welfare programmes. A significant proportion of investment funds required for these services are provided to the states by the Government of India which in turn mobilises the resources through taxes and loans. The totality of these services and the associated infrastructure are meant to enhance the quality of life and productivity of the people. Unreliability and corruption in essential services are a deadweight on the productivity and competitiveness of our cities and towns where most of our skilled people and modern enterprises are
concentrated. Even in rural areas where the interactions of ordinary people with the government are limited, the perceived image of the latter is often that of a predator and oppressor. When public services are poorly planned and managed, industry and business also suffer and the progress of the country gets weakened. Though the examples and experiences discussed in the ensuing chapters are largely from cities, the theme of the book is equally relevant to the overall governance of the country.

**Why Are Our Public Services Unsatisfactory?**

Dissatisfaction with public services tends to make most people distrust and discount the promises made by governments. When repeated visits have to be made to an electricity office to get a new connection or to restore a faulty line; or when the payment of a tax is made arbitrary and complex, people become cynical about the services. If, added to this, a person has to pay a bribe to get a service he has already paid for, he will no doubt feel enraged. The callousness and lack of accountability rampant in many public offices raise the question: why are leaders in the government unable to cleanse the system? Indeed there are many things that a government can and should do to improve matters. But for a number of reasons discussed here, government service providers continue to be unresponsive to, and often uninterested in the needs and problems of the public. This is not to deny that some public leaders and the departments or agencies they are responsible for, have made notable efforts to improve matters. But the sustainability of these endeavours and their impact have by and large been unimpressive.

Before we examine the reasons for the crisis in public services, it is necessary to understand the context in which they operate. As noted above, the state has traditionally been the dominant, if not the sole provider of public services in most countries, including India. Private participation had played a notable role in the nineteenth century in some countries. But the economic and political importance of infrastructure, the ‘spillover effects’ of some of the investments, difficulties in excluding people from the benefits of certain services even if they did not pay for them, and the strong public interest underlying infrastructure, have caused governments to initiate and invest in a big way in public services. Technological compulsions have
reinforced these factors. The new capital intensive technologies associated with some of the services required a large scale of operation and vast resources. In sectors like electricity and water supply, for example, it was extremely costly for this reason to have competing suppliers in the same area. A major consequence of this development was that public service providers became monopolies protected from the winds of competition that would have made them more responsive to the needs of citizens. The resulting inefficient use of resources and non-responsiveness to customers by public service providers have been increasingly criticised and exposed in many countries since the 1980s. In several countries, services such as telecommunications, power, transport, and water have been privatised and the regulatory functions of government strengthened where market competition could not be ushered in. By and large, this is a very recent trend. In India, however, most public service providers in the cities continue to be monopolists and the government’s efforts to regulate them are relatively recent and half-hearted.

A second feature of the Indian context is the tremendous overload of functions the government has taken upon itself. It has not only to deliver essential public services to the people, but also to manage numerous commercial and development enterprises, apart from designing and implementing policies pertaining to a variety of sectors in the economy. The government’s burden has been exacerbated by the limitations of the citizens whom they have to serve. The vast majority of the people have low levels of education and limited awareness of their own rights and entitlements. The kind of administrative systems that can effectively cope with these limitations are yet not in place. This has many implications for the current state of the public services. Traditional mechanisms such as the public audit of government expenditure and legislative oversight are stretched to the limit by this system overload. The thrust of these mechanisms is on the review of inputs. Expenditures are audited to see whether proper procedures and norms have been adhered to. While this is an aspect of accountability, it does not tell us anything about how well the money was spent. This is because very little attention is given to the outputs and outcomes of the inputs. The problem
is exacerbated by the difficulties in measuring outputs and in monitoring field level activities. Grievance redressal systems are nominal at best and often unable to satisfactorily respond to the problems of thousands of customers served by the public agencies. An even more disturbing problem is the collusion between service providers and those responsible for monitoring their performance. The internal working and decision-making of public agencies cannot easily be monitored or even observed by those outside the system. The scope for the pursuit of parochial and self-serving interests and for corruption is considerable under the circumstances. When some in the hierarchy of political leaders, bureaucrats, and service providers collude among themselves to divert the resources meant for the people, public accountability is the casualty.

These problems have also resulted in a third feature, namely, a substantial lag in the reform of the legal and regulatory system so essential to the design and delivery of essential services. Administrators typically try to work within the framework of the laws and regulations of their organisations. Accounts get audited because the law requires them to do so. Investments are made according to the laws and regulations governing the organisation. If the law is silent on the standards and other attributes of services, provider agencies are likely to pay less attention to them. A recent comparison of the legislation on electricity in the United Kingdom (UK), the United States of America (USA) and India has shown that while, in the other two countries attention is given to the standards and quality of services and to consumer protection, the focus of the Indian legislation is on investment and supply. When the norms of service and standards of reliability are not spelt out and enforced, it is difficult for customers to hold a service provider accountable for performance. True, even when legal inadequacies are rectified, improved accountability may not automatically follow. But a well-designed legal framework can provide an enabling environment for the public to demand improved accountability. It is conspicuous by its absence in the Indian context of public services.

The contextual factors described above are not unique to the state of public services in India. Other developing countries also are known for their inefficient and non-responsive governments and service
agencies. Industrially developed countries too have encountered similar problems at earlier stages of their development. Their history offers interesting examples of strategies adopted by them to cope with these issues. In the early part of this century, cities in the USA were poorly managed, and were known for their widespread patronage and corruption. A deliberate move to eliminate these evils and to professionalise city management was launched at that time with the active involvement of the American presidents of that era. In the city of Chicago, a non-governmental movement led by the Municipal League was instrumental in fighting corruption and other abuses of power in the city’s governance. Journalists and public interest activists effectively exposed corruption in high places. Movements of this genre in the US led to a clean break with the past and the creation of new municipal management systems, professionalisation of personnel and organisational practices that dramatically improved the public services. The hiring of a new breed of well-trained ‘city managers’ by the cities was a feature of this era.

In the recent elections in the UK, Prime Minister Tony Blair placed the improvement of public services such as health at the top of his campaign agenda. It underscores the importance that developed country leaders attach to public services despite the already high level of attainment prevalent in their countries. One can hardly think of a case from a developing country where elections are fought on public service reforms.

Some would argue that the quality of public services will improve and public accountability will be enhanced only when incomes rise and poverty and illiteracy are eradicated. According to this view, the pace of change cannot be forced as many historical and cultural factors and traditions are at work. Higher levels of income, education, and organisational capabilities will certainly create a more fertile environment for improved services and accountability. However, experiences of developed countries clearly show that, irrespective of income levels, without deliberate strategies for reform, public agencies are unlikely to initiate steps to improve their services. The UK example cited earlier is a case in point. Improved public services therefore do not automatically
follow increased income levels. On the other hand, even countries with lower incomes can have governments that are responsive to public needs and are concerned about better service delivery, as the needed reforms do not always require substantial financial resources.

There are infrastructural services, of course, that require considerable capital investment. But other kinds of reforms, such as improved management systems, budgetary practices, simplification of laws and regulations, and transparency, call for committed leadership, coalition building, staff training, and better supervision, rather than big investments. In Guntur, a small city in India, a reform-minded municipal commissioner has successfully introduced e-governance measures that have improved the speed and transparency in the issue of building permits and other certificates. Another example that will be discussed in some detail in a later chapter is the introduction of self-assessment of the property tax in Bangalore, a reform that has substantially reduced citizen harassment and corruption.

Individual public services encounter many specific constraints and problems unique to them. But to get a broader picture of what ails our public services, it is necessary to look for the common factors that adversely affect all or most of them. Some would argue that feudal traditions and values and the role of the elite in our society is at the root of the problem. While the historical trends and customs of a society can no doubt provide useful perspectives, it is equally important to identify the proximate factors that have brought our public services to the present state. Experts on government and experienced administrators who have a wider perspective on these matters have speculated on the different reasons for the unsatisfactory state of public services:

- **Resource Constraints**
  
  Most planners and policy makers in the government will cite resource constraints as the key barrier to the quantitative and qualitative improvement of public services. They are partly right because the expansion and upgrading of most infrastructural services do call for heavy investments. Governments tax, borrow, and receive foreign
aid in order to finance these investments. Unreliable supply of
electricity, telecommunications, or water may well be due to a paucity
of funds to improve these facilities. However, all problems of public
services cannot be attributed to resource constraints.

If we probe into the resource constraints argument a bit deeper we
may find that there are other underlying problems that cause such
constraints. Failures of government policy often create resource
shortages that ordinary citizens and even politicians do not fully
comprehend. By providing electricity free or at a nominal cost to
large segments of the population such as farmers, the governments
create undue pressure on their scarce resources. Policy decisions
not to meter the electricity consumption of favoured groups
encourage the latter to waste energy. The end result is the inability
of the government to generate the resources necessary to expand
the supply of electricity and to improve the reliability of the service
to the public. The problem may be explained away as a case of resource
constraints, but it has its roots in unsustainable or unsound policies.

The expansion of India’s population and of its cities and towns,
would no doubt call for increased resources to finance public
services. But expanding cities also create new wealth and increased
scope for resource mobilisation. This potential is, however, seldom
tapped as shall be argued later. On the other hand, we find that the
smaller towns that did not expand are no better in terms of their
essential services. Expansion can cause strains, no doubt, but cannot
fully explain this indifferent performance.

If resources were scarce, as the planners claim, one would expect
greater care and efficiency in their utilisation. However, there are
many examples of the government’s failure even to fully utilise
available funds. The perplexing phenomenon in India is the failure
of the government to effectively utilise the funds available for
numerous projects; many of them funded by international lending
or donor agencies. The World Bank, for example, has compared
the track record of both China and India with respect to the
utilisation of approved project loans. The finding is that India is
much behind China in this regard. The Finance Minister of India,
in his budget presentation in February 2001, pointed out that a significant portion of the funds allocated to the defence budget (a high priority sector) has remained unutilised. The bottleneck here is not the lack of resources, but poor planning of projects, slow decision-making, and internal conflicts and pulls that make it difficult to move forward with speed. It is difficult to agree that lack of access to resources is the key barrier facing the government in such situations.

Even services that do not call for substantial resources are in an unsatisfactory state. Many public agencies, for example, are of a regulatory nature. They check on the compliance with the law, issue licences or permits, and advise clients on how to utilise existing schemes. Though capital investment is not an issue here, their performance in terms of service delivery leaves much to be desired. The responsiveness of their staff to the needs of the public is often rated low.

Ample evidence on the extent and severity of these problems will be presented in the following chapters. Citizens encounter the most archaic procedures and long delays in getting approvals for building plans or getting a ration card from the civil supplies authorities. None of these services are capital intensive and streamlining their internal administrative systems and practices are not superhuman tasks. It is possible, however, that the modest funds required for streamlining the jobs are not made available to the agencies concerned. The end result is that essential public services are neglected without anyone being held accountable.

Neglect of the maintenance of existing public assets is one of the reasons for the poor quality of services. The resource constraints argument may have some validity when it comes to the allocation of funds for the maintenance of facilities. Government planners have a preference for using funds for new investment projects. They may give money for constructing new roads, but may not provide adequate funds for the subsequent maintenance of the assets thus created. The priority is for the creation of new capital assets, not for operating them. This tendency is reinforced by foreign aid donors who prefer
to give money for investment in new projects, rather than for the maintenance of existing projects or activities. Donors would typically extract a promise on paper from the government that the new assets will be properly maintained. But few donors have the clout or interest in enforcing these promises.

Thus the government may build expensive water supply schemes and hospitals. But when the projects are completed and the plan period is over, the maintenance of these facilities is left to be financed from the government’s recurrent budget. The revenues allocated to meet such recurrent costs are limited. In general, governments are not keen to levy appropriate user charges for a variety of reasons. At the end of the day, the squeeze is on the operation and maintenance of the services. Resources have been spent on building costly assets. But adequate resources are not available for their effective use. This is indeed a criminal waste, especially when the funds used to create these assets have to be repaid with interest to creditors, within the country or without. This is a problem of internal allocation and prioritising of funds. What is the purpose of building hospitals or schools without ensuring that the complementary inputs (e.g., medicines, blackboards, doctors, teachers, etc.) are available? Maintenance is supposed to be part of the non-plan expenditure in the budget that is considered lower priority. It is encouraging that there is a growing realisation in the government that the artificial distinction between plan and non-plan expenditures needs to be done away with.

Resource constraints may arise also because the government and its agencies are reluctant or ineffective to collect the revenue people can be expected to pay. The classic case is the reluctance to tax agriculture even when it is clear that significant numbers of farmers can afford to pay. The leakage in the collection of excise and customs duties is another example. More controversial is the failure of our state governments to charge rural farmers for the use of electricity and to control its widespread theft. Municipalities and other local governments are notorious for their failure to levy and collect taxes, which are within their rights. Recently, in Ahmedabad, a dynamic
municipal commissioner won praise from the media and the public by doubling the city’s revenues merely by enforcing the law on existing octroi and property taxes. He was not only able to expand and improve the city’s services but also generate a surplus, a rare achievement indeed. The plea that resources are inadequate can thus be a cover for the reluctance and inability to collect the revenues that are due to the government.

- **Incompetent and Unmotivated Service Providers**
  Many observers believe that most public agencies, especially those responsible for essential services, are inefficiently managed. The reference here is to both the incompetence and lack of incentives to perform in the public agencies responsible for service provision. The argument is not that their employees are ill equipped for the job, although that may be a part of the problem. The main contention is that these are poorly organised entities, with antiquated systems and practices, and leaders and workers who are not motivated to perform well. There are instances where populist policies have also contributed to their poor performance. A classic case is that of the state electricity boards in India. Most of them would have gone bankrupt a long time ago but for public subsidies. Public policies that force them to supply electricity to farmers or other groups free or at low cost have also contributed to their woes.

But this alone cannot explain why most of these boards incur transmission and distribution losses of a third to half of their total revenues on a continuing basis. Substantial portions of these losses are alleged to be on account of the theft of electricity, often in collusion with the employees of the boards. It is sometimes argued that low government salaries are partly to blame for this dysfunctional behaviour. Public agencies often find it difficult to attract and retain personnel whose skills are in great demand. On the other hand, there are many people who seek government jobs because of the prestige and security of tenure attached to them. Qualified applicants often exceed the number of positions to be filled. Therefore lack of competitive salaries is not the main constraint.
More than the compensation problem, what strikes many observers as a problem is the manner in which most public organisations are guided and supervised. Their contribution in terms of employment generation is often highlighted while neglecting their obligations by way of outputs, quality and service to the public. Powerful trade unions reinforce this tendency. It is as if public agencies exist for their employees and not for the people they are meant to serve. It is not surprising then that the processes pertinent to the delivery of quality service get a lower priority.

Even agencies whose function is to deliver essential public services do not plan and allocate resources systematically. Budgetary processes, both annual and long term, seldom meet current professional standards. Expenditures and outputs in most cases are not monitored effectively. Officials are not held accountable for their performance even when output measures are feasible. Auditing of accounts gets delayed by years. Public agencies and departments responsible for services tend to engage in repetitive activities that can be planned and monitored. Specific officials can be held accountable for these activities and outputs. The users of their services often pay for these services and could have been a source of information on their quality and reliability. Nevertheless, service delivery agencies continue to follow the same systems, practices and norms of conduct commonly found in other departments of the government whose activities and outputs cannot be easily planned, measured, and paid for by individuals.

Most organisations improve their performance by reviewing their past experience and getting information on similar activities from other sources. But to do so, they need to assemble such information in a systematic fashion. Those in charge of many public agencies, with the exception of certain commercial public enterprises, have not been able to institutionalise these practices in their organisations. Their frequent transfers from one job to another and the practice of deputing officers on an ad hoc basis have reduced their long-term stake in the organisations to which they are sent. It is not uncommon to find major service agencies and
enterprises operating without chief executives in position for extended periods. The government seems to take a long time to make these key appointments. This, despite the fact that dates of retirement or expiry of the terms of officials are always known well in advance. The end result of this appalling inertia is that important public organisations remain for long without leaders.

Many public organisations were set up decades ago, continuing with the same old regulations and norms, and without proper planning and performance monitoring. This is true not only of local bodies such as municipal corporations, but also of the larger and technology intensive entities such as Telecom and Electricity Boards. Independent India has borrowed heavily from British laws, systems, and procedures. But reviewing and updating them to respond to changing needs has not been a priority for our political leaders. The government has been quick to set up ceremonial institutions and functions, but hesitant to institute mechanisms and services that could improve public well-being.

We have governors to play ceremonial and often redundant roles in the states, but no ombudsman to look into public complaints about those in authority. There is no shortage of inaugural ceremonies and receptions, but the public agencies that pay for them have no effective grievance redressal systems to serve their customers. While many countries have mechanisms to review and renew their institutions and administrative systems, India has been ad hoc in its approach to these issues. Developed countries like the UK, USA, and Canada assess their governments’ working, services, and systems almost every decade. And these are governments known for their modernity and efficiency. The last administrative reforms commission in India was set up three decades ago. Nothing much has been heard of its outcomes or impact since then.

Dynamic leaders play a dual role in their organisations. They not only produce and deliver the goods and services for which they are responsible, but also improve their organisations and prepare them to respond to the challenges of the future. The first one is a maintenance role. The second is a strategic role, one that calls for learning from
the past, identifying the future needs of customers, realigning the legal and organisational frameworks to respond to these needs, and mobilising the resources to achieve these ends. Public managers in India are, for the most part, at the maintenance end of this spectrum. Their record in strategic planning leaves much to be desired.

Many observers believe that the ills of our public agencies have a lot to do with the pressures being put on them by their political masters. The reference here is to the ministers and elected representatives who order and supervise those who manage these organisations. Instead of confining themselves to the policy-making role, they tend to intervene in operational matters and divert services and resources to meet their personal or sectional priorities rather than the public interest. To survive, many bureaucrats go along with these abuses and weaken their organisations. Loyalty rather than competence seems to get rewarded in this setting. The essential features of dynamic organisations such as good planning and supervision, training and customer focus are neglected in the process. Many public agencies are without training departments, leave alone training strategies. Lack of training and job orientation of the staff, particularly at the lower levels, is a yawning gap in many service agencies. Yet it is precisely these staff who interact most with citizens for service delivery.

It is unfair to paint all service providers in the public sector with the same brush. Undoubtedly there are good performers among them, but they are very few. As noted earlier, a major reason why many service providers are unresponsive and not quick in adapting to changing needs is the monopolistic nature of their activities. If an agency is the only provider of a service such as water or telephones, it is assured of its permanent existence. People have nowhere else to go and they tend to tolerate delays, corrupt practices, and sub-standard services.

A striking example of state monopoly is the insurance services in India. Customer complaints about the non-receipt of renewal notices for premium payment have not provoked the monopoly insurance corporations to rectify this problem. Here is a case where people are
ready to pay, but the public agencies involved do not make an effort to improve their system for collecting the dues. Lack of resources or skills is not the problem. What is lacking is systematic external pressure (comparable to competition in the market) that would force the agencies to respond. But customers are hopelessly disorganised and poorly informed to play this role. Under the circumstances, it is only the pressure from political and bureaucratic leaders that can goad the service providers to perform better. And that too is absent.

Successful organisations, whether in the public or private sector, are those that learn from their own and other people’s experiences. They are sensitive to the changes in their operating environment and are motivated to respond to the demands of their customers. The Government of India has recently promoted the issue of ‘citizen charters’ by all the major service agencies. If well designed and widely disseminated, these charters can aid citizens to demand services according to the standards specified therein. But if they are mere public relations exercises and the agencies involved have not been reoriented and geared up to deliver according to the prescribed standards, great damage will be done. It is too early to say whether this reform is being implemented well or whether this is all that is needed to shake up the system. In view of the persistence of the problems narrated above, it will be an uphill task for most public agencies to stand by their declared ‘charters’. In my assessment, the pre-condition of public service providers turning into learning and result oriented organisations, is not yet a reality in India.

- **Corruption**

  How do people cope with the unsatisfactory state of public services? That depends on who you are. Some observers believe that the elite in Indian society manage to get most of the services they need either through influence or money. We have evidence (presented in a later chapter) proving that the poor pay a larger proportion of their income as bribes than the rest of the population. Those who can exert influence need not go through such travails.

  Influence can take many forms. People with good connections take help from politicians or bureaucrats to get out of turn allotments,
approvals, etc. Members of Parliament, ministers, and other elected representatives have special quotas of telephones, gas connections, etc., that they can distribute at their discretion. Political support to parties during elections may be quid pro quo arrangements from which certain individuals or groups who provided the support tend to benefit. Friends, relatives, and other kinship networks get special treatment in the allocation of services.

It is customary for civil servants to institute rules for getting preferences for certain services. In capital cities, senior public officials are assured of essential public services like power and water. Their repair needs are attended to through special arrangements. Similarly, they may get preferences in the allotment of land for building houses under certain schemes. The special preferences they enjoy are undoubtedly one reason why some public officials cling on to their government supplied houses and perks even after retirement. In the process, they also become insensitive to the problems with public services that ordinary people face. When the priority is to look after the needs of the few in authority and others connected to them, the motivation to improve overall performance or to modernise the system for the general public is absent. The dissatisfaction of the vast majority of people who approach public agencies to get services or to solve a problem gets exacerbated as a result of these practices.

Business and industry are also customers of the same public agencies referred to above. In addition to the infrastructural services and facilities that they use like other citizens, they also need a variety of approvals and licences from many specialised agencies. Fortunately, recent economic reforms have rationalised or reduced such approvals at least at the level of the Central Government. The state and local level clearances and permits, however, continue as before, except in a few states that have tried to streamline their procedures. Business and industry complain frequently about delays, non-responsiveness, and harassment at state or local levels. But how do they overcome these problems?

Influence probably plays a limited role when business runs into hurdles with the bureaucracy. But in major transactions between
business and government, the belief is that bribery is the most potent lubricant. Many of the ‘scams’ reported by the media and the ‘sting’ operations carried out by investigative journalists are the basis for this belief. Of late, systematic studies have begun to shed light on this murky phenomenon, though there is no reliable quantitative national estimate of its severity and spread.

It is naïve to conclude from this that if the interface between public agencies and the people is improved and made more efficient, corruption can be brought under control. At the root of the different manifestations of corruption discussed above lies the malaise and corruption in our political system. The murky financing of political elections, the doubtful quality of many electoral candidates and the non-transparent ways in which many political parties function have no doubt contributed to the rising spiral of corruption and the reluctance of political leaders to set in motion a root and branch reform of pernicious corrupt practices. When candidates are encouraged to contest, spending money for which returns have to be reaped while in power, they will no doubt have a strong incentive to sustain and expand the scope of corruption. In our cities where citizens can have a ringside view of democracy at work, elected corporators are directly involved in the allocation of public works contracts and other purchases. These are lucrative sources of income for them and a major reason for many of them to contest elections. It is discouraging to see that no serious effort is in sight to address such widespread corrupt practices.

The surveys reported in this book are among the first to quantify the extent of corruption in the public services in Indian cities. A recent Public Affairs Centre (PAC) study on the progress of industrial projects in Karnataka shows corruption as the primary hurdle encountered by investors who had interacted with various public agencies. Transparency International (Berlin) has ranked India as the ninth most corrupt country in the world 1998. Admittedly, this is a partial picture as foreign investors constitute only a very small segment of business in India. On the other hand, it confirms the view that the scope for and severity of corruption increases directly
in proportion to the stakes involved (e.g., size of investments) and inversely with the strength of local influence and connections.

The difficulty in assembling credible data on corruption can be explained largely by the nature of this phenomenon. In terms of its mode of operation, corruption falls into three categories: collusive, extortionary, and anticipatory. Collusive corruption is when the customer (businessmen, citizen, etc.) and public officials colluding to give and take a bribe because it is in their interest to violate rules or misrepresent the facts. It is difficult to say who initiates the process, but there will be a consensus on the actions involved. It is collusion that makes it difficult to get to the bottom of the phenomenon. Extortion is invariably one sided, but the customer may remain silent for fear of retribution. Anticipatory corruption is when people are willing to pay a bribe even without any pressure from the other side. Many old communities have a tradition of offering gifts to their rulers or those in authority who can do them favours. Those who come from this tradition pay a bribe in anticipation of the service or benefit they are seeking. They do this willingly and are unlikely to complain about the practice as they do not see anything improper or unethical about it.

At the root of the problem is the failure of many public agencies to plan and organise their services in a way that will minimise the need for their customers to go from pillar to post. The lack of clear guidelines and information on services, lack of time deadlines, lax supervision and monitoring of staff performance, and absence of remedial and appeal mechanisms exacerbate the problems that people face in public offices. Many who have experienced these dysfunctional operations prefer bribing in anticipation than paying a heavy price in terms of delay and harassment.

It can be assumed that those who experience extortionary corruption are the most likely sources of information on corruption. This is borne out by the results of the surveys reported later in this book. The vast majority of those who have given data on corruption are those who also claim that bribes were demanded of them.
Business and industry typically have service agents who deal with the required public agencies on behalf of their clients. Agents, sometimes called 'consultants', are invariably the conduits through which money is passed on to public officials. In fact, the extent of the use of such agents for transacting business with the government and the amounts of expenditure incurred through them could give some clues on the pervasiveness of corruption in the business sector. Irrespective of the mode of corruption, however, the consequence of this practice is to make services more costly for the customers, misallocate resources, violate the rule of law, and reduce transparency in the government. Misallocation of resources results from improper and inequitable public decisions, with some of the resources flowing into private pockets.

Corruption of the 'grand' variety involves only a few people. It receives much publicity because of their sensational value and the opportunity it offers for bashing political leaders and other public figures. On the other hand, the 'retail corruption' that ordinary citizens face when they seek services from the different public service providers results in much harassment and avoidable costs to numerous people who can least afford them.

Corruption corrodes the values people cherish and projects the state as predatory and unjust. Instead of being a lubricant for efficiency as some economists have argued, corruption tends to undercut the legitimacy of the state and make a mockery of the rule of law. What is most disturbing is that influence and money together give the small elite groups in society an unfair advantage in their access to public services at the cost of the vast majority of the population. Public hospitals, for example, are known for the indifferent services they provide to ordinary citizens. But they offer 'VIP' rooms and treatment for high level officials and other well connected persons at modest rates. Citizens pay the taxes, but only a few are able to get the best facilities available. In brief, a predictable consequence of corruption is the diversion of services and staff attention from large numbers of people who are unable to influence or bribe the officials to those who can.
It is often argued that poor salaries in the government explain the pervasiveness of public corruption. But this is at best only a partial truth, as well-paid higher level officials and affluent politicians are often behind most grand corruption cases. The tolerance of corruption in society at large, inadequate legal frameworks and law enforcement, and the neglect of internal organisational reforms are among the more basic issues to be addressed. Salary reform by itself is unlikely to compensate for these gaps and weaknesses. Other important reforms and reinforcements will no doubt be required to control corruption. We shall revert to this subject in a later chapter.

- **Civil Society’s Weaknesses**
  It takes two hands to clap. When citizens who are also consumers of public services are not watchful and are weak in asserting their rights, there is no pressure on the public agencies to improve. Since most of them operate as monopolies, market competition, as a stimulus to perform is absent. By withholding information, they tend to weaken the bargaining power of their customers or the public they are meant to serve. The deadlines for providing a service or solving a problem, the standards pertaining to the quality of services and the rights of the customers with respect to service provision are seldom disclosed to the people. Some observers believe that a weak civil society has encouraged those in authority to hijack the government and its agencies to serve their narrow and sectarian interests rather than public well-being in the true sense. The only time citizens are active is during elections. They may occasionally use the vote to throw out some political parties and leaders who exceed the limits. But between elections, people behave as if they are helpless spectators. Elections are like a well rehearsed act. The sequences, choices, and arrangements are fairly clear and known. People know what their options are and how to act on this knowledge. But as customers of specific services, they do not know what they can do and how to proceed when they encounter problems. Customers need information, skills and group action to deal with these problems. In India, there are major gaps in all these areas.
These problems are exacerbated by certain handicaps of the people. When a majority of citizens are illiterate, they are unable to seek, process, and make use of the information necessary to deal with complex public agencies. Their past experiences of oppression and exploitation do not make them assertive or give them hope that they can challenge the status quo. Their expectations of what they can get from the different agencies that are meant to serve them are low. They have no higher standards or reference points with which they can compare the poor service quality. This is true even of the educated people.

Most people come from rural backgrounds. Even those living in cities are at best first or second generation urban residents whose reference points may still be rural. Poor roads, filth, roaming cattle, and lack of sanitation in the town may not shock them as these are familiar rural features. Instead of demanding change, many of them co-exist peacefully with these practices. It is not uncommon to see even our educated elite breaking queues or ignoring traffic rules. Their past upbringing either in the home or in school has not given them new standards to improve their conduct. Surely, these are not the people who will be in the vanguard of collective action to demand better services.

Contrast this with factory workers who have a strong incentive to resort to collective action when faced with common problems. All are affected by a given problem and all of them stand to benefit if it is resolved soon enough. Similarly, farmers who need irrigation water every season have an incentive to come together for joint action in respect of water distribution. But the people who receive public services do not face the same problems together every day or every month. They are not in the same work place face to face with each other. I may have problem with water or electricity one day. At the same time my neighbour may not have a similar problem. Sustaining collective action becomes difficult under these circumstances. Even when common problems face a community, some people will wait to get a ‘free ride’ from the efforts of a small band of people who invest their time and energy to resolve them. In many communities,
it is a small number of committed persons who dialogue with the public authorities and achieve results, whether it be improved roads or drainage. Many others watch from the side and are happy to benefit from the good work of the small group. It is only in emergency situations, when the consequences of a service failure are serious for all, that many members of a community tend to come together for collective action.

The net result of all this is that we have a civil society that for the most part is yet to see the need for collective action or an accepted code of civic behaviour. Its members are therefore unable to set or sustain good standards and to demand similar conduct from their neighbours, let alone from the public agencies. Custom and tradition rather than laws and regulations, govern their conduct. Tolerance is a celebrated virtue of Indian culture. Unfortunately, it has also meant a tolerance of corruption and of uncivil conduct in the public arena. In brief, the weaknesses of our civil society have unwittingly delayed and stifled the development of standards and norms of conduct that are essential for the proper design and efficient delivery of public services. As a result, when the state fails to deliver, there is no one else to mobilise the people and demand new standards of conduct and performance. Expanded education, travel, and television may eventually transform this state of affairs. But the wait seems long.

India has produced some outstanding administrators, scientists, and professionals over the years and the country is rightly proud of their achievements and contributions. But the fact remains that the ability of a country to move forward depends much more on the capabilities of the average citizen than on the brilliance of a few. Even a cursory look at the more developed countries will show that their average citizens have a higher level of understanding of the issues around them and of the norms of behaviour necessary to live in a modern society. They are better equipped to deal with their public agencies and demand what is their due. They have been able to create civil society institutions and initiatives that play a watchdog function and demand greater public accountability. Our
best people may compare with some of their best. But our average citizen is no match for theirs. When a majority of people are illiterate and poorly informed about their responsibilities and rights, there will be serious constraints on their ability to act as responsible citizens. If our public services are below acceptable standards or lack in responsiveness, it is also because the vast majority of our people lack the capabilities and motivation to challenge abuses and to get better performance from their government.

- **Productivity of Services Not a Priority**
  Some will argue that the provision of essential public services is the government's responsibility and for ordinary citizens to be involved in this process is unrealistic. Government should set up the mechanisms for effective provision, find the resources for this purpose, and hold those responsible accountable for results. There are many countries where these services are relatively well organised and citizens take their efficient delivery for granted. How is it that India is unable to organise itself better to perform this job even with reference to the services with established technologies and management practices? Why is it that even routine activities like registration of land deeds, approval of housing permits or new electricity or water connections entail so much hassle and confusion?

These concerns which are widely shared by ordinary people raise an important question that we have not discussed so far. Are these concerns also shared by those at policy-making levels in the government? Do those who plan, allocate, and manage the scarce resources of the country at the central and state levels ask themselves these questions? If these questions mattered to them, would they not have found ways to improve this intolerable situation?

Since we know that public services continue to be in a dismal state, it is reasonable to hypothesise that improving their productivity and the responsiveness of the public agencies to their customers is indeed not a priority for many at the top levels of the government. The proof of the pudding is in what they do about it and not in the lip service being paid. What evidence can one find on this difficult issue?
A good place to start is with the planning function in the Government of India. This role is performed not only by the Planning Commission at the Centre, but also by policy and planning groups in the sector ministries as well as the state governments. These are the focal points for asking basic questions about the objectives of development and where resource allocation and management are defined and settled. National planning in India has always had a strong focus on increasing the volume of goods and services in the economy as a whole. Planners have tried to achieve this goal primarily by channeling a growing proportion of the incomes of the people into productive investments. From a low investment rate of 15 per cent, the country now invests nearly a quarter of its incomes. This is a respectable figure, even when compared with the experience of fast growing East Asian countries. But the real problem is that the planners' influence, if any, is only at the investment end, not on what happens on the output side. Their priority is on mobilising resources for investment. Thus, public financial institutions, such as the Life Insurance Corporation of India, transfer the people’s savings to the government. The planners in turn transfer resources to the state governments. The latter allocate funds to their various agencies and enterprises. But these transfers are seldom accompanied by tests of efficiency and performance. As economist Rakesh Mohan has noted in his Himatsingha Memorial Lecture (Gowhati, 2000): “The existing planning system has essentially resulted in the central government acting as a giant financial intermediary, borrowing from the public in different ways to finance plan expenditure at both the central and state levels. In this system there is no connection between the viability of projects and their financing costs. The consequence has been that returns from these investments have been consistently low.”

Who then influences the production and productivity of public goods and services? The responsibility for their quantity, quality and productivity rests with a wide range of government departments and agencies, both at the central and state levels. These public
agencies are given budgets in support of their ongoing production and delivery of services and new investments. Agency managers are more likely to be questioned by their superiors for failing to meet the expenditure targets rather than for failing to meet the output or quality standards that in any case are more difficult to measure.

This behaviour is entirely consistent with the signals given by the planners and other allocators of resources in government. What this shows is that there is no champion for productivity, quality, and responsiveness of public services in the governmental system. Standards of service and their enforcement are seldom taken seriously. Our cities bear testimony to the consequences of this failure. A far cry indeed from what Jawaharlal Nehru noted in his *Glimpses of World History* about the state of our ancient cities in the Mauryan empire two millenia ago: “Whoever threw dirt in the street was punished with a fine. If anyone allowed mud or water to collect in the street, he was also fined. If these rules were enforced, Pataliputra and the other cities must have been fine, clean and sanitary.”

**The State, Market and Civil Society**

The factors discussed above have contributed in varying degrees to the dismal state of our public services. But it is clearer now that at the root of this problem lies the government’s inability to balance its preoccupation with investment with an equally strong concern for outputs and productivity. This failure has to some degree resulted in a neglect of the organisational requirements for the efficient design and delivery of services at the ground level. Resource constraints cannot fully explain this trend in view of the evidence that the potential for resource generation is often left untapped. That the elite in authority have better access to most essential services may partly explain why the task of reforming the system is being ignored. An unwelcome by-product of these developments – reinforced by a weak civil society – is the spread of corruption in public services.

Could the market have done a better job of delivering public services than the state? Champions of privatisation will certainly answer this question in the affirmative. After all, in many developed economies,
some of the services discussed above are indeed delivered by the private sector. In fact, private utilities have a good track record of producing and delivering services such as electricity, water, telephones, and transport in many parts of the world. Municipal services such as garbage clearance, road maintenance, etc., have also been privatised with much success in several countries. UK has been the leader in this field with its privatisation of telecom, water, electricity, and transport. Among developing countries, Latin American governments have privatised more of their stated owned enterprises than other countries. But privatisation does not mean that government would have nothing to do with these services. In all cases, it will be necessary for government and its specialised regulatory agencies to specify the standards and conditions of the services, regulate tariffs and related financial matters, and monitor the service providers’ performance. In India too, efforts are under way to let the private sector play an increasing role in the production and delivery of some services such as electricity and telephones. But the pace of actual privatisation of public enterprises has been agonisingly slow. These are relatively new policies and it is too early to judge their effectiveness and efficiency. However, if functions such as standard setting, pricing, and supervision are not well designed by the state, these reforms may end up creating a new set of private sector monopolies performing worse than the public sector. But if government organises itself well to perform its regulatory and monitoring roles, the private sector may deliver at least some of the services more efficiently than is the case at present. Private investors may also have stronger incentives and capabilities to access new technologies and innovative practices than their public sector counterparts.

The government’s role will change in significant ways when the market is given a larger role in the production and delivery of public services. It will have to assemble staff with the skills, experience, and incentives to regulate and supervise the new private service providers. From the direct management of public services, the government will now be expected to move towards an indirect management or oversight role, one that will call for a significant reorientation in terms of competence, behaviour, and attitudes.
Even if the state reorients itself and the market’s role is enlarged, there will still be many services that the government will need to provide for its citizens. Some are public goods such as law and order, which benefit all people. The government will have to ensure that certain activities of households and business are in compliance with existing laws and regulations. Basic education, preventive health, maintenance of certain common facilities, pollution control, etc., are not tasks that can be left wholly to market forces. At a minimum, the government has to play a regulatory role and monitor standards in these services. User charges cannot be levied on some public services that provide collective benefits to society. These activities and services will remain the responsibility of local governments, regulatory bodies, and other specialised public agencies. Getting the government to deliver these services more responsively to the people will be a continuing challenge in any society.

While the market’s role has been discussed a great deal in the context of the reform of public services, the role and relevance of civil society as a force for better services have not received much attention. In many regions such as the former Soviet Union countries, South Africa, and East Europe, civil society institutions have played an important role in mobilising public opinion to reform the role of the state and its institutions. Civil society here refers not only to formal entities like the media or professional associations, but also to the informal networks of people from different walks of life. Powerful movements involving the civil society have surfaced in response to major crises of governance in several countries. The ‘people power’ revolutions of the Philippines that led to the overthrow of two corrupt presidents are an inspiring example. Similar civil society movements in Indonesia and Iran also achieved significant results. Even in the absence of major crises, reforms in the government and restructuring of many public institutions and practices in some countries have come about in response to the pressure from civil society interventions.

It is in this context that the role of state-society interaction to improve public services assumes special significance. We have noted above that so far it is the organised sections of society that have exerted pressure
for or against major reforms in the government. Industry and labour associations, for example, have been actively engaged in campaigns for or against certain economic reforms. In respect of public services, it is citizen groups who should play this role. They are the primary stakeholders as they stand to lose when services are in disarray. But their ‘voice’ is seldom well orchestrated or heard. Occasionally, people have protested or organised public campaigns and marches in times of crisis. Public hearings have been used by some activist groups to highlight abuses and demand public accountability. A recent example from India is the series of public hearings in Rajasthan held by MKSS (a union of rural workers and farmers) that have resulted in new laws for the right to information. Similar public campaigns by environmental groups have also been widely documented. But sustaining such organised efforts to put continuing public pressure for reform on public agencies on a large scale has not been easy.

One form of civil society action that has gathered momentum in India is ‘public interest litigation’ (PIL). Here we have the truly inspiring example of H D Shourie, a senior citizen, who in the past two decades, has appealed to the Supreme Court of India and won several significant cases involving the abuses and neglect of the law by powerful ministries and agencies of the government. According to Shourie, the Court gave him a patient hearing not merely out of respect for his age, but also because he argued the cases himself, without the assistance of any lawyer! The failures and non-responsiveness of service providers have been successfully challenged in many other cases too in Indian courts of law in the past two decades. These judgments have signalled the executive agencies of the government that courts could be used by citizens to seek increased public accountability. But the key issue here is whether these judicial interventions will succeed in stimulating systemic reforms in the government that will institutionalise improved responsiveness to citizens. As of now, except in a few notable cases, there is little evidence of that happening.

In conclusion, the quality and responsiveness of the providers of public services are unlikely to improve when external pressure for reform from the citizenry is weak. The state is clearly the key actor in
the provision of public services. What we have shown in this chapter is that the problems inherent in the functioning of the governments are such as to cast doubts on the state's ability to overcome them solely through its own efforts. There are two other actors who can make major contributions to the improvement of public services. As the diagram below shows, the state can reduce its overload and enhance its performance by hiving off those services or activities which can benefit from market competition. Hiving off does not imply abdicating responsibilities by the state.

There will also be opportunities for the state to partner the private sector in some of the services. Such partnerships could, in terms of technology, finance or innovative practices, enhance the performance of service providers. Even when the private sector takes over a service, a regulatory role for the state may still be required. Whether the state is the sole supplier of services or provides them jointly with the market, the role of the civil society as an active monitor of the services and advocate of accountability is an essential one.

Whether the three key actors, the state, market and civil society, will be equally influential or active in a given country or city setting will depend very much on the prevailing conditions and problems. Their relative importance may change over time in response to the problems that emerge in an evolving society. It is reasonable to expect, for example, that when a state suffers from a heavy public service overload, the scope for the market to partner or take over some of the services will be considerable. If the market is poorly developed and private sector investors are unprepared, the state's ability to tap the potential of the market may remain limited. Civil society's role in providing citizen feedback on services to the state is likely to become more active and critical when the latter's failure on the service front is perceived to be inexcusable and intolerable. The scope for civil society institutions to dialogue with the state will depend greatly on the degree of openness of the political system.

Our focus in the following chapters will be on the civil society segment of the diagram. In the Bangalore story that will be presented in the following chapters, there was evidence of a serious overload on
the city’s public agencies and much public concern about the non-responsiveness of these agencies to the problems of citizens. The questions uppermost in our minds therefore were: How can citizens interact with the concerned public agencies to demand greater public accountability in services? Can citizens feedback their assessment of services to the public agencies and act as watchdogs in the process? Will such monitoring act as a trigger for public action? Information is a source of power that can be used to create greater public awareness of where the problems are and what needs to be done to address them. Campaigns and dialogues will be more purposed and meaningful when people are armed with information that is well focussed and pertinent to a given situation. Civil society institutions can potentially play an active role to assemble and use such information to stimulate public agencies to improve their services. It is to this approach that we now turn in the ensuing chapters.
A REPORT CARD ON BANGALORE’S PUBLIC SERVICES

How can a government ascertain whether its services are reaching the people? How can a government identify the areas for improvement in public services? The answer to these questions is simple: Ask the people.

Users of a service can tell the government a lot about the quality and value of the service. Strangely enough, government officials responsible for public services do not believe that users of services have any useful information to impart. It is no surprise then that public service providers do not have any system or method in place to gather ‘feedback’ from users as a basis for improving their services. The continuing neglect of the quality of services is a consequence of this gap. The ‘take it or leave it’ attitude one comes across – especially at the lower levels of the bureaucracy – is no doubt due to the fact that the government is the sole supplier of most services. This is in sharp contrast to the practice of seeking ‘customer feedback’ that is common in the business world, or at least among those who produce and sell goods in the competitive market place. But the disinterest among the higher levels of the political and bureaucratic leadership to seek public feedback on the quality and responsiveness of service providers reinforces this tendency.

Bangalore is one of the largest and most popular cosmopolitan cities in India. Its history goes back about five hundred years when it was founded by a chieftain of the famed Vijayanagar empire of the South. In the colonial era, the British turned this small town into a major army station of the region. After India attained independence, Bangalore became the capital of the State of Karnataka and the home of an impressive set of public enterprises and scientific research institutions.
Its salubrious climate has attracted both new settlers and entrepreneurs over the years, especially in new fields such as computers and software. The city thus expanded considerably since the 1970s, its population having reached four million by 1991.

The city's public service providers were unable to cope with the growing demand for essential services by its population. Bangalore's reputation as the 'silicon valley of India' may conjure images of a city with streamlined infrastructure and well-functioning public services. The reality in the early nineties, however, was that the city was marked by inadequate and low-quality public services and a sense of helplessness that ordinary people felt about resolving their service-related problems. Bangalore's public agencies such as the City Corporation, Water Supply Board and Development Authority were unable to get their act together and to reorient themselves to serve the people better. The city's planners and administrators had clearly failed to anticipate and cope with the expansion of Bangalore. Electricity, water, garbage removal, and other essential municipal services were both unreliable and difficult to access. People waited for years to get new telephone connections. Roads were in bad shape, especially in most residential areas. The city's pedestrian sidewalks, parks and other civic amenities were poorly maintained. The general impression was that without bribes it was difficult to get any action from the public service providers. Newspapers published the complaints of citizens about civic services, but to little avail. Even paying one's property tax to the municipal corporation was a cumbersome task. The government took these criticisms in its stride, but no significant corrective actions or radical responses were in evidence.

What was surprising was the sense of resignation of the common people. In India, improving the quality of local governance is low priority work, with people who matter working only on international and national issues even if they have no influence on their outcomes! This was by no means unique to Bangalore and its citizens. There were no loud protests or public agitations demanding improved services in the city — the same city where demonstrations could be easily organised against pollution in Antarctica or against imperialist atrocities in some other faraway
places. In many developed countries, local issues and local organisations dedicated to improving the qualify of life in their localities attract much attention and recognition.

That this state of affairs prevails in our urban areas where the most educated and skilled people live is a matter of regret. As noted earlier, their outputs, motivation and productivity are no doubt severely diminished by the inadequate public services provided by the city. Their time and energies are needlessly diverted to ensure that they get the electricity, water or health services that their counterparts in better organised cities and countries take for granted. People who work at home or office and businessmen who run enterprises pay heavily for the inadequacies of the infrastructure on which they depend. It is no surprise that the productivity of Indians in many areas of endeavour continue to stagnate and compare unfavourably with the productivity of people in other countries.

It was against this background that a modest experiment to gather citizen feedback on the public services in the city of Bangalore was launched as a civil society initiative to monitor the government’s failure to address these problems. As noted in the preface, the objective was to see whether collective feedback on the city’s services could be used to create greater public awareness about the issues involved and to stimulate the service providers to take remedial action. It was hoped that the adverse publicity such a feedback might generate would shame the civil servants who managed these services. In the competitive market place, it is the adverse information from customers on products and services that goad enterprises to take corrective action. In the monopoly setting that characterises public services, organised public feedback could play a similar role.

Users of services have considerable knowledge on how well they are served by the different public agencies. After all, they deal with the agencies, experience the adequacy or otherwise of the services and assess the agency responses to their problems. Cost effective and rigorous survey methods are available to collect and analyse the experiences and evidence provided by users. A well tested approach is to gather systematic feedback from citizens on the public services
they use through a stratified random sample survey. There is no need here to go into the details and intricacies of this method. Suffice it to say that this is a well established method and widely used all over the world by governments, businesses and researchers. India has considerable expertise in this subject, but it was never used to obtain systematic user feedback on public services by the government or any other organisation.

Though the technical aspects of sample surveys may not interest the average citizen, some of the things that went into our survey deserve to be mentioned. Early in the process, focus group discussions were held in different parts of the city to get to know the concerns of the people regarding different public services. These small groups shared their problems, experiences, and perspectives with those who planned the survey. Their experiences confirmed that inefficiencies, delays, and corruption are pervasive in almost all public services. It became evident that household feedback on different public services would be considerable as they had experienced all or most of the services. The need for separate, specialised surveys on each of the services was ruled out. Comments from the discussions helped the survey organisers to structure the questions and the scope of the investigations. Questionnaires were then designed and used to gather responses from a total of 1130 households in Bangalore that were selected on a random basis. Since service related problems of the poor needed special attention, a separate sample of poor households from slums adjacent to the selected areas was also provided for in the study design.

The questions were about the households’ use of all the major public services, the reasons why they interacted with the public agencies, their satisfaction with the services and their different dimensions, the problems they faced in dealing with the service providers, including corruption and delays, and other pertinent matters. The questionnaire was pre-tested by trained investigators to ensure that the answers obtained were complete and useful. A major problem that large-scale field surveys face is the supervision of widely scattered investigators who collect the information from different geographic areas. Quality control is achieved through repeat interviews by supervisors who
question a small sample of the people already interviewed by the investigators. If major discrepancies are observed, suitable corrective actions are taken. Thus, careful design and testing of the questionnaire, training and supervision of the field staff, and systematic quality checks were built into the survey from the outset to keep ‘non-sampling errors’ at a minimum.

What is a Report Card?

A report card on public services is not just one more opinion poll. Report cards reflect the actual experience of people with a wide range of public services. The survey on which a report card is based covers only those who have had experiences in the use of specific services, interactions with the relevant public agencies, or other aspects of public services. Opinion polls often are not confined to subjects or problems that respondents have directly experienced. A person may be asked about his/her views on the Prime Minister or about an environmental issue. He/she may answer the question based on hearsay or what the person has read in the newspapers. In contrast, a report card bases its assessments on more authentic information, largely based on facts that the respondents are able to recall. Users possess fairly accurate information, for example, on whether a public agency failed to solve their problems or whether they had to pay bribes to officials. Of course, errors of recall cannot be ruled out. But the large numbers of responses that random sample surveys generate lend credibility.

One of the problems in adding up the assessments made by diverse users of services is that people vary in their expectations and hence give differing scores for what appears to be the same quality of service. A highly educated and well-traveled person may have higher standards and hence higher expectations from a service than a poor and illiterate person who has never experienced anything other than low quality services. Is it right to lump together the assessments on services given by people with different expectations or ‘standards’? How can people who are not exposed to notions of better quality judge the services they receive? These are indeed legitimate concerns. In the report card exercise discussed here, no attempt was made to adjust for differing
expectations of citizens from the services. To adjust numerous individual responses to the implicit standards in the minds of the respondents would have been a complicated and expensive task.

Dividing households into relatively homogenous categories was one way to minimise the biases that differing standards can cause. The use of separate samples of general households and low-income households was a recognition of this problem. In the final analysis, however, this is a limitation that applies equally to the most fundamental of assessments that citizens make in a democracy. The ‘votes’ we cast in elections reflect the different standards and expectations of citizens. Nonetheless, their results decide the fate of governments and countries! It is time that public service providers understand that user feedback is essential for them to learn about their clients’ satisfaction with their performance. Whether they are right or wrong is not the issue. If some people (clients) have misunderstood service providers or do not have all the facts, it is up to the provider agencies to take corrective action.

The report card on Bangalore has some other limitations that readers need to be aware of. The field survey conducted, for example, was confined to private households. Public services are used also by commercial and industrial enterprises. The latter’s feedback would have made our report card complete and comprehensive. But we decided to limit the investigation to private citizens because they appear more helpless and disorganised and their voice is seldom heard by those in authority. By contrast, commerce and industry are well organised and capable of putting pressure on the authorities whenever the need arises. In Bangalore, they certainly did not need any initiative to get their voice heard!

Similarly, the report card does not contain any feedback from officials of the public agencies covered by the survey. Some may argue that for a balanced view, both sides need to be listened to. While this is a valid point, it was decided to focus only on citizen feedback because this was the missing piece in the puzzle. Public agencies have access to internal reports and other monitoring data that could well include the views of their officials.
A report card does not provide answers to the problems raised in it. At best, it can act as a diagnostic tool, pointing to areas of strengths and weaknesses. Leaders of public agencies may already know some of the problems mentioned. But the report card could give them the quantified evidence that their internal records probably cannot. When a report card is used for benchmarking by repeating the exercise over time, it may help agency leaders to assess the improvement or deterioration in their services. An example of how this was successfully carried out in Bangalore is presented in a later chapter. Thus report cards can provide the needed evidence from the users’ perspective that can assist agencies to take remedial action.

Governments do have a lot of information but systematic feedback from users of services is conspicuous by its absence. Some officials may argue that the technical and financial performance data they generate are adequate for their purposes. Thus, the telephone department may have data on indicators such as breakdown, fault repairs, calls completed, and revenue per line. Analysis of such data is certainly useful and must be continued. But these are internal data generated by the same people who are responsible for the delivery of services. Observers have doubts that these data are properly checked and audited.

Extreme secrecy about information within the government limits the public’s access to such data. Similarly, citizens’ confidence in the veracity of available information is low. That apart, how well do the internally generated technical indicators of public agencies reflect the quality and reliability of the services experienced by the citizens? The human factor (staff behaviour in agencies, for example) and organisational systems and procedures also determine service quality and productivity and these are not necessarily captured by purely technical measures. Until government and its agencies get their act together, independent groups outside of the government are the only watchdogs society has.

Since the same people are customers of different services and deal with the public agencies involved, their satisfaction scores can be used to compare and rank these agencies. Some may turn out to be better performers than others. Some may outperform others on certain
dimensions of service. Being better than others in a relative sense need not imply that their performance is adequate. Though the agencies are monopolies, this information enables us to separate the goats from the sheep, and create a sense of competition among them. At a minimum, such comparisons could be used to publicise their relative standing among service providers and to stimulate them to examine their performance.

As noted earlier, the concept of the report card and client surveys may be new to many governments and their agencies. But firms operating in a competitive environment make use of this approach in many countries. With the help of information gathered through feedback surveys they redesign their products and services and modify their operational strategies. The private sector seeks customer feedback because it provides information and insights that financial or technical measures cannot. A monopolist may survive and even earn a high rate of return despite unsatisfactory services because customers have no choice.

What the Report Card Revealed

In 1993–94 when the first report card on Bangalore’s public services was published, the city’s population was estimated at 4.5 million. Given the large size of the city, the survey was planned to be as representative of its population as possible. The city was first stratified into two categories according to the age of the localities. Six localities were then selected and within each locality, households that had interacted with at least one service provider in the preceding six months were sampled. This approach was adopted for the selection of respondents from both the general households (largely middle class people) and poor households (slums). Trained investigators collected information from households with the aid of a structured questionnaire. The selected sample sizes were large enough to yield estimates with error margins that fell within accepted statistical norms. The field survey and analysis of the data collected were done by Marketing and Business Associates Ltd.

Let us begin with the findings of the survey of the general households. The study did not identify a predetermined set of public agencies for investigation. Respondents were questioned about
agencies with which they had interacted in connection with a problem or to get a service. The electricity board, the water and sewerage board, the municipal corporation, telecom, public sector banks, and hospitals and the city's development authority were the agencies with which citizens had the most interactions. The study also revealed that nearly 92 per cent of these interactions were made through personal visits by the respondents. In one fourth of the cases, they had to make three or more visits to solve a problem. Even when some of them phoned or wrote to an official, this had invariably to be followed up with visits to the agency office. The feedback brought out the time-consuming and cumbersome ways in which citizens had to deal with major service providers of the city.

The use of a rating scale permitted the respondents to quantify the extent of their satisfaction or dissatisfaction with the service of an agency. A seven-point scale, for example, permits us to differentiate between different degrees of satisfaction. The scale will let a person say whether he/she was fully satisfied or only partially satisfied. This is not possible when we give the option to a person only to indicate whether he/she was satisfied or dissatisfied. In this survey, the scale was used not only for an overall assessment of a service agency but also for assessing the different dimensions of its service. The end product of the scaling process was a set of scores by respondents that could be used to rank and compare the public's rating of agency services. These scores signified the patterns of perceptions of the public about agency performance in a way that isolated complaints can never do.

At this point, it is useful to provide a brief sketch of the profile of our respondents in the two sample groups. Among the general households, three fourths of the respondents were males. Whether men or women were included in the sample depended on who in the household had interactions with a public service provider in the preceding six months. Two-thirds of the households had monthly incomes below Rs4,000 while one-third had monthly incomes above Rs4,000. Almost all responding men were literate, with nearly two-thirds having had education beyond high school. Among housewives, there was illiteracy of about four per cent. Almost two-thirds of the people owned their homes while the remainder were renters. About half of the households had housing
accommodation under 1000 square feet while 15 per cent had accommodation in excess of 1500 square feet. Nearly 80 per cent of the responding men were in the age group of 26–50 years.

Among the urban poor households, the average income per month was a little over Rs2,000. Six out of ten were literate and the average family size was 6.6 members. The dwelling area of an average household was 276 square feet. Since income data tend to be unreliable, a few other indicators of the living standards of the poor households were also collected. This showed, for example that 37 per cent of these households had television sets while 81 per cent had kerosene cooking stoves. Over half the people owned radios, but only 15 per cent had pressure cookers.

Public services in Bangalore are delivered by both municipal and specialised agencies. The municipal corporation looks after roads, garbage, street lighting, building permits, birth and death certificates, property tax collection, and a few other miscellaneous services. Electricity, water and sanitation, vehicle licences, telephones, etc., are provided by special agencies some of which are only for the city while others cover the entire state. The Bangalore Development Authority (BDA) is a specialised agency for both urban planning and the creation and maintenance of certain residential layouts. Specialised agencies do not come under the supervision of the city’s municipal corporation. A somewhat similar pattern of urban management prevails in other Indian cities too.

Table 2.1 presents the overall satisfaction scores of citizens in the sample of general households who had interacted with different public service providers. The average ratings in column 2 were obtained by averaging the aggregated satisfaction scores of all respondents for the different public agencies. Since a seven point rating scale was used in the survey, the maximum score that an agency can get is seven. The worst agency could get a score of one if no one was satisfied. Table 2.1 shows that only two sets of agencies, public sector banks and public hospitals, received average ratings well above the midpoint (3.5) of the scale. But even here, the highest rating received was 4.3. The lowest average rating was received by the BDA.
Table 2.1

Overall Satisfaction with Public Agencies (General Households)

<table>
<thead>
<tr>
<th>Public Agency</th>
<th>Average Ratings</th>
<th>Percentage of Users Satisfied</th>
<th>Percentage of Users Dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>BT</td>
<td>3.6</td>
<td>9</td>
<td>28</td>
</tr>
<tr>
<td>BCC</td>
<td>2.9</td>
<td>5</td>
<td>49</td>
</tr>
<tr>
<td>KEB</td>
<td>3.5</td>
<td>6</td>
<td>31</td>
</tr>
<tr>
<td>BWSSB</td>
<td>3.0</td>
<td>4</td>
<td>46</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>4.3</td>
<td>25</td>
<td>19</td>
</tr>
<tr>
<td>RTO</td>
<td>3.5</td>
<td>14</td>
<td>36</td>
</tr>
<tr>
<td>BDA</td>
<td>2.5</td>
<td>1</td>
<td>65</td>
</tr>
<tr>
<td>Public Sector Banks</td>
<td>4.0</td>
<td>20</td>
<td>26</td>
</tr>
</tbody>
</table>

But average ratings do not tell us the whole story. They do not, for example, tell us whether there are more people who are satisfied than dissatisfied. Columns 3 and 4, therefore, give us some additional measures of how strongly people felt about the different agencies. In column 3, ‘per cent satisfied’ is the sum of the percentage of the people who selected six and seven in the scale (those who felt positive about the service). It is a measure of those who are fully satisfied. ‘Per cent dissatisfied’ in column 4 is the sum of the percentage of those who opted for one and two in the scale (those who felt negative about the service). Those who selected the middle numbers on the scale can be considered ambivalent about the service. Columns 3 and 4 thus help us to distinguish between those who felt really satisfied or dissatisfied with a given service. The rating scale made it possible for responding citizens to express the degree of satisfaction they felt about the different services.

The feedback scores in columns 3 and 4 are most revealing. The BDA has only one per cent of fully satisfied customers. It has 65 per cent dissatisfied customers. Fully satisfied citizens were in single digit percentages for the City Municipal Corporation, Electricity Board, Water
and Sanitation Board, and the Telephones. Even with hospitals and banks that had the best average satisfaction ratings, the percentage of fully satisfied customers was one out of four or five persons. Large numbers of people were ambivalent about most services. In general, if the goal of public agencies is to increase the proportion of its fully satisfied customers, the public agencies in Bangalore have a long way to go.

Some of the dimensions associated with satisfactory service are summarised in Table 2.2. People are concerned about the treatment they get in agency offices. They would like to get their services or problems settled with the least delay and cost. They also expect to

<table>
<thead>
<tr>
<th>Dimension of Service</th>
<th>Percentage of Respondents Satisfied (average for all agencies)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with behaviour of staff (%)</td>
<td>25</td>
</tr>
<tr>
<td>Percentage of those who made three or more visits to the agency</td>
<td>25</td>
</tr>
<tr>
<td>Problem resolution rate (%)</td>
<td>57</td>
</tr>
</tbody>
</table>

get a satisfactory resolution of their problems. Bangalore’s public agencies were perceived by their customers to have performed poorly on these counts. Only one out of four persons felt that staff behaviour towards customers in these agencies was satisfactory. One out of four said that more than three visits to the agencies were required to settle their complaints. Only one out of two persons managed to resolve their service related problems with the different public agencies. These measures are indicative of the amount of time and cost ordinary people have to incur in order to transact their business with public agencies. In many countries, such transactions are completed in a single visit. If follow up is required, people generally communicate by telephone. The pattern is clearly different in Bangalore and loaded heavily against
<table>
<thead>
<tr>
<th>Agency/Dimension of Satisfaction</th>
<th>Percentage of Respondents Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Staff Behaviour</strong></td>
<td></td>
</tr>
<tr>
<td>BDA</td>
<td>11</td>
</tr>
<tr>
<td>BCC</td>
<td>31</td>
</tr>
<tr>
<td>BWSSB</td>
<td>26</td>
</tr>
<tr>
<td>KEB</td>
<td>18</td>
</tr>
<tr>
<td>RTO</td>
<td>34</td>
</tr>
<tr>
<td>BT</td>
<td>24</td>
</tr>
<tr>
<td>Banks</td>
<td>35</td>
</tr>
<tr>
<td>Hospitals</td>
<td>27</td>
</tr>
<tr>
<td><strong>Quality of Service</strong></td>
<td></td>
</tr>
<tr>
<td>BDA</td>
<td>2</td>
</tr>
<tr>
<td>BCC</td>
<td>10</td>
</tr>
<tr>
<td>BWSSB</td>
<td>13</td>
</tr>
<tr>
<td>KEB</td>
<td>19</td>
</tr>
<tr>
<td>RTO</td>
<td>26</td>
</tr>
<tr>
<td>BT</td>
<td>16</td>
</tr>
<tr>
<td>Banks</td>
<td>23</td>
</tr>
<tr>
<td>Hospitals</td>
<td>21</td>
</tr>
<tr>
<td><strong>Information Provided</strong></td>
<td></td>
</tr>
<tr>
<td>BDA</td>
<td>4</td>
</tr>
<tr>
<td>BCC</td>
<td>16</td>
</tr>
<tr>
<td>BWSSB</td>
<td>18</td>
</tr>
<tr>
<td>KEB</td>
<td>28</td>
</tr>
<tr>
<td>RTO</td>
<td>27</td>
</tr>
<tr>
<td>BT</td>
<td>23</td>
</tr>
<tr>
<td>Banks</td>
<td>33</td>
</tr>
<tr>
<td>Hospitals</td>
<td>38</td>
</tr>
</tbody>
</table>
the citizen. More detailed evidence by the service agency dimensions such as staff behaviour, quality, and information is given in Table 2.3.

Though there are wide variations in the degree of satisfaction expressed by the people about agencywise dimensions of service, the numbers are uniformly low. Thus, banks, which got the best score for staff behaviour, had only 35 per cent of the respondents expressing satisfaction. Agencies that received low overall satisfaction scores also got low scores for different dimensions of service. Thus, the BDA received a score of 11 per cent for staff behaviour, two per cent for quality and four per cent for information provided to customers.

The survey results also shed light on several other aspects and internal problems of the service providers. For example, people were asked whether the officials they dealt with in different agencies were knowledgeable, efficient, courteous, and helpful. A noticeable finding was that in almost all agencies, people rated the officials relatively high in terms of their knowledge, but low on courtesy and helpfulness. This gap was the widest in agencies such as the BDA. For those who manage these organisations, these insights could provide useful information for remedial actions. It is clear, for example, that the problem was more severe with respect to motivation and attitudes of the staff rather than with their job related knowledge. Training of staff and the design of internal incentives and evaluation can take note of this finding.

As expected, there are wide variations in the ratings given by the people to the different agencies. But the low levels of satisfaction implied by these indicators are striking. It shows that people are able to reflect on their experience and give fairly consistent assessments even though their standards are not always identical. Public feedback based on personal experience is clearly a valuable source of information on some aspects of performance of service providers.

**Corruption in Services**

Not surprisingly, major corruption scandals involving people in high places get much publicity in the media. But the ongoing and widespread corruption in the delivery of public services to ordinary citizens seldom makes headlines. The cost of such ‘retail’ corruption
is, of course, borne by whoever seeks a service or redressal of a grievance. The cost of retail corruption may seem small when viewed on a case by case basis. But when aggregated over the large number of people and the harassment involved, the magnitude of this phenomenon cannot be regarded as a trivial matter.

Many people consider bribes paid to public officials as 'speed money', a payment that greases the wheels that might otherwise move slowly or not at all. Bribing is considered a functional activity that society needs for survival. However, it is a cost to the citizen and often results in iniquitous decisions that hurt the rest of society. It makes a mockery of the rule of law and destroys the values that are essential to orderly public conduct and development.

Table 2.4 presents the survey findings on the extent of corruption in Bangalore’s public services and the amounts paid per transaction indifferent agencies as reported by the respondents. Column 2 reports the proportions of people in the sample who paid a bribe. Column 3 refers to the actual amounts paid by these people to officials in the agencies listed here.

Table 2.4
The Speed Money Phenomenon (General Households)

<table>
<thead>
<tr>
<th>Public Agency</th>
<th>Proportion in sample claiming to having paid a bribe (in Rs)</th>
<th>Average payment per transaction (in Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>KEB</td>
<td>11</td>
<td>206</td>
</tr>
<tr>
<td>BWSSB</td>
<td>12</td>
<td>275</td>
</tr>
<tr>
<td>BCC</td>
<td>21</td>
<td>656</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>17</td>
<td>396</td>
</tr>
<tr>
<td>RTO</td>
<td>33</td>
<td>648</td>
</tr>
<tr>
<td>BT</td>
<td>4</td>
<td>110</td>
</tr>
<tr>
<td>BDA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>14</td>
<td>857</td>
</tr>
</tbody>
</table>

*Note: US$1 = Rs30 (in 1994)*
The responses in all cases are from people who were directly involved in these transactions.

Speed money (Table 2.4) refers to bribes given by the people and taken by public officials in order to ensure that services are provided speedily and satisfactorily. This is not a subject on which all people are willing to speak openly or in an unbiased manner. It is not, however, easy to cross check the responses or to correct them for any biases. The only safety here is in numbers! Our knowledge of the nature of services being provided by the different agencies can also be an indirect check on the veracity of the data. The evidence presented here probably understates the actual degree of corruption. Agencies vary in the extent of corruption and the bribe amounts. Presumably the speed money per transaction in the BDA that deals in property and house sites is much higher than that estimated for the Electricity Board. The BDA along with the Regional Transport Authority has the highest proportion of people paying speed money. In the Telephones, on the other hand, bribes are taken primarily for a few major transactions and much less perhaps for routine services.

Many observers feel that corruption is a deep-rooted tradition in most societies and that little can be done to eradicate it in the short-run. But the results of our report card research seem to contradict this belief. Over 60 per cent of the people surveyed in Bangalore felt that paying a bribe was wrong. Less than a quarter of the people approved the practice of bribing. Over 50 per cent of the people surveyed were willing to officially pay more to public agencies for better services, while a third of the respondents were unwilling to do so. These responses clearly indicate that substantial numbers of people are uncomfortable with corrupt practices and would like to see this evil eradicated. Reforms that result in corruption control probably will elicit the support of a majority of citizens of Bangalore.

The Bangalore survey also confirmed that both extortion and bribery are at work. Extortion refers to the pressure public officials put on their clients to pay extra money or other favours to get the work done. Bribery implies that the initiative is taken by a client who wants to get a
decision or action in his favour through an illegal payment to an official. In the Bangalore Case, 50 per cent of the respondents claimed that officials demanded extra payments from them. In a third of the cases, citizens made payments to officials on their own, implying that extortion by officials was the dominant feature of corruption in Bangalore’s public agencies, with bribery also playing a significant, but secondary role. Many customers believe that if they did not bribe, they would not receive the benefits they were seeking. There is no doubt that collusion between such people and public officials also prevails on a large scale. The data presented here, however, do not provide an adequate basis for diagnosing the nature and causes of this phenomenon or pinpoint the manner in which it works in different public agencies of Bangalore.

To the best of my knowledge, our survey represents the first systematic effort anywhere to seek public feedback on corruption in specific public services and to present this evidence alongside other dimensions of service delivery and customer satisfaction.

The Hidden Costs of Public Services

The most visible cost of public services, as far as citizens are concerned, consists of the official fees and charges they pay to the public agencies involved. But we know that significant numbers of people also pay bribes to get services or to resolve their service-related problems. Corruption may be less visible, but still it adds to the costs incurred by those who had to give bribes in the context of certain services. There is, however, a third category of cost whose links to public services may not be evident to the average citizen. The reference here is to the investments people make in order to cope with the unreliability of many services. These indirect costs of poor services were found to be substantial in the case of Bangalore. Table 2.5 lists some of the investments people have made (but by no means a comprehensive list) in order to compensate for the unreliability of certain services. In a real sense, these are unproductive investments and the scarce resources involved could well have been utilised to meet higher priority needs in a poor society.
Table 2.5

Investment in Coping Mechanisms (General Households)

<table>
<thead>
<tr>
<th>Type of Investment</th>
<th>Value (Rs Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underground water tanks</td>
<td>1500</td>
</tr>
<tr>
<td>Overhead tanks</td>
<td>2335</td>
</tr>
<tr>
<td>Borewells</td>
<td>2685</td>
</tr>
<tr>
<td>Voltage stabilisers</td>
<td>500</td>
</tr>
<tr>
<td>Water filters</td>
<td>1750</td>
</tr>
<tr>
<td>Generators*</td>
<td>500</td>
</tr>
<tr>
<td>Total Investment</td>
<td>10,000</td>
</tr>
</tbody>
</table>

* Estimated to be in use by households

Note: Total investment also includes other smaller items not listed above. It is an estimate for all the households in Bangalore city. The proportions of households owning these assets were estimated from the sample survey and current average prices of these assets were obtained from the market.

Table 2.5 provides some interesting estimates for Bangalore City of the hidden costs people incur in order to compensate for the unreliability and inadequacy of certain public services. Thus, many people build underground and overhead tanks in order to be sure that they always have a reasonable supply of water at home. If water supply was reliable, most households would not have invested their scarce savings in this form. When the supply of electricity becomes unreliable, factories and households invest in generators and voltage stabilisers at considerable extra cost. It is seldom that anyone adds up these costs and highlights them as the indirect cost of the unreliability and inefficiency of the service providers involved. That a sum of Rs10 billion has been sunk in unproductive investments in one city alone is not a trivial matter. It has been estimated that the annual interest (at 15 per cent) that can be earned on the total unproductive investment by households reported in Table 2.5 amounts to seven times the property tax collection in Bangalore. People of Bangalore are paying indirectly much more for their public services than they seem to realise.
A Report Card from the Poor

The questions asked of the poorer households (slums) in Bangalore were slightly different from those addressed to the middle and low-income households. For the poor living in slums, availability of services itself was a problem. The question of satisfaction arises only if services were accessible to them. Thus if they did not have public water supply or water taps in their area, they cannot judge the quality of that service.

Poor households rated water, electricity, and sanitation (including toilets) as their highest priority needs. Only three-fourth of the sample households had access to public water supply. Less than two-thirds had access to electricity at home. Only about half of them had access to sanitation facilities where they lived. But of those who had access, less than a third were satisfied with the available service. Electricity and water supply fared better with 70 per cent and 63 per cent expressing satisfaction with these services. Fair price shops (public distribution of food grains, etc.,) and public transport received slightly higher ratings.

The urban poor who encounter problems with public services were less likely to approach the authorities concerned than middle class citizens. The poor are less educated and have less of the resources, time, information, and contacts required to solve their problems. Therefore it is not surprising that a smaller proportion of the poor (22%) seem to have interacted with public service providers compared to the general households (35%) in our sample. The poor households were then asked to rate the services on different dimensions such as helpfulness, speed of response, and problem resolution. The number of responses were not adequate to give an agency wise assessment of these dimensions. Table 2.6 summarises the results as an average for electricity, water, and sanitation, taken together.

The first five items in table 2.6 are measures of agency responsiveness. The sixth refers to the prevalence of corruption. Helpfulness, prompt attention, and timely decisions are hallmarks of efficient and responsive behaviour. The evidence presented here points to low level responsiveness. That more than two-thirds of the people had to visit an agency three or more times to sort out a problem speaks for itself. It is
significant that the problem resolution rate for the poor is much lower than that for the general households. The proportion of the poor making multiple visits to solve their problems is also substantially higher than that of the general households.

Table 2.6

Key Dimensions of Agency Responsiveness
(Per cent of the Urban Poor Agreeing with Statement)

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Bangalore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff were helpful</td>
<td>40</td>
</tr>
<tr>
<td>Problem was attended to in time</td>
<td>38</td>
</tr>
<tr>
<td>Problem was solved in reasonable time</td>
<td>26</td>
</tr>
<tr>
<td>Three or more visits were made to agency</td>
<td>71</td>
</tr>
<tr>
<td>Problem was finally solved</td>
<td>38</td>
</tr>
<tr>
<td>A bribe to be paid</td>
<td>32</td>
</tr>
</tbody>
</table>

Note: A weighted average of the figures for all agencies is used throughout the Table

It is shocking that nearly one-third of the respondents had to pay bribes to solve their problems. But 40 per cent of them did not get satisfactory results, even after paying bribes. A larger proportion of the poor (32 per cent) paid bribes than the middle class households (14 per cent). The lower the income level of a household, the greater the chances of extortion! Can anything be more iniquitous?

Though there is much tolerance of the poor public services in Bangalore, both among the middle classes and the poor living in the slums, there was considerable dissatisfaction among the people about what was going on. It is sad to see, however, that citizens were not disturbed enough to do anything significant about this state of affairs. Nor were the city's public service providers greatly concerned about their own performance. One has not come across any crusader for reform among the leaders of the public agencies. The report card on Bangalore's public services has shed light on how the government is serving the people of this city. Satisfaction ratings, corruption costs, and other related measures focus attention on certain key issues more
sharply than what a mere description of the problems can. The moot question is whether these insights can be used to stimulate the people as well as the public agencies to address these issues.

Some Lessons

- The levels of public satisfaction with the performance of service providers in Bangalore are uniformly low despite the marginally better ratings of some agencies. This is corroborated by findings on the different dimensions and attributes of services. The satisfaction ratings of the poor are somewhat higher with respect to some agencies, but need to be viewed against the background of their relatively low expectations. Even so, for the poor, sanitation symbolises a failed service. Citizens who have had to interact with these agencies to redress their problems or complaints seem to be the most dissatisfied. A clear implication is that this is an area of weakness that agency leaders need to urgently address. The scope for improvement is considerable even in agencies that have performed relatively better.

Corruption is present in varying degrees in most of the agencies and has no doubt contributed to the severity of public dissatisfaction. It is more of a problem for the city’s poor than for the middle class, with every third among the former having to pay a bribe to get a service or to solve a service related problem. The report card testifies to the highly unjust treatment meted out to the poor in respect of public services and extortion. Costs in terms of time and effort that poor people incur are quite heavy. It is significant that a majority of the respondents (54 per cent) are willing to officially pay more for the services provided if they are of reliable quality rather than pay under the table with no assurance of quality.

No service provider can perhaps satisfy all customers. But providers can certainly set targets that may help them to do better. Public service providers in more developed countries typically set for themselves a target of 90 per cent customer satisfaction. Even our better performing public agencies need to set their sights much higher than what they have done so far.
It might be argued that such high levels of satisfaction are beyond the reach of agencies in poorer countries. A major reason given is constraints of resources. No doubt, lack of funds and personnel limit, the capacity of some of the service providers to respond to their customers’ needs effectively. But it is a mistake to assume that resources are the problem for all public agencies. Some services and activities such as the issue of approvals, licences and permits, tax collection, and allocation of house sites are not constrained by lack of funds. In fact, if well managed, these are activities that can generate more resources for the government. Why not initiate a movement for reform in such activities and services? The reasons for the failure to reform these agencies lie elsewhere and blaming everything on lack of funds is a ploy.

- The underlying lack of accountability on the part of the public agencies of Bangalore is attributable to several factors. The monopolistic nature of the organisations involved, inadequate supervision and lack of proper management systems, the prevalence of non-transparent practices, absence of incentives to perform well, and the inability of citizens to access information and to undertake collective action are some of the forces at work. While a report card is not designed to provide a full-scale problem diagnosis, the underlying information can be used to explore how these persistent problems can be tackled.

Contrary to popular belief, there are several things that the government and its service providers can do without incurring heavy costs to improve their services. It is possible now to let private providers compete with their public counterparts in several services. Transport, telecommunications, and electricity are sectors in which competitive options have been made to work in several countries. The provision of useful information and guidelines to help people access services does not require a lot of money. The design of an effective grievance redressal system is not a costly activity. Good monitoring systems and staff training do not call for major investments. But they do presuppose a committed leadership at the top and reasonable stability of tenure for the agency’s senior
staff. More than money, it is a change in the mindset of those responsible for these public agencies that is required.

- Bangalore’s report card challenged the myth that public services were cheap. Official fees and user charges for some service may be low, but customers seem to incur other ‘hidden’ costs that can be attributed to problems associated with service providers. People are forced to invest their scarce resources to create mechanisms to compensate for the unreliability and inadequacy of these services. In a real sense, these are unproductive investments as the resources utilised here could have been better used elsewhere. Furthermore, they have no option but to pay bribes to provide staff to obtain a service or to solve a service related problem. A substantial part of this phenomenon could be attributed to a culture of extortion by public officials. Corruption no doubt adds to the cost of public services and results in a misallocation of scarce resources.

- Citizens have traditionally left it to the government to plan and enforce public accountability in all its agencies. Government’s role and services, however, have expanded considerably in recent years, making it difficult for public accountability to be achieved through conventional mechanisms like audit and legislative oversight. The use of public power for private gain, collusion, and non-responsiveness to citizen needs in public agencies cannot be eradicated even with the best of supervision. Under the circumstances, citizens themselves need to play an active and continuing role in monitoring public services of direct concern to them. A major role of NGOs should be to educate citizens on their rights and responsibilities in relation to public services and other entitlements, thus making it easier for public agencies to serve the people. The absence of such focussed efforts at public education and collective action to demand increased public accountability is a major weakness in India’s urban areas.

In this context, inter-agency comparisons with respect to public satisfaction and corruption in services through the report card approach can potentially be an aid to create public awareness and to stimulate agency interest to address the problems. Quantification and rankings demand attention in a way that
anecdotes do not. They focus attention on specific agencies and services that can be embarrassing to those in charge, especially because of the adverse publicity involved. This is not to say that public feedback is the only factor that service providers must consider while improving their performance. But it is certainly a major element that deserves attention.

When the report card on Bangalore’s services was first presented to the small group of friends who had participated in the project, its members were both shocked and impressed. Shocked, because most of them did not anticipate the severity and spread of the problems being faced by the average citizen. While there was a general awareness of problems such as nonresponsiveness and corruption in some agencies, they had not expected any clear patterns to emerge from the survey. They were impressed by the power of inter-agency comparisons and their potential to both increase public awareness and shake up public agencies.

Members of the group offered many ideas on how to take the survey and the report card forward. Some of them went further and wondered how this highly personal initiative could be institutionalised as an instrument for citizen action and social change. But very few believed that change could be brought about without the commitment and motivation of the government and its leadership. A report card may cause some discomfort or at best provoke some in authority to make the right noises. But will increased public awareness and pressure force them to take serious remedial action? Can citizen action be mobilised and will it make any impact? We had no answers to these questions.
THE REPORT CARD AS A TRIGGER FOR PUBLIC ACTION

Having prepared a citizens' report card on the public services in Bangalore, the next step was to devise ways to use it as a trigger for public action in the city. The starting point was an effort to communicate the findings to the public agencies and the people. The latter could be reached through the media, seminars and other public forums. Dissemination of the findings was the only way to create public awareness on issues and highlight the need for collective action.

Copies of the report card were despatched to the heads of all the public agencies covered by the survey and to the Chief Minister and the Chief Secretary of the Karnataka State of which Bangalore was the capital. None of them, of course, knew about the report card as they were not in any way involved in this exercise.

This was followed by the dissemination of the report card’s findings to the Bangalore press. It was an interactive session where the findings were revealed and queries answered. Nearly all the major newspapers promptly prominently featured the report on corruption. It was the first time that an experiment of this type was conducted in any Indian city. The Times of India, published a weekly chart that highlighted one report card finding at a time. It was an innovative effort to keep the report card and its messages alive in the public consciousness for at least a few weeks. Not surprisingly, Doordarshan, the state television monopoly, ignored the report card. One can imagine the fate of the report card if a similar monopoly existed in the print media!

After this event some newspapers began to feature the work of various ‘residents’ associations and useful information about the different public agencies on a regular basis. On the whole, there is
now more frequent reporting on local governance and civic groups’ activities in the Bangalore press than in other cities. This is a welcome change from the days when news meant coverage about politicians, businessmen, visiting dignitaries, and nothing else. The power of the press to leverage the ‘voice’ of the people is undeniable. Our experience shows that it can be harnessed even by powerless civil society groups provided they have messages with a strong public appeal.

Dissemination of the report card took place also through seminars and meetings in different parts of the city. This permitted a more detailed discussion of the findings and their implications than was afforded in the media. One such meeting was attended mainly by non-governmental groups that were active in the community. Our hope was that as these groups became better informed, they would begin to play an active role in demanding greater accountability from the city’s major service providers.

The Early Responses

One of the very first reactions to the report card came from the Chief Secretary, the head of the civil service in the State Government. He did not challenge any of the report card findings, but gave some reasons why the practice of corruption should not be laid at the door of the bureaucrats. His main argument was that the pressure of corrupters was so pervasive that public officials were unable to resist it. There was no doubt a grain of truth in what he said. Those working in the public agencies are also part of the wider society. But the surprise was that he did not show any interest in seeking remedies for the ills highlighted by the report card. Explaining away a problem is sometimes viewed by responsible persons as an adequate response. A plea of helplessness thus becomes an argument for inaction. His mindset tells us why problems are seldom addressed and pursued with vigour in the government even when there is a consensus on the prevalence of problems.

Almost all the public agencies covered by the report card did acknowledge the report card and promised to study the findings. Their response was a standard bureaucratic one: polite replies with
District Office numbers and proper seals! To their credit, it must be said that none of them seemed defensive or upset by what they read in the report card.

Within a few months after the release of the report card, the heads of three of the agencies covered by the survey made contacts to discuss ways and means to improve the services in their care. They were persons who were already convinced of the need for corrective action. They saw the report card as a window of opportunity to get their organisations to wake up and serve the public better. Although discussions were held with all the three, eventually it was only in two of these agencies that their leaders were able to initiate some reform efforts. But before narrating what transpired in these agencies, it is necessary to get back to the responses from the side of civil society.

Since seminars on the report card were held not only in Bangalore, but also in other cities in India, both ordinary citizens as well as several NGOs were exposed to the underlying concept and the Bangalore findings. Some of those who attended the meetings in other cities also raised the need for institutionalising report cards and the related advocacy work. Among them were heads of foundations and trusts who felt that funds could be mobilised, provided a national organisation was established to engage in this work. It was their enthusiasm, persuasion and promise of support that finally encouraged the small group that had launched the Bangalore report card to create an organisation to scale up the work.

In June 1994, PAC was registered as a non-profit society in Bangalore. Its Board of Directors consisted of several eminent persons. Its initial financial support came from the National Foundation for India (NFI) based in New Delhi. This was followed by a grant from the Ford Foundation. The inaugural conference organised by PAC was designed to generate an agenda of work on governance, and was held in collaboration with NFI in Bangalore. At the conclusion of this conference, PAC's Board formally launched its programme of activities and affirmed its mission to improve the quality of governance in India. Report cards on public services, support to citizen action, advisory services, and networking with other civil society institutions were among
the initial activities highlighted by PAC. Though its focus was initially on the problems of urban services, PAC clearly understood that the report card methodology and other tools had relevance to the problems of the rural sector too.

Dissemination of the report card findings had elicited responses not only from some of the city’s public agencies, but also from voluntary civic groups who were interested in follow up action in their areas of concern. The organisational base provided by PAC greatly extended its ability to respond to these requests. Interacting with and assisting public agencies and civic groups simultaneously would have been next to impossible for PAC without additional people and funds. Gradually, PAC began to take on this challenge and attracted both human and financial resources in order to cope with its expanding volume of work.

The establishment of PAC encouraged some of the citizen groups in Bangalore to seek its assistance to do report cards on sectors of concern to them. PAC assisted one such group to prepare a report card on the city’s public transport service. The report card was subsequently presented to the chairman of the city transport corporation and his senior officials. The chairman responded positively to the findings and introduced several improvements that he recounted at a later meeting.

A more elaborate report card on the city’s public hospitals was prepared by PAC at the initiative of the Citizen Action Group (CAG) of Bangalore. The focus of this exercise was on the experience of the urban poor with the hospital services (both inpatient and outpatient). The survey was designed to collect feedback from the poor on their experience with public, charitable, and private hospitals. Both in terms of the quality of service and the prevalence of corruption, public hospitals were rated as the worst. In terms of staff compensation and benefits, public and charitable hospitals were comparable. Case studies indicated that the difference lay in the quality of training and motivation given to the staff, and the effectiveness of supervision in these two types of hospitals. A disturbing finding was that some degree of corruption was found to exist in all categories of hospitals.

The report card findings were discussed at a workshop organised by the two major public hospitals in the city. A good number of doctors
and nurses participated along with members of PAC, CAG, and other concerned experts. The views of the hospital staff and management were presented in the course of the deliberations. The workshop succeeded to get the hospital staff and the citizen groups to appreciate each other’s problems and concerns. A specific proposal agreed upon at this meeting was the introduction of a help desk to guide patients under the auspices of a voluntary agency with experience in monitoring services and assisting patients. Thus in both the hospital and city transport cases, the report card approach led to constructive dialogues between service providers and user groups and elicited positive responses for action from the managements of these public agencies.

Working with Public Agencies

BDA was the first public agency that sought our advice and assistance to deal with some of the problems highlighted in the report card. Its Commissioner was extremely keen to improve the citizen-agency interface and felt that enhancing the quality and motivation of the lower level staff who deal with clients was the basic challenge facing the organisation. This may have been an oversimplified view of the situation, given the reality that the organisational culture of BDA, its personnel policies, and monitoring systems were known to be weak in terms of their performance orientation. Its real estate activities and large contracts attracted political interference and corrupt practices. Nevertheless, efforts to improve efficiency and responsiveness at the lower levels of the organisation were necessary and perhaps more feasible than a radical restructuring of the entire agency.

PAC’s work with BDA started with an assessment of the kinds of problems clients faced in dealing with the staff and the patterns of workflow within the organisation. Client feedback on the service related problems in the residential layouts maintained by the BDA was also gathered on a selective basis and analysed. This is an example of the use of the report card concept by a public agency for its internal purposes. Short training programmes were then organised for the ‘case workers’ and their supervisors. These staff interacted most with the public. The training activities were well received by the staff, many of whom had never been to any formal internal training at all.
The BDA Commissioner, however, was unable to go beyond the training intervention to adopt other internal organisational reforms that were necessary to reinforce the initial steps. The monitoring and information system which could have been modernised with the aid of information technology was not reformed. The supervisory structures and incentives that needed to be modified were left untouched for the most part. The initial steps towards reform in which PAC was involved were not followed up and supported by other important changes and practices that were equally important. In a state controlled setting, getting the green signal to go ahead and winning the support of the key stakeholders are by no means easy. BDA soon found that it was difficult to sustain the momentum of the reform process.

While the reform efforts in BDA got stuck halfway through, in the Bangalore City Corporation (BCC), another public official who had shown considerable interest in the report card initiated a different kind of reform. A Ravindra, the Administrator of the Corporation believed that poor public accountability needed to be countered by the active involvement of civil society institutions. He had several discussions with PAC on the report card and its implications even when he was Chairman of the Bangalore Water Supply and Sewerage Corporation (BWSSB). As City Corporation head, he wanted to create a forum for NGOs concerned with civic issues to work with the city’s public agencies. His hope was that the new forum would create a partnership between civil society groups and public agencies, encourage the transfer of new ideas to the latter through experiments and discussions, and enable civic groups to play a monitoring role given their close interactions with these public agencies. The forum was called Swabhimanana (self-esteem), and brought together nearly 10 active NGOs of the city, the BCC, and the BDA. Swabhimanana soon launched experiments in solid waste management, formation of ward level committees, and decentralisation of service related activities with the active participation of local neighbourhood groups. Meetings of this forum were also attended by municipal officials who facilitated support and collaboration from the public agencies. A joint forum of this nature could not have been made to work but for the active involvement of the Administrator.
Though Swabhimana started as a modest endeavour without a formally registered organisation and its own staff, it achieved a fair measure of visibility in a short period of time. A reinforcing factor was the support provided by the senior BCC officials who attended Swabhimana meetings and facilitated the network's collaborative efforts. Swabhimana's goal in the initial stage was to launch experiments in different parts of the city in order to develop workable models of reform as a basis for replication on a larger scale over time. Not all these experiments progressed well. A ward level committee was set up in one area with the blessing of the Administrator. But leadership changes made it difficult for the experiment to continue and the effort was abandoned after some time for lack of support. The solid waste management project fared better. It evolved over time and despite leadership changes in BCC has evolved into a partnership programme that covers a significant segment of the city. It has played a useful role in the training of BCC staff engaged in solid waste management, expanded the awareness of citizens and their support for the ‘Clean Bangalore’ programme, and contributed to programme monitoring efforts. It is a visible forum for civic groups in the city and has partnered PAC in its launch of the civic clubs for children in Bangalore's schools and in the information campaign on candidates in the city elections.

Within a year of the launching of Swabhimana, Ravindra was transferred out from his job as the City Administrator. His successors at the Corporation were not as enthusiastic in their support of the new forum as Ravindra was. Nevertheless, the forum’s activities continued, but increasingly without the participation of the municipal officials. It was evident to all that while an official’s initiative brought Swabhimana into being, there was also a risk in its dependence on a single official for its smooth functioning. Not surprisingly, Swabhimana’s focus shifted somewhat from collaborative projects to more adversarial and critique oriented activities in relation to the public agencies.

Subsequently, when Ravindra was brought back as Commissioner at the Municipal Corporation, he made an effort to improve its grievance redressal system. As the report card made amply clear, a major problem in the city’s public agencies was the extreme dissatisfaction of the people with the way their complaints were handled by the officials.
The Municipal Corporation was among the worst in this regard. A new grievance redressal system was designed by Ravindra’s staff and the officers responsible for implementing this system were given a modicum of training, a task in which PAC assisted. An experimental period was utilised to test the new system and to eliminate its teething problems. Similarly, he successfully managed a municipal bonds scheme for Rs1.25 billion in order to improve the city’s inadequate road system. However, before he could put these reforms in place, Ravindra was transferred abruptly from his job. The rumour was that he was asked to go because he had demolished a number of illegal buildings and other structures in the city. Though his actions were perfectly legal, it was widely believed that the powerful interests that were hurt in the process managed to get the demolition drive stopped by moving him out of the Corporation. We have here a classic case of the instability of tenure adversely affecting the ability of administrators to improve the quality of a city’s governance. Ultimately, it is the people who pay a heavy price for such unwarranted political interference. From the standpoint of the citizens, the frequent and often arbitrary transfer of senior officials like Ravindra meant that the reforms required to remedy the problems raised by the report card and other similar critiques could not be pursued with vigour.

Senior officials in some other public agencies managed to stay on their jobs for longer periods than the Municipal Commissioners. In the BWSSB, since 1996, J P Sharma has had tenure of over three years as Chairman. Early in his tenure, he came across the report card findings and began to take steps to address the key issues identified in the report card. He was one who believed that an agency could improve the quality of its services even within the existing constraints facing it. First of all, he asked his officials to periodically meet with customers in different areas of the city both to understand their problems and to communicate with them on matters that they should know. He improved the billing and collection procedures about which there were many complaints. The agency had a decentralised system for complaints handling, but public awareness about it was limited and the efficacy of this system to settle problems left much to be desired. A training
programme was introduced for the field staff to improve their ‘on-the-job’ skills and responsiveness as they interact most with customers. Random checks on water quality have been increased and steps have been taken to improve the overall supply of water. Planning and implementing these reforms calls for not only good leaders, but also for a measure of continuity on the job.

One aspect of BWSSB’s working that has received negative feedback was the delay in getting new water connections and the corruption associated with this process. The Act that governs this agency requires that customers route their applications through licensed contractors. In other words, the customer is prohibited from approaching the Board directly to get new water connections. This practice has created an unholy nexus between contractors and officials leading to the extortion of hapless customers. This is a case of a monopoly within a monopoly. Water supply itself is a monopoly and the routing of applications for new connections through contractors has further reinforced the monopoly phenomenon in its working. The Chairman was aware of the problem, but was not able to abolish this restrictive practice.

The Karnataka Electricity Board (KEB) also initiated a series of steps to improve its service and customer orientation. But its performance was limited by periodic shortages of power supply and the difficulty in controlling the theft and transmission losses of electricity. Its Chairman, K.P Singh, stayed on the job for almost three years. He, with the support of his senior colleagues, utilised this period to remove a number of irritants that made a modest difference to the quality of KEB’s service. Power outages continued, but the use of mobile transformers reduced the severity of the problem. Pre-monsoon maintenance measures such as cutting the branches of trees were carried out systematically. Bill collection was made easier by the use of mobile counters. Periodic meetings were organised by KEB with residents’ associations and other NGOs for suggestions to improve the service and to test out the feasibility of new reform measures. Singh and his colleagues also proposed to create ‘power wardens’ in different localities to act as citizen volunteers to monitor power related problems in their areas. But the idea did not really take off in spite of their good intentions. It is to their credit that
they were proactive on all these fronts despite the immense financial and technical difficulties faced by their organisation.

Bangalore Telecom (BT) is yet another public service provider that took some important steps to improve its service in the period that followed the report card. It benefited from the national drive to expand telecommunications and to introduce technological improvements. Substantial capacity expansion was achieved during this period in Bangalore. BT also decided to get out of the peripheral equipment business and to concentrate on its core technology and business. It put its scarce resources into expanding and upgrading the telephone exchanges. It introduced an automatic voice mail system to register and track customer complaints and improved its billing and collection procedures. The fact that this public agency had begun to face competition through private cell phone providers may well have goaded it to be more proactive towards its customers.

Public Services and Resources Constraints

According to many public agencies, budget constraints are a major reason why they cannot perform better. It is true that local governments and public utilities depend on the government for funds, staff and subsidies. It is also true that there are budget cuts and delays in accessing even approved funds. If indeed resource constraints are genuine, they need to be considered in judging the performance of the service providers. If, on the other hand, resource constraints were the result of the inaction or indifference of a public agency, it would be reasonable to conclude that the budget argument is only an alibi and not the cause of poor performance. To see whether resources are a serious problem, we carried out an analysis of the budgets (revenues and expenditures) of the Bangalore Municipal Corporation (BCC) for the past seven years (1988–89 to 1994–95). BCC was selected for study not only for the wide range of its services but also because it was reported to have severe resource constraints. A number of interesting findings emerged from this analysis (see Annexure 2 for details).

• Surprisingly, BCC’s annual expenditure on civic services has failed to keep up with the growth of the city. From 1991–92 onwards, the total operational expenditure at constant prices has in fact declined.
This is also true of the capital expenditure part of the budget. It is equally significant that BCC’s expenditure as a proportion of the state government’s total expenditure has also declined though Bangalore has been the fastest growing region of the state over the period under review. When adequate resources are not spent on the essential services that citizens need, it is not surprising that public squalor coexists with private affluence. This is indeed a disturbing trend that merits immediate attention and further investigation.

- Nearly 50 per cent of the public expenditure of the city is on salaries. But salary and other personnel costs are rendered unproductive by the failure to provide the funds to buy adequate input supplies. BCC’s employment has increased at the annual rate of 2.3 per cent in recent years despite the squeeze on supplies. This is particularly true of the services that matter most to the lower income segment of the city’s population. The supplies for preventive health, malaria eradication, maternity homes, family planning and schools added up to Rs4.5 million, an amount smaller than the expenditure on ceremonial functions and discretionary public works grants by the Mayor. But the cost of salaries for the same services amounted to Rs126 million in 1994–95, nearly 33 times the cost of supplies.

- On the revenue front, BCC has been able to substantially increase its departmental receipts. However, the collection of property tax, the primary source of its revenue, has stagnated. A major problem here is that nearly 50 per cent of the houses/properties in the city (or at least 33 per cent at a minimum) are not taxed. Over the past four years, property tax collection in real terms has declined while the city has grown and more buildings have been added. Not enough efforts are perhaps being made to collect the arrears due from defaulters. Corrupt practices and the failure to inject transparency and fairness in tax revision are widely believed to have contributed to this dismal state of affairs. The poor performance of property tax could have been offset by the state government allocating to BCC its due share of the tax collected in lieu of the octroi (abolished years ago on the understanding that BCC will be compensated). But instead, the state government has failed to adequately compensate BCC on this count, thus exacerbating the latter’s revenue woes.
For a growing city, the declining trend in real capital expenditure is most disturbing. If adequate infrastructure and its maintenance are not put in place in advance, there is no doubt that Bangalore’s deterioration will accelerate. The productivity of its workforce will suffer and it will cease to attract new investments and employment. Unlike cities like Ahmedabad, Bangalore has not been able to put its finances in order and to efficiently implement its infrastructural plans. Other cities are moving towards tapping the capital market for long-term funds. The capital market is more likely to enforce fiscal discipline and accountability on municipal bodies than government and its lending institutions. A recent positive step was BCC’s mobilisation of Rs1.25 billion through the issue of municipal bonds.

Part of the problem facing BCC is the rapid growth of the city. But there is substantial evidence of a lack of proper budgetary planning, monitoring, and control in the Corporation. Wide variations between the planned and actual collections of property tax exist. Wide and persistent gaps between the planned and actual expenditures also exist. Budgetary projections seem to have been made mechanically and not based on systematic internal planning and consultation procedures. Revenue and capital accounts are not clearly delineated. Age-old budgetary systems and practices of BCC have not been reviewed or updated for a long time. Balance sheets giving assets and liabilities are not available. Proper accounting and external audit according to accepted commercial norms need to be put in place. Without these reforms, it is unlikely that BCC can access the capital market as Mumbai and Ahmedabad are planning to do.

The continued neglect of urban services and finances is a feature of most cities and towns of India. That urban areas account for only a small proportion of the population (25 to 30%) is often given as a justification for this state of affairs. What is forgotten is that the urban population is responsible for over two-thirds of the country’s gross national product and represents almost all of its skilled and technical humanpower. Continued deterioration in the public services required to sustain and enhance the productivity of urban population will no
doubt have an adverse impact on the country’s progress and global competitiveness.

Why has this state of neglect continued unchallenged? If municipal budgets that directly impinge on the quality of life of citizens continue to be poorly planned and controlled, who is to blame? In India, there are many public and expert debates and analysis of the national budget. But the budgets and allocations of money at the city level are ignored by the very people who stand to benefit from a close scrutiny of these plans. When the citizens’ interest and understanding of these matters are woefully limited, it is no surprise that the authorities become lax.

Does the foregoing assessment shed any light on why the citizens of Bangalore have rated BCC’s services as unsatisfactory? If adequate funds are not spent, the quality of services and BCC’s ability to respond to public needs will be adversely affected. It does not follow, however, that remedying the problem of resource constraints is beyond the control of BCC. Augmenting property tax collections, improving budgetary planning and control, and obtaining a larger octroi compensation payment from the state government are matters within the purview of BCC to achieve. Here is a case of a major public agency that has all along used resource constraints as a lame excuse. It took a detailed analysis of the recent budgets of the agency to establish this fact.

Shortly after the budget study was completed, PAC organised a meeting with the Mayor, members of the Finance Committee of the city, and the Municipal Commissioner to discuss our budget study. The only outcome was that PAC managed to put the issue of the budget in the public limelight. The damaging criticisms of the budget presented at this high level meeting remained unchallenged. The study findings were also disseminated through the press.

A positive outcome of these interactions was a modest set of actions by a new City Commissioner to revamp the budgetary planning system. The state government thereafter appointed a Committee on Urban Management which, among other things, looked into the reform of the property tax regime. Its recommendations, however, were not acted on with the vigour they deserved. The Committee, for example, had recommended simpler criteria for the levy of property tax and a system
of self-assessment by property owners. The Municipal Council considered this eminently sensible, but decided not to implement it!

**Proactive Role of Citizen Groups**

It would be presumptuous to claim that the agency actions narrated above were stimulated solely by PAC’s report card on the city’s services. Responses of this type would not have come about but for the realisation by the concerned agency heads that certain reforms were needed. What seems to have happened is that the growing pressure for improved services from organised citizen groups aided this process. The creation and sustenance of these groups was a prime concern of PAC. An important activity of PAC was to facilitate networking among these groups and to get them to deliberate issues of common interest and action plans.

Following the report card, PAC began to hold a series of ‘open house’ meetings, mainly a forum to bring together disparate citizen groups that were unaware of each other’s existence. The subjects discussed at these meetings pertained to the city’s problems and related civic issues. Representatives of citizen groups began to actively participate in the debates and to propose solutions to the problems being addressed by the speakers. This forum started a learning process for citizen groups and public agencies alike, a place where they could interact and agree on plans for intervention. Meetings have been jointly organised with Swabhimana and other civic groups too.

The ‘information campaign’ on candidates that PAC launched before the city municipal elections in 1997 was the outcome of one such open house meeting. This campaign was carried out in collaboration with a number of residents’ associations that participated in this meeting. Information on the background, credentials, and priorities of the candidates who stood for elections was gathered and widely disseminated through this campaign. A citizens’ march to protest the dismal condition of the city’s roads and a proposed diversion of part of a major park area in the city for building construction was planned through meetings in this forum. Educating the public about the issues pertaining to property tax, traffic control, and public interest litigation were also attempted at different open house meetings.
Other variants of the open house forum have evolved in the city over the years. Swabhiman has conducted several consultations with the municipal corporation officials and resident groups on a wide range of issues. These dialogues have resulted in useful decisions and follow up actions by the authorities concerned. Experiments in solid waste management, maintenance of parks and lakes, etc., are examples of service related issues on which citizen groups have been able to influence agency officials and evolve joint action plans.

These dialogues, consultations, and open house discussions have emerged as a visible and institutionalised means for the citizens to influence the quality of the city’s governance. No doubt that the exposure and education received by the citizen groups helped them come together and make demands on the public agencies in a manner that would have been difficult to achieve in the absence of a network. PAC’s impact on the public service providers of the city was as much through the pressure of the citizen groups it helped develop and support as by the publicity its report card received.

The city’s newspapers also played an important role in this development. Some of them carried regular features on the citizen groups in different localities. Open house meetings were well covered in the press. Campaigns and studies by PAC, sometimes jointly with Swabhiman and other civic groups, were widely commented on and disseminated by the press. The media’s involvement thus helped strengthen the public awareness about various issues and options pertinent to the people’s daily lives. This catalytic role of the media no doubt made the leaders of the public agencies also sensitive to the need to improve their services and reform their ways of functioning.

Over time, these developments have resulted in increasing interactions between citizen groups and public agencies. Agency leaders began to tap the energies and proactive skills of citizen groups to improve the quality of their services. In an interview to The Times of India, Laxmi Venkatachalam, the then BDA Commissioner said: “Under the Swabhiman movement, interactions with citizens groups have been stepped up by the creation of ward offices in some of the layouts. We encourage residents’ associations to meet us frequently and discuss
their needs. To facilitate quick redressal of grievances, senior officials have been asked to meet the public. More than this, we want timely feedback from the residents to help in the groundwork and monitor the work of officials, especially the contractors. BDA has also initiated an organisational development programme with the assistance of the Public Affairs Centre."

Similarly, the Chairman of the KEB, Vijay Gore said in a press interview: “We need residents’ associations to participate in the maintenance of street lights, which though a BCC responsibility, is done partly by us. Our second proposal is for the associations to take up the bill book, help in collection and also prune trees that obstruct cables. The city is growing beyond our reach; so we would like any organisation to come forward and help us.”

Citizens may rightly feel that agency leaders are unrealistic in expecting that citizen groups will actually carry out some of the functions that the agency staff is paid for. The positive side of this development is that agency leaders have welcomed the inputs and assistance of citizen groups. They have recognised that citizens can and should play a proactive role and have confirmed that they would welcome public participation.

One reason why elected officials have not figured in the follow up of the report card was because the state government had taken over the administration of the city during that period and appointed a civil servant to be the administrator of the city. At a later date, elections were held and in the past three years, an elected council is once again in charge. But the residents’ associations and other civic groups in the city have not made an earnest effort to dialogue with the elected political leaders in the same way they have interacted with the bureaucrats. One reason for this behaviour is the general perception among many people that many politicians are themselves corrupt and largely interested in the pursuit of their own interests. The elected officials, on the other hand, see the civic groups and other NGOs as a threat to their role and influence in civic affairs. As elected representatives, they seem to resent the notion that any other group can speak for citizens and their concerns. The resulting lack of
communication between elected members and citizen groups is a source of concern as improved services and accountability cannot in the final analysis be achieved without the cooperation and understanding of the elected council.

Conclusion

It should be clear by now that there is no straightforward answer to the question: "what did the report card on Bangalore accomplish?" The report card was not commissioned by the government or any of the city agencies waiting impatiently to act on its findings. It was undertaken as an independent initiative by a group of citizens who believed that citizen feedback on services could be used by the civil society to press the government to improve its performance. We have now seen that the report card worked in unexpected ways. It certainly shocked a lot of people who did not expect any person or group outside of the government to give a grade to its agencies. Quantifying and comparing corruption across agencies was also a novel thing to do. It evoked responses and reactions that would have been difficult to predict at the time of its launch. The major lessons learnt from the report card at work in Bangalore are:

- Report card findings, when disseminated through the media and public meetings, can be a valuable tool for educating and informing citizens about the problems with public services and the need for collective action by citizen groups to demand increased public accountability from the public service providers. Media can be an ally of citizen groups in the dissemination and advocacy processes.

- It is unrealistic to expect public agencies to respond immediately and directly to the signals given by a report card. Agency leaders need the time and capacity to internalise the messages of the report card and design the interventions necessary to adequately address the issues raised by the report card. Civil society institutions such as citizen groups also need time and resources to get organised and plan strategies to interact with service providers.

- Surprisingly, hardly any public agency challenged the veracity of our findings. One must conclude that they did not have any data with them to counter our evidence. If, for example, they do not
track the quality or responsiveness of service delivery or assess the extent of corruption, they are in no position to question our conclusions. It is an indirect indication that systematic monitoring of the state of public services is probably absent or weakly performed in public agencies.

- Civil society initiatives are more likely to emerge and gather momentum when supported by organisations dedicated to this cause and with skills and resources to provide continued assistance and advice. Report cards can only be a starting point and a trigger in this process. Citizen groups will be more effective when they are able to go beyond critiquing and move to the search for remedies and collaborative action with public agencies as and when opportunities arise. Some initiatives and experiments may fail. Civil society institutions need to remain unfazed by setbacks and keep on learning, experimenting, and challenging the establishment until positive results are in sight.

- Reform minded leaders of public agencies are likely to view the report card as an aid to their efforts to improve services rather than as an unwarranted intrusion into their preserve. Constructive responses and initiatives to improve services by just one or two agency heads could start a wider movement among public agencies to experiment and innovate on the service front. Proactive efforts such as networking by citizen groups, media, etc., to dialogue with them and propose remedies may speed up the process of change. But a major factor that dampens the impact of all these efforts is the arbitrary transfers of senior public officials who are leading the reform process. Unfortunately, there is no sensitivity to this problem at the political leadership level.

- In most public agencies, civil servants in leadership positions are often willing and able to bring in reforms and improvements that are citizen friendly. But to sustain improved public services, it is essential that citizen groups build bridges with the political leaders who control or at least influence key decisions in different public agencies. When political leaders feel stimulated to respond, they could lead reform efforts far more effectively than the bureaucrats in charge of individual public agencies.
THE SECOND REPORT CARD ON BANGALORE’S PUBLIC SERVICES

In 1999, after a gap of over five years, a second report card on the public services of Bangalore was prepared by the Public Affairs Centre.¹ A comparison of the first and second report cards is an interesting way to judge whether Bangalore’s public services were getting better or worse over the past five years. The first report card was a benchmark against which the results of the second report card could be assessed.

A five-year gap between two surveys, however, is a bit too long, and should not be regarded as a norm. A two- to three-year gap is more reasonable.

The objectives of the second report card were essentially the same as those of the first report card, but with one important difference. The new report card would enable us to assess whether the services have improved or worsened over this period and in what respects. It could act as a ‘benchmarking’ device since we have the baseline information on more or less the same set of public services as of 1993–94.

The methodology adopted for this study was the same as that of the first report card on Bangalore. The credibility of a survey of this magnitude depends on the rigour of the methodology used and the care taken to minimise biases in both the design and the conduct of the survey. A multi-stage stratified sampling plan was adopted to ensure representativeness of the sample. This yielded a sample size of 1339 respondents for the middle income households and 839 respondents from the slums. The error margins in the estimates given by this sample are considered to be within acceptable limits. The
fieldwork for the study and the preliminary analysis of the findings were carried out by Gallup MBA, a leading market research agency.

1. Feedback from General Households

A study of the profile of the respondents showed that more than half the respondents lived in their own houses or flats in Bangalore. Over two-thirds of them held private sector jobs or were self-employed while the remainder were government employees. Nearly 26 per cent of the respondents had completed a degree while 64 per cent have had higher secondary education.

The services/agencies covered by the second report card were the same as those covered by the first. In the survey of poor households, BT, Regional Transport Office (RTO), and BDA were excluded while government primary schools were brought in.

<table>
<thead>
<tr>
<th>Service/provider</th>
<th>Number of users in sample</th>
<th>% of users</th>
<th>Respondents satisfied(%)</th>
<th>Respondents dissatisfied(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BWSSB</td>
<td>871</td>
<td>84</td>
<td>42</td>
<td>18</td>
</tr>
<tr>
<td>KPTCL (KEB)</td>
<td>1027</td>
<td>99</td>
<td>47</td>
<td>14</td>
</tr>
<tr>
<td>BCC</td>
<td>818</td>
<td>48*</td>
<td>41</td>
<td>16</td>
</tr>
<tr>
<td>BT</td>
<td>424</td>
<td>41</td>
<td>67</td>
<td>7</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>793</td>
<td>78</td>
<td>52</td>
<td>10</td>
</tr>
<tr>
<td>Police</td>
<td>65</td>
<td>7</td>
<td>34</td>
<td>26</td>
</tr>
<tr>
<td>Public Buses</td>
<td>827</td>
<td>82</td>
<td>32</td>
<td>18</td>
</tr>
<tr>
<td>RTO</td>
<td>174</td>
<td>20</td>
<td>32</td>
<td>27</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>234</td>
<td>25</td>
<td>36</td>
<td>14</td>
</tr>
<tr>
<td>BDA</td>
<td>92</td>
<td>5</td>
<td>16</td>
<td>38</td>
</tr>
</tbody>
</table>

* Those who used identifiable services
Satisfaction scores, as explained earlier, reflect the overall quality of public services. Table 4.1 provides a comparative rating of the different agencies on this dimension. By listing all agencies together in this table, we do not imply that their services are comparable. Services vary in complexity and essentiality. Water is essential while a telephone is not necessarily used or owned by everyone. Users assess a service or agency in its entirety. But they can certainly provide feedback on their experience with a service.

The general households (mostly middle class) in Bangalore have rated the quality of services of most agencies as fairly low. The highest satisfaction expressed is with the telephone service (67%). Most other agencies have been rated below 50 per cent. The least satisfactory services are those provided by BDA (16%), public buses and RTO (32% each).

Table 4.2

<table>
<thead>
<tr>
<th>Agency/Service</th>
<th>Percentage of those who are satisfied – all respondents</th>
<th>Percentage of those who are satisfied – respondents who had a problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>BWSSB</td>
<td>42</td>
<td>46</td>
</tr>
<tr>
<td>KPTCL</td>
<td>47</td>
<td>45</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>52</td>
<td>38</td>
</tr>
<tr>
<td>Public Buses</td>
<td>32</td>
<td>*</td>
</tr>
<tr>
<td>BCC</td>
<td>47</td>
<td>26</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>36</td>
<td>43</td>
</tr>
<tr>
<td>BT</td>
<td>67</td>
<td>30</td>
</tr>
<tr>
<td>BDA</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Police</td>
<td>34</td>
<td>22</td>
</tr>
<tr>
<td>RTO</td>
<td>32</td>
<td>18</td>
</tr>
</tbody>
</table>

* The number of those who had a problem with public buses was too small for meaningful analysis. In any case very few users take their problems to the agency in the case of public buses.
The highest level of dissatisfaction among general households is with BDA. The least dissatisfaction is with the telephones department. The fact that the sum of those satisfied and those dissatisfied does not add up to 100 shows that there is a large proportion of those who are ambivalent (neither satisfied nor dissatisfied) about most agencies.

The satisfaction ratings referred to above were obtained from those who were users of the service but not necessarily those who had interacted with the agency in connection with a problem. The incidence of problems ranged from 12 per cent in telephones to 46 per cent in BDA. When those who had visited the agency with a problem were asked to rate the agencies, it was found that the satisfaction levels dropped considerably in the case of most agencies. In the case of BDA, the satisfaction scores were similar in both cases because the dealings of the users of this agency necessitate visits to the agency very frequently.

**Responsiveness of Service Providers**

Indicators such as the number of visits the respondents had to make to get a problem solved, and satisfaction with staff behaviour reflect responsiveness. Table 4.3 provides a comparative picture.

The percentage of those who made three or more visits to an agency to solve a problem varied from 20 to 76 per cent across agencies. This wide variation may be partly due to the varying degree of complexity of procedures followed by the different agencies. Alternatively, sheer indifference or non-responsiveness of agency staff could also have contributed to this outcome. In general, an average of three visits seems to be taken for granted as essential to get anything done at most agencies.

Satisfaction with staff behaviour seems to be the highest for those who have interacted with ration shops and public hospitals (61 and 60% respectively). The staff of BDA scores the least in this regard (15%). Other agencies that score poorly on staff behaviour are BMP, BT, RTO and the Police.

**Effectiveness of the Service Providers in Problem Solving**

The effectiveness of the service providers in solving problems or redressing the grievances of users can be judged by reference to the
Table 4.3

Key Dimensions of Agency Responsiveness

<table>
<thead>
<tr>
<th>Agency/Service</th>
<th>Made three or more visits to agency (%)</th>
<th>Average number of visits</th>
<th>Satisfaction with behaviour of Staff (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BWSSB</td>
<td>50</td>
<td>3</td>
<td>54</td>
</tr>
<tr>
<td>KPTCL</td>
<td>48</td>
<td>4</td>
<td>51</td>
</tr>
<tr>
<td>BCC</td>
<td>53</td>
<td>4</td>
<td>26</td>
</tr>
<tr>
<td>BT</td>
<td>59</td>
<td>3</td>
<td>28</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>50</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>Public Buses</td>
<td>40</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Police</td>
<td>23</td>
<td>2</td>
<td>33</td>
</tr>
<tr>
<td>RTO</td>
<td>27</td>
<td>2</td>
<td>31</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>42</td>
<td>3</td>
<td>61</td>
</tr>
<tr>
<td>BDA</td>
<td>76</td>
<td>8</td>
<td>15</td>
</tr>
</tbody>
</table>

problem resolution rate of the agencies and the usage and efficacy of their grievance redressal mechanisms. Among the relatively better performers in problem resolution are Bangalore Telephones and the police. Services such as public buses, ration shops, and public hospitals have a low problem resolution record.

Agencies widely vary also in terms of the user feedback on their grievance redressal mechanisms. People would go to the grievance redressal unit of an agency when they are unable to get a service or solve a problem. The usage of the grievance redressal mechanisms is generally low across all agencies. The highest usage is as low as 6 per cent with the BWSSB. The reasons given by those who did not use the redressal mechanisms were limited awareness of the mechanism and lack of faith in the system. More than two-thirds of the people claim that they are unaware of the existence of a redressal system. This finding reflects poorly on the information dissemination procedure of the agencies and on the management of the redressal process.
Table 4.4
Evidence on Grievance Redressal

<table>
<thead>
<tr>
<th>Service agency</th>
<th>Percentage of respondents who have used grievance redressal mechanism</th>
<th>Reasons for non-use among those who did not use the grievance redressal mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Lack of awareness</td>
</tr>
<tr>
<td>BWSSB</td>
<td>6</td>
<td>69</td>
</tr>
<tr>
<td>KPTCL</td>
<td>3</td>
<td>71</td>
</tr>
<tr>
<td>BCC</td>
<td>3</td>
<td>69</td>
</tr>
<tr>
<td>BT</td>
<td>2</td>
<td>58</td>
</tr>
<tr>
<td>Ration shops</td>
<td>0</td>
<td>77</td>
</tr>
<tr>
<td>BMTC</td>
<td>2</td>
<td>76</td>
</tr>
<tr>
<td>RTO</td>
<td>2</td>
<td>70</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>4</td>
<td>67</td>
</tr>
<tr>
<td>Police</td>
<td>2</td>
<td>59</td>
</tr>
<tr>
<td>BDA</td>
<td>2</td>
<td>70</td>
</tr>
</tbody>
</table>

Hidden Costs: Corruption

Users of public services have to cope with the inefficiency and mismanagement of service providers in many ways. An important example is the prevalence of corruption in public services. Its impact on the users of services is not easy to assess and its costs are invariably hidden from public view.

Corruption seems to be widely prevalent in most public agencies. In services such as ration shops and public buses, there is very little scope for monetary corruption. In judging corruption, both the proportion of people who pay as well as the amount paid per case are taken into account. Users of public services who interact with officials have paid bribes in most other agencies. In terms of proportions, RTO leads in corruption with 57 per cent of the respondents paying bribes.
BCC is close behind with 52 per cent of users having paid bribes. The agencies with smaller proportions paying bribes (excluding buses and ration shops) are Karnataka Power Transmission Corporation Limited (KPTCL) (9%) and BWSSB (11%).

Table 4.5

The Phenomenon of Corruption

<table>
<thead>
<tr>
<th>Service/Agency</th>
<th>Percentage of those who paid a bribe</th>
<th>Average amount paid (Rupees)</th>
<th>Percentage of persons from whom bribe was demanded</th>
</tr>
</thead>
<tbody>
<tr>
<td>BWSSB</td>
<td>11</td>
<td>561</td>
<td>88</td>
</tr>
<tr>
<td>BCC</td>
<td>52</td>
<td>3759</td>
<td>82</td>
</tr>
<tr>
<td>KPTCL</td>
<td>9</td>
<td>1563</td>
<td>75</td>
</tr>
<tr>
<td>BT</td>
<td>26</td>
<td>245</td>
<td>67</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>0</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Public Buses</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Police</td>
<td>18</td>
<td>2603</td>
<td>89</td>
</tr>
<tr>
<td>RTO</td>
<td>57</td>
<td>637</td>
<td>94</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>24</td>
<td>289</td>
<td>50</td>
</tr>
<tr>
<td>BDA</td>
<td>40</td>
<td>1643</td>
<td>94</td>
</tr>
<tr>
<td>Average</td>
<td>22</td>
<td>1673</td>
<td>79</td>
</tr>
</tbody>
</table>

The largest amounts are paid at the BCC (Rs3759) and to the police (Rs2603). In contrast, the smallest amounts are paid as bribes to the telephones department (Rs245) and the public hospitals (Rs289). On an average, one in four persons who have interacted with a public service provider reported having paid a bribe to get the work done. Taking all agencies together, the average amount paid per case as a bribe was Rs1673. A revealing finding is that in most agencies bribes have been demanded of the user nearly 80 per cent of the time. In agencies such as RTO and BDA, the extent of extortion is as large as 94 per cent. Public hospitals and telephones show a relatively lower prevalence of extortion.
There is a sense of resignation and repulsion among citizens towards
corruption in public agencies. However, underlying this cynicism is
the hope that things will improve. This is demonstrated by the finding
that a large proportion of respondents are willing to officially pay more
provided there is an improvement in the quality of service delivery.
This may imply that the cost of bribery works out higher for some people
than the extra tariff they are willing to pay officially. Ethical reasoning
aside, even in terms of economics, it would be to the advantage of both
the users and the providers to collect user charges legally. The extent
to which the people are willing to pay more differs from agency to
agency. This variance is probably explained by factors such as the level
of current tariffs, the degree of shortage of the service, availability of
alternatives and how essential these services are. Note that charges
and fees for most services have been raised in recent years.

Quality of Services Then and Now!
The changes in the quality of services over time were examined
through two indicators. One, by asking people to comment on the
changes over the past three years and two, by comparing some of the
ratings given across the two report card studies done five years apart.
Table 6 provides the responses on the changes in three aspects of
service namely overall quality, behaviour of staff, and ease of interaction.
These are important dimensions of any service. But overlaps among
them cannot be ruled out. It can be seen that many users do indicate
that there has been an improvement in the quality of all services. This
finding has to be tempered by the fact that varying proportions of
respondents have said that there is an improvement only to some extent.
The telephone department is the only agency for which 80 per cent of
the respondents have reported improvement in all the three aspects.
Other agencies that are rated as improved by more than three-fifths of
the respondents are ration shops, public hospitals, and KPTCL. The
agency where least improvement is indicated is BDA (14%). All other
agencies are reported to have shown improvement by less than
50 per cent of the citizens.

Changes that have taken place in the extent of bribery, the
magnitude of the bribes paid, and the extent of extortion in the
five-year period between the two report cards clearly indicate that corruption has gone up in almost all agencies. The exceptions are BWSSB, KPTCL and BDA, where the situation remains almost the same. On the other hand, the average size of bribes has gone up dramatically in four out of ten agencies. The BCC and the KPTCL are agencies where the increase has been quite significant. Even after adjusting for inflation, the increase remains considerably high. The only exception is at the BDA where the amount paid per case has declined.

Table 4.6

Report Card on Bangalore:
Improvement in Services over the Last Three Years

<table>
<thead>
<tr>
<th>Service/Agency</th>
<th>Percentage of people saying there is improvement in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Overall Quality of Services</td>
</tr>
<tr>
<td>BWSSB</td>
<td>51</td>
</tr>
<tr>
<td>KPTCL</td>
<td>59</td>
</tr>
<tr>
<td>BCC</td>
<td>45</td>
</tr>
<tr>
<td>BT</td>
<td>80</td>
</tr>
<tr>
<td>RTO</td>
<td>41</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>61</td>
</tr>
<tr>
<td>BDA</td>
<td>16</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>56</td>
</tr>
<tr>
<td>BMTC</td>
<td>55</td>
</tr>
<tr>
<td>Police</td>
<td>54</td>
</tr>
</tbody>
</table>

2. Feedback on Services from the Urban Poor

Satisfaction with Service Quality

The poor, on the whole, are more resigned to their lot than those with money and education. This is reflected also in the satisfaction scores of the poor households in Bangalore’s slums. This should, of course, be seen in the context of their low expectations from
service providers. Even minimal service quality is tolerated by most of the poor who are grateful for any service they can get.

Table 4.7

Usage and Satisfaction with Public Services

<table>
<thead>
<tr>
<th>Service provider</th>
<th>Number of users</th>
<th>% of users*</th>
<th>Respondents satisfied (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Supply</td>
<td>763</td>
<td>87</td>
<td>62</td>
</tr>
<tr>
<td>KPTCL</td>
<td>746</td>
<td>86</td>
<td>73</td>
</tr>
<tr>
<td>BCC</td>
<td>578</td>
<td>63</td>
<td>65</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>730</td>
<td>87</td>
<td>70</td>
</tr>
<tr>
<td>Police</td>
<td>71*</td>
<td>9*</td>
<td>25</td>
</tr>
<tr>
<td>Public Buses</td>
<td>796</td>
<td>95</td>
<td>83</td>
</tr>
<tr>
<td>Primary Schools</td>
<td>269</td>
<td>32</td>
<td>74</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>458</td>
<td>55</td>
<td>73</td>
</tr>
</tbody>
</table>

* Use in the case of police in many cases is involuntary or the result of emergency situations. This explains the low usage figure.

Table 4.8

Satisfaction – All Respondents and Those Who Had a Problem

<table>
<thead>
<tr>
<th>Agency/Service</th>
<th>Percentage of those who are satisfied – all respondents</th>
<th>Percentage of those who are satisfied – respondents who had a problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>BWSSB</td>
<td>62</td>
<td>33</td>
</tr>
<tr>
<td>KEB</td>
<td>73</td>
<td>31</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>70</td>
<td>28</td>
</tr>
<tr>
<td>Public Buses</td>
<td>83</td>
<td>52</td>
</tr>
<tr>
<td>BCC</td>
<td>65</td>
<td>29</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>73</td>
<td>41</td>
</tr>
<tr>
<td>Primary School</td>
<td>74</td>
<td>54</td>
</tr>
<tr>
<td>Police</td>
<td>25</td>
<td>11</td>
</tr>
</tbody>
</table>
Bangalore’s urban poor dwellers have rated public transport service as most satisfactory (83%), followed by primary schools (74%), KPTCL (electricity) and public hospitals (both 73%). The least satisfactory service is that of the police (25%) which is way below the satisfaction levels for the other services.

Satisfaction ratings in Table 4.7 are given by users of the respective services. When among these users, those who had a problem with any agency rated the service, the results were more startling.

As Table 4.8 shows, the satisfaction levels dipped to nearly half of the earlier figures for those households who had interacted with the public agencies. Thus, like the middle class people, the poor also confirm that the problem solving capacity and responsiveness of the agencies leave much to be desired.

**Responsiveness of Service Providers**

As already noted, the responsiveness of the service providers can be judged by the number of visits customers make to get a problem solved, and the way they are treated by the agency staff. Table 4.9 provides information on the number of visits made by the poor to each agency.

**Table 4.9**  
**Key Dimensions of Agency Responsiveness**

<table>
<thead>
<tr>
<th>Agency/Service</th>
<th>Made three or more visits to agency (%)</th>
<th>Average number of visits</th>
<th>Dissatisfaction with behaviour of staff (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Supply</td>
<td>24</td>
<td>4</td>
<td>67</td>
</tr>
<tr>
<td>KPTCL</td>
<td>22</td>
<td>4</td>
<td>46</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>2</td>
<td>3</td>
<td>63</td>
</tr>
<tr>
<td>Public Buses</td>
<td>4</td>
<td>4</td>
<td>36</td>
</tr>
<tr>
<td>Police</td>
<td>17</td>
<td>5</td>
<td>83</td>
</tr>
<tr>
<td>BCC</td>
<td>15</td>
<td>4</td>
<td>55</td>
</tr>
<tr>
<td>Public Hospital</td>
<td>1</td>
<td>3</td>
<td>57</td>
</tr>
<tr>
<td>Primary School</td>
<td>2</td>
<td>3</td>
<td>18</td>
</tr>
</tbody>
</table>
the percentage of those who went more than three times in connection with a problem, and their level of dissatisfaction with the staff behaviour.

The agencies that required urban poor residents to make three or more trips to get their problem solved were the BWSSB (24%) and KPTCL (22%). The agency that urban poor residents with a problem had to visit the most number of times is the police (an average of five times).

Unhelpful agency staff behaviour is a major issue for urban poor dwellers. The dissatisfaction expressed in this connection is very high for most agencies. The highest level of dissatisfaction expressed by the poor is for the police (83%). The staff at the primary school seems to displease the urban poor dwellers the least.

**Effectiveness of the Service Providers**

The urban poor dwellers of Bangalore experience problems with public agencies more frequently than other citizens. The most problematic agency for the poor is the police (75%) followed by BWSSB (38%). The least problematic is public transport (17%). The resolution of problems for the poor is very low across all agencies. For five out of the eight services covered in this study, there is no resolution of problems at all. For those agencies where there has been some response, it is in single digits, except for the police where it is 11 per cent. Furthermore, satisfaction with the time taken to attend to their problems and to solve them is very low among urban poor dwellers. The police, public hospitals, and ration shops fare the worst in this regard.

**Hidden Costs: Corruption**

The poor have paid larger bribes to agency officials than the more affluent citizens.

In general, one fourth of urban poor residents have paid bribes to get their work done at one agency or the other. Public hospitals top the list in bribe-taking with 53 per cent urban poor households reporting such cases. The police are not far behind (46%). Public transport and water services are the least corrupt. The average amount a person paid as bribes across all agencies is estimated at Rs1245 over a period of six months. The largest amounts have been paid out to the police and public hospitals that ironically are supposed to provide free services. It
is also alarming that most of these bribes have been demanded by employees of the service providers.

The findings of this study explode the myth that the poor are reluctant to pay for services. A large proportion of the poor are willing to pay more provided they are assured improved services. The willingness to pay is higher among urban poor dwellers than among middle class households. This could be since bribing anyway costs them a lot, and the nominally free services are unreliable.

**Quality of Services: Has it Improved Since 1994?**

On the whole, Bangalore’s urban poor dwellers have indicated a partial improvement in the different aspects of service quality in all the agencies. Bangalore Metropolitan Transport Corporation (BMTC) and public hospitals have been found to show the most improvement in all the three aspects, namely, overall quality of services, behaviour of staff, and ease of interaction.

<table>
<thead>
<tr>
<th>Service agency</th>
<th>Percentage of people claiming improvement in</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Overall Quality of Services</td>
</tr>
<tr>
<td>BWSSB</td>
<td>59</td>
</tr>
<tr>
<td>KPTCL</td>
<td>76</td>
</tr>
<tr>
<td>BCC/BDA/Slum Clearance Board I (Area I)</td>
<td>51</td>
</tr>
<tr>
<td>BCC/BDA/Slum Clearance Board II (Area II)</td>
<td>51</td>
</tr>
<tr>
<td>Ration Shops</td>
<td>74</td>
</tr>
<tr>
<td>BMTC</td>
<td>87</td>
</tr>
<tr>
<td>Government Hospital</td>
<td>79</td>
</tr>
<tr>
<td>Police</td>
<td>27</td>
</tr>
<tr>
<td>Primary School</td>
<td>78</td>
</tr>
</tbody>
</table>
In respect of corruption, though the percentage of people who have paid a bribe has declined in the last five years, from 32 per cent to 25 per cent. But the average amount paid as bribes has increased phenomenally from Rs335 per case to Rs1245. This is a distressing finding that deserves the immediate attention of all public agencies.

3. Conclusions

Since the report card had separate samples for the general households of the city (middle income) and urban poor households (low income), it is useful to summarise the conclusions pertaining to each separately.

General Households

First of all, the report card of 1999 shows that most of the essential public services in Bangalore have undergone a partial improvement since the first report card was published. In spite of this assessment by the users of services, the satisfaction scores given by them to the service providers do not exceed 50 per cent in most cases. Bangalore Telephones is the only agency that has received a substantially higher rating at 67 per cent. Public satisfaction seems to drop substantially when people interact with these agencies to solve their problems or complaints. Even in the case of Telephones, the score drops to 30 per cent for the sub-sample of users who took their problems to this agency. Both scores are relevant in judging the performance of service providers. There are wide variations in the satisfaction ratings received by the different agencies. This may in part be a reflection of the differences between them in terms of the complexity of their activities, size, and the political pressures affecting them. To some extent, it may also reflect the differential efforts made by the agencies and their leadership to improve their services.

Secondly, the satisfaction scores given by users for the different dimensions of services such as staff behaviour, number of visits made to agency offices and problem resolution are on the whole consistent with the overall ratings referred to above. In fact, those who have interacted with agencies have had to visit their offices more often than in 1993 and their success in resolving problems has declined over this period. Similarly, the grievance redressal mechanisms in most public
agencies do not seem to be working satisfactorily. The vast majority of people are unaware of how the systems work and some do not have any faith in their efficacy. It is therefore reasonable to conclude from this that the internal administrative systems and procedures to respond to the problems of customers are unable to cope with these demands or have not been improved enough to make a difference to the people. It is equally plausible that the staff is not motivated enough or supervised effectively to respond positively to user problems.

Thirdly, while these negative findings are discouraging, available evidence points to the constructive responses made by the leaders of a few public agencies in Bangalore. The relatively stable tenure given to them by government seems to have helped this process. In telephones, electricity, and water supply, much publicity has been given to the new systems introduced for the registration of routine breakdowns of service. Bill collection has been streamlined and decentralised. Public meetings to discuss and resolve citizen complaints in different localities are being held by these agencies. The period that followed the first report card saw the emergence of a large number of citizen groups concerned about civic problems in Bangalore. Agency leaders admit that their responses have to a large extent been stimulated by public pressure to improve the services. Some of them have also cited the role of the report card and PAC in stimulating them to act. But there is evidence to suggest that in a few cases potential competition has also played a role in the improvements that have taken place. The introduction of cellular phones, the creation of regulatory commissions, and contracting out of certain services are examples of reforms that have injected or might lead to more competition in service provision. The satisfaction scores of services where potential or actual competition is present are distinctly higher than in other cases (telephones, street lighting, and electricity).

Fourthly, the most disturbing finding is that the extent and severity of corruption have increased in a majority of the public agencies covered by the report card. The proportion of people paying bribes has increased by 50 per cent overall and the average amount paid per case has gone up by 100 per cent. Among the agencies, RTO and the BCC lead in corruption with one out of two persons interacting with their staff to solve a problem paying a bribe to the latter. BDA stands out
as one agency whose corruption record did not worsen though the level still remained high. Four out of five people claim that public officials demanded bribes. This finding is not an easy one to explain especially when there is some evidence of a partial improvement in the quality of services. What could be the plausible reasons for this disturbing trend?

One plausible explanation is that controlling deep-rooted corrupt practices may be far more difficult and time consuming than the improvement of services. The introduction of new systems and procedures, better training and skills, etc., can be used to improve the quality of services. But when corruption becomes a way of life, changes in values and attitudes, in turn influenced by cultural traditions and norms, also need to be transformed. Technical changes may help, but may not succeed in triggering such transformation. A second factor is that even the technical and administrative reforms that might have helped to some extent are yet to be introduced in most of the agencies. The earlier points made about the weak grievance redressal systems, the need to visit agency offices several times, and dissatisfaction with staff behaviour are pertinent in this context. These failures reflect in no small measure the inability of the agencies to introduce much needed technical and administrative reforms that are the hallmark of all modern service providers. A third reason is the lack of public education and information campaigns to encourage citizens to resist corrupt practices. There are many who believe that bribing is normal and expected. This type of ‘anticipatory corruption’ can be eradicated only through sustained public campaigns to disseminate information on the civic duties and rights of citizens and standards of service.

Urban Poor Households

Firstly, the overall satisfaction ratings for public services by the urban poor in our sample are distinctly higher than those given by the general households. But as noted above, their higher levels of satisfaction at least in part reflect their somewhat lower expectations and standards concerning services. Among the services that have received scores in excess of 70 per cent are public transport, schools, electricity, and hospitals. The lowest rating has been given to the
police. All satisfaction ratings, however, drop substantially when the poor interact with the agencies to solve their problems. Only public transport and schools receive scores above 50 per cent in this category. There is thus considerable dissatisfaction with the manner in which public agencies have been able to respond to the problems and grievances of the urban poor. Since both segments of the population (middle income and low income) have reported similar experiences in this regard, there is a strong case for a careful review and reform of the systems, procedures, and standards for solving customer problems in the public agencies of Bangalore.

Secondly, the feedback on other dimensions of services lends further support to the above finding. The average number of visits made by the poor to solve their service-related problems is more than that of the general households across almost all the agencies. Their problem resolution rates (satisfactory answers to their problems) are also lower. The staff behaviour towards the poor who interact with the agencies is rated lower than that reported by the general households. This indicates a lack of responsiveness on the part of the agency staff towards the poor. In this regard, there has been no noticeable change between the findings of the first and second report cards.

Thirdly, despite these negative experiences, urban poor households in the sample claim that most services have improved to some extent over the past three years in terms of overall quality, staff behaviour, and ease of interaction. Police stands out as an exception, with the majority of the respondents claiming the opposite. On the other hand, there has been a positive improvement on the sanitation front. The partial improvement in the services noted by the poor should not, however, be interpreted to mean that the bureaucracy has managed to narrow the gap in the differential treatment they mete out to the rich and the poor.

Fourthly, corruption in public services continues to be a problem for the poor who need to interact with the public agencies. On the positive side, the proportion of people who had to pay bribes to officials has declined from 32 per cent in 1993 to 25 per cent in 1999. But the average amount paid per case has gone up from Rs355 to Rs1245 over this period. Bribes had to be paid also for availing of the anti-poverty
programmes in the city. Police tops the list in terms of corruption, followed by public hospitals and the Municipal Corporation. In over 60% of the cases, respondents claimed that bribes were demanded of them by the officials. While the decline in the proportion of the poor paying bribes is welcome news, as a proportion of their income, the poor are paying more as bribes than the rest of the households. This is both alarming and inequitable. Especially given the extortionary nature of corrupt practices.

Fifthly, substantial proportions of the poor are willing to officially pay more for the services provided their quality and reliability are improved. Nearly two thirds are willing to pay more for better schools and municipal services. Over 50 per cent are willing to pay more for water and health services. Corruption and the poor quality of services anyway entail high costs and harassment for the poor. The message from the poor is that instead they would rather pay up front for better services.

The second report card on Bangalore has highlighted both the positive and negative developments in the public service arena of the city. Some service providers have clearly done better than others in terms of their responsiveness to the people. But almost all of them have done poorly on the corruption front. Other problems noted in the first report card such as ineffective grievance redressal systems and multiple visits to agency offices seem to persist. These generalisations apply to both the middle class and low-income households. Trends and features of this kind cannot easily be detected through casual observations and anecdotes. The strength of a report card lies in its ability to give us a clearer and more representative picture of such trends and developments in a large population.

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1 Between these two report cards on Bangalore, the Centre had carried out several report card studies in different cities in India.

2 Since the top two points and the bottom two points of the seven point scale have been used to measure the proportion of people who are dissatisfied and satisfied respectively, the middle three points indicate those who are neither satisfied nor dissatisfied and hence ambivalent!

3 But then the incidence of problems is so high that the resolution rate still remains woefully inadequate.
Chapter 5

NUDGING THE STATE TO ACT: EVENTS AFTER THE SECOND REPORT CARD

As noted in Chapter 3, the first report card on Bangalore’s public services was widely disseminated through the media soon after it was prepared. We departed from this practice for the second report card. Instead of publishing the results right away, we decided to first share and discuss the findings with the heads and senior officials of at least all the major public agencies covered by the report card. This made sense in part because PAC was by now well acquainted with all the service providers in the city. Our expectation was that an in depth presentation of the findings pertaining to one agency at a time would give its leadership a better understanding of the problems being faced by its customers and stimulate them to be proactive to resolve the problems. These discussions could be used to get information on the actions taken by agencies to improve their services since the first report card was released. Furthermore, the discussions would also indicate whether the agencies were serious about responding to the problems highlighted by the report card. To keep the exercise manageable, we decided to seek meetings with the BCC, KPTCL (KEB), BWSSB, and BT. These are the major public service providers with whom most citizens interacted in Bangalore.

For the purpose of these meetings, we prepared a mini report card on each agency. A brief statement highlighted the key indicators of service quality, satisfaction, and other dimensions pertinent to each agency. Its rank in terms of factors such as satisfaction, corruption, etc., vis-à-vis other agencies was also provided. But other details concerning the remaining service providers were not divulged in the mini report cards.
**BCC's Report Card**

The presentation of this mini report card began with measures of the overall satisfaction of citizens with BCC's services. We had two separate measures of overall satisfaction. One covered all the users of BCC's services in the sample, irrespective of whether they had interacted with the agency or not. The second measure pertained only to those users in the sample who had interactions with the agency concerning their problems. This distinction was important as users had more difficulties with an agency while solving their problems than when they had routine interactions.

Diagram 5.1 confirms that this was indeed the case with BCC. When all users are taken together, their satisfaction score is 47 per cent. But those who had interacted with BCC to solve their problems had a satisfaction score of only 25 per cent.

**Diagram 5.1**

**Satisfaction with the services of BCC – Users**

- Ambivalent 37%
- Satisfied 47%
- Dissatisfied 16%

**Satisfaction with the services of BCC – Users with a problem**

- Ambivalent 50%
- Satisfied 25%
- Dissatisfied 25%
The presentation then continued with a closer look at specific services and the factors underlying the overall satisfaction scores. Different dimensions of a service – its quality and delivery – make a customer more or less satisfied. In BCC’s case, one out of five persons encountered a problem in accessing a service or solving a service-related problem. The problem incidence was higher with 30 per cent in respect of roads and 27 per cent on account of garbage removal. On the average, a person had to make three visits in connection with a problem. Those who had a problem with khaatha (title deed document) had to visit BCC seven times, at least. An average of five visits was the experience in connection with property tax related problems. But finally only seven per cent of the people were able to get a satisfactory resolution of their problems.

Only 22 per cent of those who interacted with BCC on routine matters were satisfied with the time taken to respond to the problem. Nearly 28 per cent were satisfied with the overall staff behaviour. But of those who dealt with BCC to solve a problem, only 7 per cent were satisfied with the time taken to respond to their problem. Only 20 per cent of these persons were satisfied with the overall staff behaviour towards them.

One out of two persons who went to BCC to solve a problem ended up paying a bribe. According to them, officials demanded a bribe in four out of five of these cases. By any standard, this is a disturbing finding. The average amount paid as bribe was Rs3760 per case. This is an average estimate and the payments made for different services varied widely. Four out of ten respondents were willing to pay more for BCC’s services provided the quality and reliability of services improved. These findings point to the preference of significant sections of the population to officially pay more for services rather than indulge in corrupt practices.

Despite the problems that the public faced, only three per cent of the citizens in the sample had used the grievance redressal system of BCC. Nearly 70 per cent of them said that they were not aware that such a system existed. One out of eight persons said that they did not seek redressal because they had no faith in the system. This was indeed a most negative verdict on the grievance redressal system of the agency.
The mini report card concluded with the findings on whether BCC’s services had improved at all since the last report card was published. Table 5.1 shows there was indeed a partial improvement in services. But the practice of corruption has remained untouched during this period. In fact, it seems to have worsened, according to the report card. The feedback from both middle class and poor households is almost identical with respect to the increase in corruption over time.

Table 5.1

<table>
<thead>
<tr>
<th>Direction of change</th>
<th>Overall Quality</th>
<th>Behaviour of staff</th>
<th>Ease in interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement</td>
<td>45</td>
<td>50</td>
<td>53</td>
</tr>
<tr>
<td>Deterioration</td>
<td>12</td>
<td>9</td>
<td>11</td>
</tr>
</tbody>
</table>

The presentation also went into the satisfaction scores of specific services provided by BCC. With respect to street lighting, 56 per cent of the people were satisfied (see Diagram 5.2). Here again, public satisfaction was clearly lower (39%) when people had approached BCC with their problems regarding street lighting.

The mini report card on BCC’s services raised a number of important issues for reflection by the senior officials. This, rather than a comparison of BCC with other city agencies was the objective of PAC’s presentation. The overall satisfaction scores showed that a substantial proportion of people were ambivalent about BCC’s services. Over 37 per cent were ambivalent when all users of services in the sample were taken together. Of those who had taken their problems to BCC, 50 per cent were ambivalent.

The challenge for BCC is to win these people by serving them better. What are the reforms needed to achieve this goal? What are the actions necessary to minimise the delays and harassment people experience when they interact with the agency? How can greater transparency and effective monitoring be brought in to reduce the opportunities for corruption? What needs to be done to get a fair and reliable
grievance redressal system in place? The report card presentation created an occasion for PAC to highlight these issues and challenges before the senior officials of the BCC.

**Report Card on Telephones**

When the scores given by all users of this service were aggregated, the agency received a satisfaction rating of 67 per cent. But the score dropped to 30 per cent when users who had interacted with the agency on a problem were asked to rate the service. A substantial proportion of customers remained ambivalent in their assessment. Details of the scores are given Diagram 5.3.

The presentation provided detailed information on different dimensions of the service. One out of eight customers of the telephone agency had a service related problem. Of these, nearly half got their
problems solved. But here again, six out of ten people had to visit the telephone agency three or more times to solve their problems.

The mini report card also showed how different categories of customers perceived the responsiveness of the agency towards their problems. Of those who interacted with the agency for routine work, 32 per cent were satisfied with the overall staff behaviour while 35 per cent were satisfied with the time taken to attend to and solve their problems. The experience of those who dealt with the agency to solve a service related problem was more dismal. One out of four were satisfied with the overall staff behaviour. One in five was satisfied with the time taken to attend to the problem, and only one in eight was satisfied with the time taken to resolve their problem. Reliability in the functioning of the telephone was the least satisfactory aspect of the service. About half the people gave good marks to the accuracy in billing.
Though the agency has a directory that contains a great deal of information on its services, customer awareness of the grievance redressal system of the agency was on the low side, with nearly two out of three persons pleading ignorance. This indicates a need to mount a campaign for customer education on such matters. For a small proportion of people (15%), lack of trust in the system was the main reason for their refusal to use it.

The mini report card showed that corruption was a problem in the telephone service too. One in four customers who interacted with the agency had paid a bribe to an official. The average amount paid was Rs245 per case. In two thirds of the cases, customers claimed that officials demanded bribes. This could be one reason why 28 per cent of the customers were willing to pay more for the service if quality and reliability are improved.

Users of the service confirmed that there was partial improvement in the quality of the service in several respects. But the practice of corruption had worsened during the past three years. The conclusion of the report card was that the service seems to have partially improved since the first report card was brought out, but that the spread and intensity of corruption appear to have increased.

Table 5.2
Changes in Telecom Service Quality (%)

<table>
<thead>
<tr>
<th>Direction of change</th>
<th>Overall quality</th>
<th>Behaviour of staff</th>
<th>Ease in interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement</td>
<td>80</td>
<td>80</td>
<td>81</td>
</tr>
<tr>
<td>Deterioration</td>
<td>3</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

Learning from Mini Report Cards

Mini report cards were also presented at the seminars held in the different public agencies. The meetings were well attended and interactive. The chairmen and senior officials of the agencies were present and actively participated in the deliberations. There was clearly a great deal of curiosity among the participants about how the people
assessed their services. Surprisingly, no one disputed the findings and conclusions. Some of them were shocked that they were rated so low by the public and wondered whether corruption was prevalent in their organisations. But they had no counter evidence to offer.

These reactions naturally led them to narrate the kinds of actions and reforms they had adopted to improve the quality of their services. Some of them also used this occasion to highlight their constraints and problems caused by the ignorance and non-cooperation of the public. Agency leaders in almost all cases indicated that the meetings were most useful to sensitise their senior staff to be more responsive to customer problems. The Chairman of the BWSSB was forthright and informed his colleagues that feedback from customers was nothing but their holding a mirror for them to see the true image of the Board.

All in all, agency report cards served the useful purpose of getting the major service providers to listen to the feedback from the people. The exercise forced the senior officials to introspect on the way their organisations were performing and to think about new ways to improve staff responsiveness. Most importantly, without exception, the heads of all the public agencies involved acknowledged the value of independent feedback from the users of their services and commended PAC’s initiative in this regard.

The Main Report Card

The full report card on the city’s services was subsequently sent to all the public agencies in Bangalore and to selected senior officials in the state government for information and comments. A press conference was held in the city for the release of the major findings of the report card. All the newspapers and some of the magazines in the city prominently published the findings the very next day.

Building on this publicity, a public function was organised in the city to bring together the major agencies and the public at large. This event consisted of two parts. First, a three-hour workshop was organised for senior level management teams from the four major agencies mentioned above. The purpose of this meeting was to get them to present an overview of the changes, new practices and methods introduced in the recent past to improve their services. These presentations were meant
to give the different agencies an opportunity to learn from each other and make them think about new ways to perform better. Interactions otherwise among these agencies were almost non-existent and their knowledge of each other’s innovations and practices was minimal. Staff of these agencies often worked together to coordinate their activities in the city. But they had never met before to learn about each other’s practices and innovations.

The deliberations of the afternoon indeed demonstrated the value of information sharing. The BT managers explained how they had divested the business of supplying and repairing peripheral equipment for telephones in order to focus more on their core services for customers, such as upgrading exchanges. Private suppliers could easily deliver peripheral equipment. No other public agency present could offer a similar example. Naturally, better performers had more things to share with the gathering. And some participants were more quiet than others. But all of them listened to each other and asked probing questions. An active learning process was clearly at work. It was the first time that teams from different agencies in the city had met together to share their experiences and ideas for improving the services.

The second part of the function was a public meeting at which the heads of the four agencies focussed on the report card findings and how they proposed to respond to the problems raised by their customers. Though a certain degree of defensiveness is understandable in such situations, it is to the credit of the speakers that none of them exhibited even a trace of it. They were forthright in admitting their failings and in sharing their ideas on ways to improve their performance. Their presentation was followed by a highly interactive session of questions and answers. The forum provided an unusual opportunity to bring together the key public service providers of Bangalore on the same platform and to get them to exchange ideas and experiences with the people who are directly affected by their activities. Most of the citizens present were representatives of the numerous residents’ associations and other civic groups in the city. Our problem was that there was not enough time at this public meeting to respond to all the issues raised by the people. Informal discussions between agency officials and some of the assembled citizens, however, continued even after the meeting.
was over. PAC, through its report card, was the catalyst that made this happen.

It is not easy to assess the impact of the state–civil society interaction. It is likely that the agency leaders and officials who participated went away with increased interest to improve the quality and responsiveness of their services. The messages given to them by the people were loud and clear. But whether the process will produce an enduring impact can only be tested by future outcomes. Nevertheless, an article by Allen Mendonca one of the editors of the *The Times of India* the following day, aptly summed up the experience:

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**THE TIMES OF INDIA**

**Let us do it more often, Dr Samuel Paul**

Congratulations for bringing together the BCC, KPTCL, BWSSB, and Bangalore Telecom for a public interaction on Friday. Bangaloreans are truly tired with the inefficiency, corruption and who-the-hell-cares attitude of these service providers...

Dr Paul and his Public Affairs Centre in creating the forum have opened doors even windows for a healthy tete-à-tete with our service providers. The honesty on display was remarkable. The public hearing into the bureaucrats and they responding not in anger, but with humility, admitting their faults and making very clear that they mean business: the welfare of the citizenry, the betterment in the quality of life, was uppermost on their agenda.

In many ways, this is the spirit of democracy in action. Civil society working in tandem with government for the greater good of all. But even debates can turn into empty rhetoric. For a city poised on the cusp of the millenium, it is imperative that there be follow-up action.

The Public Affairs Centre will, no doubt, keep up the pressure. And so should we. For, on us depends the creation of a better city, a nicer place for our children to live.

(Reproduced from *The Times of India*, November 8, 1999)
The Chief Minister's Initiative

By the time the second report card was released, a new government had been sworn in the State of Karnataka. The new Chief Minister, S M Krishna made a public commitment to improving the governance in the state, and in particular, to upgrading the infrastructure and services in Bangalore. He appointed some of the most efficient officers to manage the City Corporation and other public agencies serving Bangalore. Their orders were to improve the performance of these bodies and to be more responsive to the needs of the people. One of his early acts was to set up the Bangalore Agenda Task Force (BATF) consisting of prominent persons in the city. The underlying intention was to get industry and civil society to be more involved in the city's rejuvenation. He also wanted the BATF to be a catalyst for mobilising resources for the city and to usher in new ideas to improve its governance. For the first time a chief executive of the state had openly responded to the feedback and the persistent demands of the citizens, media and other public interest groups to make the city's service providers more accountable.

The Government Order on the creation of BATF noted that Bangalore's reputation as a garden city had suffered a lot in recent years. The city's rapid growth had crippled its infrastructure and eroded the capabilities of its civic agencies to serve the people. The Order reiterated the Chief Minister's determination to reverse this trend and make Bangalore the best city in the country in the next five years. The Task Force's terms of reference included:

- ensuring efficient delivery of civic services in the city;
- upgrading and modernising the infrastructure of the city;
- developing and enhancing the internal capacity of BCC and other civic agencies;
- expanding the resource base of the city;
- creating an efficient, effective and citizen friendly administrative framework.
The government appointed Nandan Nilekeni, President of INFOSYS, a leading software firm of Bangalore, as Chairperson of BATF. Members included persons from different walks of life such as industry, science and technology, urban planning, and civic activism.

BATF has started its work with a great deal of enthusiasm and media and public support. It brought out a small report card of its own on the problems facing citizens and the agencies. It has initiated steps to introduce new accounting systems and practices in BCC. It has begun to experiment with the use of 'geographical information systems' in the management of citywide services. Yet another initiative is to simplify and introduce a 'self-assessment' system for property tax, a subject that has been bedevilled by corruption, collusion, and the laxity of officials.

A major public event called the 'Bangalore Summit' was organised by BATF to unveil these initiatives for the benefit of political leaders, elected representatives of the city, industry, media, and civil society groups. This day long function was attended by the Chief Minister and several cabinet ministers. Public service providers of the city made presentations at this meeting on their plans to improve their services and responsiveness to citizens. This was followed by interactive sessions in which the audience, including ministers, actively participated. Before the Summit ended, an impressive set of industrialists and businessmen made public commitments of funds to improve or develop specific public activities or infrastructure. The total funds committed exceeded Rs350 million. Needless to say, no civil society initiative could have pulled off these outcomes. It was the commitment of the political leadership, reflected in the Chief Minister's determination and support that stimulated them.

By way of follow up, BATF has been meeting with all service providers on a regular basis to track the progress of the programmes of action to which they had publicly committed. It is a good example of public monitoring. A group that represents civil society rather than superior levels of society is now reviewing service agencies and their plans in a transparent fashion. This is not to say that internal review and supervision have been replaced by BATF interventions. BATF's role goes beyond these functions and is meant to reinforce them,
especially because multiple agencies need to pull together to resolve the city's problems.

One of the initiatives announced at the Bangalore Summit has already come to fruition. A new system for the self-assessment of property tax has already been developed and announced to the public. Careful work has gone into this reform. Instead of letting tax inspectors arbitrarily decide on the levy of property tax on citizens who are kept ignorant of the guidelines and methods they use, the new system enables citizens to follow easy to understand and verifiable criteria and work out the tax due on their own. Guidelines and procedures for resolving grievances are also clearly stated. Information has been widely disseminated to the public on all these matters through meetings in different parts of the city in collaboration with citizen groups and other NGOs. Given the newness of the scheme, taxpayers have been given the option to adopt self-assessment or pay at the old rate, but with the understanding that their taxes will be shortly revised by the officials. Nearly half the property owners in Bangalore have responded to the self-assessment scheme and BCC has received over Rs80 crores (Rs0.8 billion) in this phase. This amount exceeds the property tax collected by BCC during the previous year. The remaining property owners will be given notices to pay the tax according to the new guidelines. When this phase also is completed, the property tax collection would have almost doubled in one year. When fully implemented, this experiment will be a good example of how state–civil society interaction on reforms can help improve the quality of governance by increasing transparency, reducing the scope for corruption, and increasing citizen-compliance.

PAC, as well as several other groups and experts had proposed this property tax reform over three years ago. But it was only when a new chief minister took over the reins with a strong commitment to reforms that the agencies involved were able to move forward. Even so, there were other hurdles on the way. Some who were opposed to this reform filed a petition in the High Court to declare it illegal. But the Court finally rejected the petition and commended the BCC for this innovative scheme. In fact, the Court also suggested that similar innovations should be introduced in other activities of the Corporation.
The results of this reform were announced at the second Bangalore Summit that was held in July 2000 when BATF reviewed the progress of the plans of the seven stakeholders. Substantial progress was reported by most stakeholders (agencies). The Chief Minister and other participants asked questions concerning their performance. BATF also presented a report card at this meeting. It was based on the citizen feedback on the stakeholders’ progress collected through an independent sample survey. The results reflected substantially increased public satisfaction with their performance and progress. In a period of six months, the major public agencies of Bangalore were able to step up their pace and performance, and citizens were able to experience improvement in many services and gave them appropriate grades.

Contrast this with the partial improvement in services reflected in the second report card discussed in the preceding chapter. Ordinary people are indeed able to differentiate between differing qualities and levels of service, and give grades to the service providers accordingly. BATF’s use of the report card concept is both noteworthy and encouraging. It is an example of monitoring public services as part of an open process, similar in form and spirit to PAC’s report cards. One aspect of satisfaction highlighted in PAC’s report cards concerns the citizens’ interactions with various public agencies. The BATF report card has examined this dimension and showed that there has been an improvement in this aspect of the service. For instance, a larger proportion (24%) of those who went to an agency with a problem seem to be fully satisfied, compared to the situation six months ago (16%). The proportions of those who are somewhat satisfied have also increased from 18 to 45 per cent. It shows how improvements in services can be made to happen even in a short period when political leaders and agency heads give the right signals to their organisations.

BATF is a forum created by the government and in which public agencies are active participants. By its use of the report card, BATF has also demonstrated and legitimised the value and relevance of the concept in government circles. It will hopefully have a demonstration effect on the city’s agencies that today have no systematic feedback from the users of their services.
Nudging the state to act: Events after the second report card

BATF is not only monitoring the progress of the reform programmes of the city's service providers, but is also assisting and advising on how to move forward when complex problems such as interagency conflicts arise. Consultants are brought on board when new technologies or practices are to be introduced. Service providers have been asked to identify bright young staff from within to manage complex projects that call for multi-agency cooperation. These project managers also report to the BATF secretariat so that they can get help when stifled by the problems caused by any of the participating agencies. To reform the basic accounting and financial systems of BCC, BATF has brought in consultants as the municipal accounts staff could not have reformed the systems on their own. The staff works jointly with the external consultants in this project and the progress of the work is reported periodically to the BATF.

The corporate contributions that were pledged at the Bangalore Summit are being used for high priority projects in consultation with BATF. Almost all these projects are expected to create new benchmarks in terms of infrastructure – roads, traffic designs, public sanitation, etc. – in which the donors also have an interest. Asset creation will be managed by the project managers. But the objective is not merely to add to the city's infrastructure or other facilities, but also to create models and standards for similar works subsequently.

In brief, BATF is an innovative institutional mechanism that fills some of the gaps in the urban management and service delivery systems in Bangalore by injecting civil society inputs, technical expertise, and modest external resources in a structured manner. Its interactions with the public through media reports and Internet chats keep them informed of the goings on in a transparent manner. The Chief Minister's initiative has given the process legitimacy and credibility. From the outside, civil society often challenges and advises service providers on numerous issues, but with very little effect. This is mainly because the latter are not required to follow such unsolicited advice. Through the device of BATF, the Chief Minister has forced the service providers to be more responsive and accountable. By playing a mix of roles as catalyst, advisor, and monitor, BATF has been able to fill precisely the gaps
typical in the institutions of the government, and in particular, in the city’s service providers.

Civil society initiatives in Bangalore such as the ‘report card on public services’, media protests about services and the activism of the network of residents’ associations, see the Chief Minister’s response and the creation of BATF as a vindication of their efforts. A great deal of work had preceded his dramatic response. Report cards had already articulated adverse citizen feedback on services, highlighted corrupt practices, and challenged the service providers to respond.

Newspapers had publicised these events and developments. Analysis of the city’s finances had highlighted inefficiencies, corruption, and the need for reform. Industry and business had also joined these campaigns. It is seldom that a government responds when there is no demand or challenge to set things right. Very often, such demand pressure comes from above or from external forces such as donors who matter to the government. Here we have a case where the pressure has come from below, from the primary stakeholders, the people and their civil society organisations. And in Bangalore, there was a Chief Minister who listened and responded.

How did the public respond to the Chief Minister’s initiative? In the BCC elections held in 2001, the Chief Minister’s party won a decisive majority. Many observers feel that it reflects the growing support of the people to the Chief Minister’s initiative to improve the services in the city. A new mayor has been elected by the Municipal Council. In a distinct departure from the past, the Mayor has initiated consultations with citizen groups in the wards with a view to getting their collaboration to launch joint action programmes. Listening to citizen feedback and responding to the problems of the people is good politics too! But this turn of events would have looked unachievable just five years ago.

BATF and the plans being announced and implemented in Bangalore need to be watched and critiqued. Public monitoring of the service providers can never cease. Continuing vigilance on the part of civil society institutions is the only way to ensure improved governance and accountability.
Chapter 6

BEYOND REPORT CARDS: SCALING UP AND ADVOCACY

Bangalore is not the only city where a report card on public services has been published by PAC. Similar report cards on five other Indian cities have since been published. In two cities, other organisations took the initiative to prepare report cards with some assistance from PAC. In a third city, a leading national institute (the Administrative Staff College of India, Hyderabad) prepared a report card on the city's public services based on PAC's model. The findings were discussed in a public seminar in which senior government officials, mayors of several towns in Andhra Pradesh State and heads of the city's public agencies, participated. It shows that institutions with skilled human power and interest in public advocacy can adapt and utilise the PAC methodology with very limited assistance from PAC.

Other countries and international donors have also undertaken similar initiatives. A report card on the services in Washington DC was prepared and published widely by a group that has credited PAC as its inspiration. In Ukraine, two cities prepared report cards on their public services and had a debate with the active participation of the city mayors. Working groups consisting of public officials and local NGOs are presently engaged in finding remedies for the problems identified in the report cards. In the Philippines, a major project on social development has adopted the report card approach as a means to gather feedback from the poor on public services. PAC provided advice to this project on the methodology, but was not directly involved in its execution. Here the actual user of the methodology was the Government of the Philippines, with support and advice from the World Bank. The Philippine report card was widely publicised in the press. The Manila
Times, in its coverage of the report card said: “The Philippino Report card should be required reading for all the officials of the Arroyo Government, congressmen, senators, governors, mayors and leaders of civil society” (MT, August 15, 2001)

International donors have played an active role in taking PAC’s model and experience to other countries. Provincial level applications of the report card have been attempted in Vietnam, for example, through the encouragement of the UNDP. An NGO coalition has launched a report card exercise for several cities in Bangladesh. PAC has provided technical assistance to these projects on a modest scale.

In almost all these cases, the objective was not merely to make an assessment, but to use the feedback to get civil society actively engaged at the local level in the process of demanding increased accountability from the government. As noted above, PAC has provided advice and information in some form or the other to most of these initiatives. Needless to say, PAC’s involvement has been far greater and continuing in Bangalore as well as in other Indian cities.

In both Ukraine and Vietnam, the governments have been actively involved in the launching of the report cards. One day we received a letter from Dr Vira Navniska, Director of the International Center for Policy Studies (ICPS), Kiev, Ukraine. She wanted to know if she could visit PAC to learn about report cards and advocacy work. She had learned about PAC from the World Bank. She visited PAC, and also nominated one of her colleagues to attend PAC’s workshop on report card methodology. Dr Navniska returned home, convinced that the report card approach had substantial relevance to the activation of civil society in her country. She said that the mayors of two cities in Ukraine had already shown much interest in the concept of the report card and had agreed to the exercise being done under independent auspices. The technical surveys and analysis for the report card would be done by the autonomous ICPS. The strategy of ICPS was to involve the mayors in the exercise from the start so that they would be motivated to explore and adopt suitable actions and remedies after the report cards are generated. In Ternopil, one of the cities in Ukraine where a report card on urban services was brought out, the mayor organised a two-day
workshop to discuss the findings and prepare action plans to respond to the problems highlighted. He asked his officials to form working groups along with non-governmental partners (a new concept in the former Soviet countries). The mayor was present when the working groups presented their recommendations. The mayor and his team are presently in the process of implementing these reforms. ICPS was able to get a major grant from the Canadian International Development Agency (CIDA) in support of this initiative and the World Bank acted as a facilitator of the process.

A team of officials from the Government of Vietnam similarly asked whether they could visit PAC to get a first hand view of what report cards could do for them. It was the UNDP that had brought PAC to their attention. The Vietnamese team subsequently visited PAC and eventually obtained UNDP support to make use of the new concept in their projects. In Vietnam, the government first experimented with the report card method in one province. After a period of learning and review, the government has now integrated this approach into the monitoring of the public administration of the country. Unfortunately, no civil society is involved in this endeavour in Vietnam as it is still a largely totalitarian government. But they have recognised the value of citizen feedback on services and the contribution it can make to the country’s governance.

Both these examples show how fast new ideas can be internalised by governments when the political leadership is interested and concerned. This was not the case in Bangalore where the process of change was much slower. Civil society can push the State from the outside. But it is not in the driver’s seat.

Building on Report Cards

Whenever an experiment at the level of a city is narrated, the questions asked are: What relevance does it have for the country as a whole? Can a micro level model be scaled up or replicated? Is it not better to reform the national system?

These concerns are valid. Governance practices of the kind discussed here cannot be introduced by fiat all across a country. They
are vastly different from reforms such as devaluation or the change of an interest rate that can be accomplished by an executive order. In public services, the action is at the local level, be it a city or a village. The government of a large country can at best allocate the funds needed for services and create the enabling legislation to facilitate their production. But the detailed design and delivery of public services must occur where the people live and work. Measures to improve the quality of services or to increase public accountability in an agency need to be internalised by the staff responsible for the job. If they fail to do their job well, it will be difficult for a distant government to monitor and correct the failures. Users of the services, on the other hand, are much closer and it is their vigilance and pressure that probably will make a difference to the responsiveness of the agency. This, of course, is no more than a hypothesis that needs to be validated on the ground.

To design and apply the mechanisms that enhance public accountability in services, a location specific experiment is desirable. As a unit for study and intervention, a city is appropriate because interactions between the service providers and the public take place at this level. What is described here is more similar to a research and development approach than to macro economic reform. In an industrial enterprise, it is common practice to develop a product through research, before scaling up its production for the market. If one can evolve a model grounded in reality, it is easier to transfer and adapt it in different places. Also others will be motivated to adopt or adapt the model if they see its success in a comparable situation elsewhere. If the Bangalore experience has delivered results, it will be emulated. Replication or adoption through this route will be more lasting and productive than a national reform by fiat. This chapter is the right place to ask whether there are some lessons to be learned from the experiment narrated here.

There are several recent examples of citizen initiatives in Bangalore that extend and reinforce PAC’s work. An innovative initiative currently in progress is a people’s movement started by Ramesh Ramanathan to influence the quality and integrity of the public works budget of the city. The movement called ‘Janaagraha’ has involved numerous residents’ groups in assessing the public works needs in the 100 wards
of the city and to prepare estimates for the road works, drainage and other items for inclusion in the city’s budget. Using the norms provided by experts, Ramanathan and his volunteers have converted the estimates into budgets that are discussed with the elected representatives and officials. The objective is to get the latter to take people’s assessments into account and make municipal budgeting a more open process instead of treating it as a secretive, internal exercise to which the public has no access. This movement is progressing well at present, though it is too early to say whether it will make a lasting impact on the budgeting process. Ramanathan is an associate of PAC and has drawn upon its work and is supported by PAC and many other civic groups in the city.

Public agencies have increasingly institutionalised fora for citizen-agency interaction and dialogue on a regular basis. Thus KPTCL (the state’s provider of electricity) holds periodic meetings jointly with PAC to interact with diverse groups in the city. It has produced and publicised periodic report cards on its services. At a recent meeting, the Chairman of KPTCL sought comments from civic groups on the new proposals to control power theft. He was receptive to the many suggestions that citizen representatives offered at this meeting. The Department of Health in Karnataka State has introduced the practice of asking patients to seek public hospital services to fill out a card providing feedback on the services received. All these are examples to show how new citizen friendly practices get introduced and institutionalised because of the momentum created by the earlier civil society initiatives of PAC.

The Bangalore report cards have demonstrated that when civil society institutions (citizen groups, the press, etc.) are empowered with relevant tools and information, they can play a useful role in monitoring public service providers and demanding improvements in the service. The process and outcomes are not automatic and predictable. Both technical and organisational support needs to be provided to these groups as the process gets going. Our experience shows that though that can be done, expected agency responses may still not follow. Some agencies did respond positively, and others did not, as will be clear from the following
examples. Often some agencies are unable to do much even when the leadership is interested in change. What report cards can do is to put in place a network of civil society groups with some interest and capacity to demand change, engage in dialogues, and keep the issues of accountability and responsiveness to citizens alive.

Report Cards and Advocacy for the Poor

Citywide report cards on multiple public services cover a wide terrain. But report cards can also be tailored to focus on the problems of a specific service or service provider. We narrate below an initiative to improve the health services for the poor in Bangalore that used the report card approach as a point of departure. PAC took the lead in this endeavour because some of the officials engaged in health service delivery felt that this approach might help stimulate government’s interest in dealing with the basic issues involved.

BMP’s maternity homes represent the only decentralised set of health facilities in the city that are accessed by relatively low income women and children. A network of 55 new outreach centres has recently been created through a World Bank project to expand and further strengthen the services of the maternity homes. While this expansion and upgradation of the health facilities for the poor are commendable, doubts have been raised as to whether they will be properly utilised and maintained.

There are two major concerns about the maternity homes and the way they are managed:

- in the view of many observers, their quality of service and responsiveness to patients have left much to be desired;
- patients have complained about the different ways in which unofficial payments (bribes) are extracted from them, although health services are supposed to be free.

If this is true, nothing could be more unjust and inhuman. The patients come from the poorest households with very few options. They are women in distress who are being ill-treated when they are least able to defend themselves. Since these allegations about what
goes on within the system are anecdotal in nature, it would be unfair to draw conclusions without a systematic investigation of the issues involved. It is for this reason that PAC undertook a comparative survey of maternity homes and the new outreach centres all over the city jointly with several interested NGOs. A total of 500 patients and 70 staff of these facilities were interviewed. The major findings of this mini report card were as follows:

- The overall satisfaction of patients was the lowest with the services of the maternity homes. Only a third rated them as good while 71 per cent and 60 per cent considered them unsatisfactory while the outreach centres received much better satisfaction ratings.

- Only 39 per cent of the patients of maternity homes claimed that they received all medicines free as opposed to 63 per cent in outreach centres. Maternity homes also led in taking bribes for injections. But the staff said that medicines were given free to all patients.

- Cleanliness of toilets is an indication of standards of hygiene and sanitation. Here, patients rated maternity homes the lowest (43%) in contrast to the outreach centres (83%).

- Maternity homes were rated the lowest also in terms of staff behaviour towards patients. But the gap between them and the outreach centres was much smaller in this case.

- The most distressing finding was the prevalence of corruption. While none of the facilities seems corruption free, maternity homes stood out for the severity of the problem. Payments were demanded or expected by staff for almost all services, but most of all, for delivery and seeing the baby. The proportions of people paying bribes varied from one service to another. But 70 per cent of the mothers paid for seeing their own babies! One out of two paid for delivery.

- If a poor woman paid for all services, it would have cost her over Rs1000 for a delivery. It was reported that a private nursing home might give her hassle free and better quality service for Rs2000. A rough estimate of the bribes being paid in all these facilities was between one and two crore rupees (Rs10–20 million) annually.
- Most of the staff denied the practice of corruption. They did complain about the constraint of facilities, and shortage of staff, supplies, and resources. Doctors emphasised the need to improve patient awareness about their responsibilities and regularity of visits to the maternity homes.

The evidence presented above clearly signalled the need for urgent reforms in the municipal healthcare facilities for the poor in Bangalore. At the core of the problem was the highly unsatisfactory state of the services of the maternity homes. If these conditions continued, the newly created outreach centres would also deteriorate and become part of the pool of corruption and low quality that characterised the system. PAC and other NGOs involved in the study argued that it would be a great loss if fresh investments being made in the new centres were rendered unproductive by the continued apathy of the establishment while paying lip service to the upliftment of the poor.

On the brighter side, reforming maternity homes was considered by all concerned a manageable task given their relatively small size and the compact population they served. The Chief Minister’s concern for good governance and control of corruption offered a window of opportunity for BCC to design and carry out an agenda of reform. PAC and its partners felt that if promptly done, reforms would have a strong demonstration effect on the rest of the system also.

To stimulate the reform process, PAC assembled several experts and NGOs working with the urban poor for a discussion about the options that might be considered by BCC to improve its health services to the poor. While what is presented below did not amount to a full-fledged strategy, it contained elements of reform that the group considered as essential and mutually reinforcing.

- An effective oversight mechanism could be created to monitor the activities of the maternity homes. A board of visitors consisting of five to seven persons could play this role through quarterly meetings to review the operations, needs and plans of each maternity home. A board could also check and eliminate unnecessary overlaps between maternity homes and outreach centres. The board should
include four to five independent experts and activists from the locality who are concerned about the urban poor and health. A corporator and another official could also be nominated to the board. If a board for each home is impractical, perhaps a board could cover about four maternity homes located in contiguous wards. These boards should report to the Municipal Commissioner or his deputy.

- A patients’ charter should be created for the maternity homes. It should publicise the services offered, time deadlines and terms of service, fees, remedies in case of problems, and patients' rights and duties. This could be the first service of BCC for which a charter could be designed on an experimental basis. Staff should participate in this process and be trained to implement it.

- Though the services are free, the reality is that poor women have to pay for them in a majority of cases. They pay, but have no assurance of quality or rights. It was proposed that BCC move to a system of user charges. The idea was not to recover the full costs of the services, but to let patients share the costs so that they have a right to receive the services. Norms for the contributions could be published. Delivery is a predictable event and not an emergency. They could save for this event and pay rather than be faced with extortion when in distress.

- The fund thus created could be used for the maintenance and improvement of the facility where it is collected. It would be an incentive for the doctors and staff if the money can be used to improve their facility. Whether a part of the fund could be used to pay a bonus to the staff is a matter for further consideration.

- In the case of outreach centres, it was imperative that provision be made for the diversification of their management and control. When they revert to BMP, the issue is whether interested NGOs, foundations, teaching hospitals, etc., could be brought in to operate the services with a maintenance grant from BMP. The outreach centres have the potential to become community service centres. The centre infrastructure could be used after office hours for meetings, teaching and private practice and other services beneficial to the community. If this approach were to be adopted,
the maintenance costs and BMP's burden could be reduced as additional income would be generated by the centres through the use of their facilities. Good NGOs may have an incentive to work along these lines as it will help further their own mission.

- Even if these actions are taken, there is a need to empower the poor women to demand their rights and to stand up against abuse. The only way to do this is by creating support groups of women in different slums. Some NGOs had already agreed that they will play this role in their areas of work. They had also expressed interest in operating help desks in the maternity homes for patients. Support groups could prepare and brief pregnant women and accompany them on visits to maternity homes. This function properly belongs to the voluntary sector. The outreach centres could be used as a base for organising support group activities.

The package of reforms summarised above was discussed by PAC with municipal authorities and health professionals. Although some reservations were expressed about the feasibility of reform, BCC has now decided to accept these proposals and implement them in a phased manner. Thus a patients' charter was prepared. BCC also decided to introduce user charges for selected services. A helpline desk is being experimented with by an NGO in one maternity home. Similarly, it was decided to hand over the management of a maternity home to an interested NGO. BCC has also decided to set up boards of visitors to groups of maternity homes and the outreach centres in different wards. Health professionals and local activists are being sought to join these boards for specified periods.

All these responses were clearly experimental in nature. For the present, the response of senior officials of the city corporation is encouraging and their willingness to work together with the NGOs seems commendable. Whether these efforts will be sustained will depend on the senior officials' continuity on the job and the commitment of local NGOs and experts. The starting point, of course, was the mini report card that PAC launched and the advocacy efforts that it initiated along with its partners.
A Citizens’ Report Card on Karnataka State’s Governance

In the Indian context, a typical state is a large geographical unit with considerable political autonomy. India is a union of nearly 30 such states. Karnataka, the state of which Bangalore is the capital, has a population of nearly 50 million. It is as large as many countries. It has an elected chief minister, a cabinet of ministers, and a legislature. The state consists of over 20 districts and its bureaucracy has over half a million persons.

There was a special reason to undertake a report card on the governance of Karnataka. A newly elected government had taken over in 1999, led by a chief minister who had initiated a number of reforms. At the completion of its first year in office, there was considerable public interest in understanding how well this new government had performed. It is common practice for a government to advertise its achievements and intentions, its projects, and the moneys being spent. But no independent assessment is available to the public. Newspapers report anecdotal evidence on progress, but without the information necessary to provide an overview of the progress or outcomes being achieved by the government.

It was against this background that PAC decided to bring out a report card on Karnataka’s governance, mainly as a means to track the state’s progress over a one-year period. It sought answers to the following questions: How do the people of Karnataka rate the government’s performance in areas that matter most to them? What are the positive features and directional changes in governance that are of the greatest interest to the people? What are the neglected aspects of governance to which the government should pay more attention? The report card was designed to gather systematic feedback on the nature and dimensions of the changes in governance experienced by the people.

A report card of this kind cannot claim to be comprehensive in terms of covering all aspects of a state’s governance. It did, however, provide a valuable end user feedback and insights on key dimensions of governance that deserve the attention of policy makers. The first part of the report card dealt with basic public services that citizens use, such as electricity, water, street lighting, roads, public transport,
healthcare, education, and law and order (security). Similarly, certain specialised public offices such as the sub-registrar's office (land registration, title deeds, etc.), the block development office, commercial taxes office, agricultural depot, and civil supplies office were also covered by the report card. A large part of the government machinery is concerned only with the delivery of services and regulatory functions. The second part consisted of a probe into the progress of productive sectors of the economy, such as agriculture, industry and trade that are the major sources of employment and income for the people. The total sample consisted of nearly 1600 respondents, randomly selected from all parts of the state, both rural and urban.

The report card presented a mixed verdict on the performance of the state government at the end of its first year. An analysis of the citizen feedback showed that there was wide variation in the performance of the different service providers and regulatory agencies of the state. Security and healthcare received the worst ratings from the people. Drinking water, education, and public transport had improved slightly in comparison to these services. Overall, there was much less improvement in aspects of governance such as ease of transactions and corruption control. A striking conclusion was that a majority of the people were yet to experience any improvement in most of the essential services (see 6.1–6.3 tables).

The functioning of the specialised public offices referred to below was rated to be less satisfactory than that of the essential services discussed above. Frequency of visits, corruption, and delays are major reasons for this negative rating. There was some evidence of an improvement in terms of transparency in the working of these offices. The sub-registrar's office and commercial tax office led in the matter of corruption.

The feedback from the productive sectors also revealed wide variations. On the whole, rural and agriculture sectors have given a relatively more negative rating to the government than the organised industry and urban sectors. Thus only one in five rural respondents felt that the government has served the citizens better in the year 2000 than in the preceding year, while six out of ten rural persons answered
Table 6.1
Citizen Feedback on Essential Public Services:
Have Things Changed Over the Last One-Year?

<table>
<thead>
<tr>
<th>Service</th>
<th>No improvement</th>
<th>Improvement</th>
<th>Deterioration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electricity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Status of Power supply</td>
<td>48</td>
<td>34</td>
<td>11</td>
</tr>
<tr>
<td><strong>Water Supply</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Availability of water</td>
<td>46</td>
<td>52</td>
<td>1</td>
</tr>
<tr>
<td><strong>Roads</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Overall condition of roads</td>
<td>58</td>
<td>41</td>
<td>1</td>
</tr>
<tr>
<td><strong>Public Bus Transport</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Improvement in public transport</td>
<td>49</td>
<td>47</td>
<td>-</td>
</tr>
<tr>
<td><strong>Public Distribution System (Fair Price Shops)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Availability of supplies &amp; quality of foodgrains</td>
<td>61</td>
<td>33</td>
<td>5</td>
</tr>
<tr>
<td><strong>Government Health Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Availability of doctors, availability of medicines &amp; hygiene &amp; cleanliness</td>
<td>52</td>
<td>28</td>
<td>15</td>
</tr>
<tr>
<td><strong>Government Schools</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Quality of infrastructure like benches, blackboards, textbooks, drinking water &amp; toilets</td>
<td>57</td>
<td>29</td>
<td>6</td>
</tr>
<tr>
<td>❖ Quality of education</td>
<td>51</td>
<td>40</td>
<td>2</td>
</tr>
<tr>
<td><strong>Safety &amp; Security</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Perceptions on safety &amp; security at the village/town level</td>
<td>67</td>
<td>18</td>
<td>5</td>
</tr>
</tbody>
</table>
the same question in the negative. Three-fourths of the industrial respondents felt that the government had served the citizens better in 2000, with one out of five industrialists dissenting.

Table 6.2

<table>
<thead>
<tr>
<th>Service</th>
<th>No improvement</th>
<th>Improvement (+ve changes)</th>
<th>Deterioration (-ve changes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Ease of dealing with the department</td>
<td>61</td>
<td>26</td>
<td>8</td>
</tr>
<tr>
<td>❖ Instances of corruption</td>
<td>61</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Water Supply</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Ease of dealing with the department</td>
<td>67</td>
<td>24</td>
<td>6</td>
</tr>
<tr>
<td>❖ Instances of corruption</td>
<td>65</td>
<td>23</td>
<td>5</td>
</tr>
<tr>
<td>Government Health Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>❖ Instances of corruption</td>
<td>50</td>
<td>22</td>
<td>19</td>
</tr>
</tbody>
</table>

On the whole, the lower income groups felt less satisfied with the state’s governance than the rest of the population. These variations could have been influenced by differing expectations of the groups involved. Thus the relatively negative rating of the government by farmers could be attributed to the limited improvements in their input supplies and the worsening of their marketing facilities. Similarly, the more positive assessment of the government by industry may reflect the closer interaction and communication of the government with the latter. The report card has given a strong signal to the government on the need to look closely at the emerging rural–urban divide and to take corrective action without delay.

The report card was presented in person to the Chief Minister and other senior government officials. Its findings were covered extensively in the press. One editor, in a special column, appealed to the Chief Minister not to ignore the message of the report card. Questions have
been asked in the legislature on the report card findings, thus giving citizen feedback wider publicity than an academic study would have received. Within two months of the report card, the Chief Minister announced major changes in the portfolios of his ministers with a clear indication that he was going to pay more attention to the problems of the state’s rural population.

Table 6.3

User Feedback on Selected Public Offices

<table>
<thead>
<tr>
<th>Public Offices</th>
<th>% visiting more than 3 times</th>
<th>Proportion paying bribes</th>
<th>Average amount of bribe (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Inspector’s office</td>
<td>56</td>
<td>47</td>
<td>129</td>
</tr>
<tr>
<td>Block Development Office</td>
<td>52</td>
<td>27</td>
<td>403</td>
</tr>
<tr>
<td>Sub Registrar’s office</td>
<td>68</td>
<td>39</td>
<td>1133</td>
</tr>
<tr>
<td>Agriculture depot</td>
<td>51</td>
<td>23</td>
<td>421</td>
</tr>
<tr>
<td>Commercial tax office</td>
<td>58</td>
<td>15</td>
<td>889</td>
</tr>
<tr>
<td>Food &amp; civil supplies</td>
<td>40</td>
<td>27</td>
<td>142</td>
</tr>
<tr>
<td>Overall</td>
<td>56</td>
<td>30</td>
<td>523</td>
</tr>
</tbody>
</table>

Note: US$1 = Rs45 (in 2000)

Has the Government served its Citizens better this year as compared to last?

<table>
<thead>
<tr>
<th>Sector</th>
<th>Yes</th>
<th>No</th>
<th>Cannot Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmers/Cultivators</td>
<td>19</td>
<td>64</td>
<td>17</td>
</tr>
<tr>
<td>Labourers</td>
<td>14</td>
<td>47</td>
<td>39</td>
</tr>
<tr>
<td>White collar workers</td>
<td>40</td>
<td>50</td>
<td>10</td>
</tr>
<tr>
<td>Traders</td>
<td>25</td>
<td>39</td>
<td>36</td>
</tr>
<tr>
<td>Entrepreneurs/Industrialists</td>
<td>74</td>
<td>19</td>
<td>07</td>
</tr>
<tr>
<td>RURAL respondents</td>
<td>20</td>
<td>60</td>
<td>20</td>
</tr>
<tr>
<td>URBAN respondents</td>
<td>28</td>
<td>45</td>
<td>27</td>
</tr>
<tr>
<td>Overall</td>
<td>24</td>
<td>52</td>
<td>24</td>
</tr>
</tbody>
</table>
From Services to the Political Process

The basic idea of citizen monitoring of governance can be extended to several other areas of public concern. PAC has, for example, experimented with the dissemination of election related information. The significance of elections in the governance of a democratic country is self-evident. A basic determinant of the quality of the public policies, programmes, and services is the quality of the representatives elected by the people to govern the affairs of state. If policies, systems and services are to improve and become more accountable, competent and public-spirited persons need to be elected to guide and govern the country. More often than not, however, ordinary citizens are poorly informed about the persons who seek their votes and make promises on what they will do for their constituencies. This led PAC to launch an information campaign on the candidates in the municipal council elections in Bangalore and Karnataka State’s parliamentary elections.

While urban citizens are vociferous in their complaints about public services, many of them, especially the more educated, are indifferent to local elections in most Indian cities. The information campaign that PAC initiated for Bangalore’s municipal elections in 1997 was to shake up this middle class apathy and to demonstrate that active citizen groups could play a useful role in disseminating information on candidates so that fellow citizens can vote for able and upright persons. Nearly a tenth of the wards of Bangalore were covered by this experiment. Covering the entire city would have been a gigantic enterprise and risky to attempt given the fragility of our citizen groups whose active participation was a precondition for a ward to be included in the campaign. Citizen groups that collaborated with PAC in this project did most of the work. PAC’s role was to design a short questionnaire that the groups used to gather information from the candidates in the different wards and analyse the data for wider dissemination.

The questionnaire asked the candidates for background information on their education, occupation, past experience, sources of income, and priorities for the city (if elected). They were asked whether corruption or other criminal charges were pending in court against them and whether they have been convicted in a court in the
past. Information of this nature has never been sought or publicised about candidates in Indian elections. Party manifestos, party leaders and their image is all that gets highlighted in most election campaigns. PAC's information campaign brought out the need for citizens to learn about the candidates and their personal record and qualities. Candidates were asked to sign their statements which most of them did. They were also informed that if they refused to furnish the information, this fact also would be published. Meeting the candidates and collecting the information were the responsibility of the local citizen groups.

The comparative information on the candidates from these wards was published in *The Times of India*, a leading newspaper, and in several smaller local papers in the wards. Citizen groups distributed copies of the comparative statement on the candidates in their respective wards. Information on candidates was thus given wide publicity in the wards. Local citizen groups played a major role in organizing these activities.

It is difficult to say whether more people turned out to vote in this election as a result of this campaign or if their choices were influenced by the new information that was provided. One commentator reported in the press that some candidates withdrew as a result of the campaign. Many felt that this was a novel way of making citizens better informed about the candidates before they cast their vote. But the downside was that the experiment had a rather limited reach, with only about a tenth of the wards having been covered in a large city. Nevertheless, the message was driven home that civil society initiatives can be used to increase the transparency of the election process and that local citizen groups can be actively involved in the generation and dissemination of the required information.

PAC subsequently produced a documentary on this campaign titled *Whose Vote Is It Anyway*. Some of the civil society groups in other Indian cities who saw this documentary have mounted similar campaigns in their areas. Lok Satta, a people's movement in Hyderabad, mounted a large scale campaign for transparency in the recent state elections of Andhra Pradesh and has acknowledged its debt to PAC for the basic
concept. Information sharing was the key. It did not take others long to learn and adapt the lessons from even as limited an experiment as the campaign narrated above.

**Citizen Monitoring of Road Quality**

Quality of roads is another area of concern for most citizens. In Bangalore, the condition of public roads has deteriorated steadily in recent years. It is against this background that PAC began to explore whether citizen groups could play a useful role in the monitoring of road quality. Roads are seen as a complex technical subject beyond the understanding of ordinary people. It was Renuka Viswanathan, a senior official of the Government of Karnataka who first suggested that a PAC initiative in this regard would be timely. She went on to arrange some financial support for this endeavour and was confident that government itself would be the major beneficiary of any effort by civil society to monitor and demand better quality of roads.

One of the first steps that PAC took was to set up a citizen panel to explore the feasibility of preparing a short manual on how to monitor the quality of roads being constructed or repaired in a city. At this stage, it was not clear whether a set of simple tests could be devised that would be easy for ordinary people to understand and execute. The panel consisted of professional engineers and people who were active in civic affairs, but without any technical background. The common thread that bound them together was their concern as citizens about the poor quality of the city’s roads.

The panel’s deliberations over the next few months resulted in a manual that spelled out a series of checks and tests that anyone could conduct to assess the quality of a road. The underlying standards and norms, the steps to be taken, and the equipment to be used in the course of the assessment are also specified in the manual. The panel also carried out actual field tests to check whether what it had proposed was in fact practical and feasible.

The panel then decided to use the manual to test the quality of the roads being built under Bangalore’s municipal bonds scheme. The city had raised Rs125 crores (Rs1.25 billion) under this scheme to improve
250 kilometers of arterial and sub-arterial roads over a 15-month period. The road works had been allocated to 10 contractors under various packages, the details of which were available. By the end of 1999 the panel was able to complete sample checks of 13 of these roads and discuss the findings with the contractors, municipal engineers, and consultants involved. Whenever the panel went out for a road inspection, it would inform the authorities concerned and the contractors and consultants. In most cases, the persons responded and were present while the panel was at work.

After completing a few of the roads, PAC sought a meeting with the Municipal Commissioner and the Chief Engineer (roads) to acquaint them with their work and findings. The Commissioner subsequently met with the panel and decided that in the review meetings on roads, the panel’s findings and suggestions should be considered. The Commissioner and his staff also participated in some of the road inspections by the panel. The results of this public monitoring exercise thus elicited a favourable response from the authorities.

Since the panel had prepared separate reports on each of the roads inspected by it, the Commissioner and his engineers could ask the contractors for their response to the findings. The panel also returned to the field to see whether the concerned contractors took corrective steps. In one case, the contractor, in response to the panel’s negative report, redesigned the entire stretch of a road. A citizen monitoring exercise was thus able to stimulate the city officials and contractors to pay more attention to the quality of an important and costly public service – roads – about which most people would complain a great deal without being able to make a difference. The trick was to demystify technology, monitor the service with people’s involvement, and organise to get their ‘voice’ heard in the quarters that mattered. The manual is now being widely distributed. Government of Karnataka has purchased 5000 copies of the manual for distributing to every road engineer in the state. It will be interesting to learn about the experience of citizen groups elsewhere in using the manual.

Both these examples, our information campaign in Bangalore elections and the citizen panel’s monitoring of road quality demonstrate
how the use of public feedback in essential services (report cards) provided a foundation for civil society to adopt similar approaches in other areas of public concern. In both cases, a certain amount of technical work and analysis were required. But what distinguishes this work from other technical and information gathering work is the underlying approach to the use of its output by citizens and citizen groups. The information was used by them to seek better public performance and accountability for services. It is their involvement that imparted 'power' to the knowledge generated through technical work. It is this that made public agencies and even political leaders engaged in elections listen to their voice. Information without the support of a constituency that counts may remain a cry in the wilderness. And a civil society armed with solid information can shed light on governance and increase its bargaining power vis-à-vis the public authorities.

There are many that wonder whether civil society should devote its energies to challenge those in authority and critique their performance. They will point to several cases of conscientious public administrators who have improved services and maintained high levels of public accountability without any pressure from citizens or civil society institutions. Some of them have cleaned up cities and augmented revenue collection. Others have introduced new and responsive systems and practices to improve services. Some people will argue that public servants are paid to do these things. Why should civil society do the work they are paid to do?

It is true that dynamic and highly motivated administrators have performed well and improved the quality of governance in their areas of work. Not surprisingly, these are the exceptions and not the rule. More often than not, they are surrounded by colleagues and subordinates who are indifferent to their innovations and who may even conspire to stop these reforms. Institutionalisation of changes and new practices in the government is an uphill task. It cannot be left to the occasional arrival of well meaning administrators. The risks are clearly borne out by the experience of projects funded by foreign donors. Institutional reforms and new practices are often initiated through such projects and aided by good administrators. But once the projects
are completed and the funds are exhausted, the reforms also get
ejected and business continues as usual. Problems of leadership,
funding, and internal management combine to dilute accountability
and the quality of governance.

The only constituency that has a permanent stake in good
governance is the citizenry, and in particular, the users of the functions
and services the government is supposed to deliver. If civil society
institutions that can speak for them remain inactive, accountability will
certainly continue to be a casualty. The role of citizens does not end
with their participation in elections. It also entails continued monitoring
and questioning of the governance process, especially with respect to
public actions that impact citizens most.

The different examples of the application of the report card
approach presented in this chapter also testify to the versatility of the
approach. It can be applied at the level of a city or at the level of an
agency. It can be scaled up to address the problems of a sector or the
state as a whole. The nature and scope of the surveys, the questions to
be asked, and the types of analysis required must be adapted to the
context. There is no presumption here that all aspects of complex
phenomena such as governance can be observed or experienced by
citizens who are being served by the concerned entities. Thus, citizen
feedback on the performance of a local service provider can cover most
aspects of the functioning of that agency. The same cannot
be said about the citizen feedback on the governance of a large country
or a province. Citizens may not always have any direct exposure to
or experience of all the decisions and initiatives of a large government.
Other information may have to be marshalled to supplement citizen
feedback in order to prepare a comprehensive report card on
the government.
WHAT HAVE WE LEARNED?

In an earlier chapter it was pointed out that report card findings did not provoke hostile reactions from any of the public agencies involved. Needless to say that this in no way implied a general acceptance of the value of citizen feedback in official circles. While there was no visible opposition, there were public officials, especially technocrats, who wondered about the relevance of citizen feedback in assessing public services that were technical in nature and hence allegedly beyond the comprehension of ordinary people. In extreme cases, some people have questioned the very legitimacy of gathering citizen feedback. “What do the people know about these matters?” was the typical refrain. Once people have elected their representatives, they must leave the task of governance to these leaders. A second line of attack was even more disturbing. “We know what is going on and what needs to be done. What do the people know that can add value?” The implication was that the government has the knowledge and expertise. There was no need to have any citizen feedback.

It is difficult to say whether those who raise these questions are an influential lot within an agency or the government. Irrespective of their importance, it is necessary to respond to the issues raised by them. On the first point, the responsibility of citizens who elect their representatives does not cease once they cast their vote. A government performs multiple tasks. It enacts laws and regulations. It adopts and changes policies. It meets the collective needs of citizens through the provision of a variety of services and assets. All these tasks need adaptation and fine tuning in the light of experience and emerging needs. If a government, including its elected representatives, fails to monitor these tasks and take corrective action in time, it is for the
people to express their dissatisfaction and signal the directions for change. Collective citizen feedback on important issues and services is a systematic way to provide this information to the authorities concerned. In a democracy, there is no higher authority than the people.

The second argument of public officials is that they have all the knowledge and information for providing services, hence feedback from citizens is unnecessary. By implication, they are suggesting that ordinary people do not have the expertise to understand the problems involved and to solve them. A sanitation engineer is convinced that he/she knows all about what is needed to be done in water supply and sewerage. He/she has no need to listen to and act on the feedback and suggestions of people who are 'non-experts' and merely the users of the service.

This view has been reinforced by the prevailing theories and practices underlying monitoring and evaluation. Evaluation theorists would argue that projects and interventions should be assessed in terms of the objectives and outcomes they were expected to achieve. They believe that evaluation should be conducted impartially. Official records and interviews constitute the major source of information for evaluation. Surveys are also used to generate the needed information. There are many activities and programmes of the government where this approach is routinely followed. In the field of public services, the objective may be stated as the provision of specified quantities of a service to a pre-determined set of people. For instance, housing of a certain kind may be proposed to be given to the poor households in a city. A certain quantum of electricity may be planned to be distributed to the farmers in a state. Those who evaluate such projects or services tend to assess the achievement of the stated objectives through a set of physical, technical or economic measures that experts in the subject generally agree upon as appropriate. In housing, the number of units or value of the units may be the critical measure of output. In electricity, kilowatt-hours of energy supplied, and in drinking water, kilolitres of water supplied, may be output measures used. Public officials generally tend to plan and monitor their operations by reference to these measures. Since they are the experts in these matters and have access
to the data on the services, they do not feel that citizens can add any value to the process through their feedback.

There are three reasons why this approach to monitoring and evaluation must be questioned. First of all, the commodity approach to evaluation encourages the experts to neglect important dimensions of public services in the assessment process. Standardisation is much easier in the production of goods than in services. Physical or financial measures will seldom capture a service's 'quality' dimensions. Thus, electricity may be delivered in different parts of a country but with widely varying fluctuations in voltage that reduce quality. Water may be supplied, but on an irregular basis. The service provider's ability and willingness to respond to customer grievances may leave much to be desired. For example, the standards of service and the rights of citizens in terms of access to services and redressal mechanisms to deal with grievances may not exist or may not be widely disseminated. The service delivered is not just a quantum of energy or water, but a package that consists of physical quantities and dimensions of quality that a physical measure cannot adequately reflect. In fact, some aspects of quality are integrated into the delivery process and are not physically in the product or service itself (e.g., ease of access, redressal of complaints, consumer rights). The neglect of 'quality' in this broader sense in the planning and evaluation of services and the consequent neglect of delivery mechanisms and conditions are major flaws in the governance of many countries.

Business enterprises operating in a competitive setting are far more sensitive to the quality dimensions of their goods and services than monopolistic public service providers. They ascertain customer satisfaction and preferences, disseminate information on their quality dimensions and take steps to improve quality because they know that if they neglect these dimensions, competitors may take away their business. The concept of 'after sales service' widely practised in business illustrates this concern. Those who are unable to offer such quality are often forced to reduce their prices and profits. But when competition is absent and people lack comparative information, business is able to ignore their quality concerns.
Once we accept the concept that a public service has a physically verifiable content and other associated quality dimensions, the question of generating the required information for monitoring and evaluation becomes more problematic. Technical experts may define conditions of access, standards of quality, redressal mechanisms, etc. But how would they know whether these are being met? There is only one way to generate such information — by asking the people they are supposed to serve. In other words, they will have to seek feedback from the customers who have interacted with their agencies on the relevant quality dimensions. Even if public agencies have reliable information on the quantum of services being delivered, a complete and credible assessment of service provision would require that they listen to the feedback from their clientele.

Citizen feedback on quality dimensions is of special relevance in giving 'voice' to the poor and marginalised sections of society. Despite the impartial nature of most conventional evaluation methods, it is seldom that the poor and disadvantaged groups participate in the exercise. Evaluation teams that visit different places to gather evidence may end up meeting those who have easy access to them or those who are well organised to appear before them. The surveys conducted seldom check on the quality dimensions discussed above. Official data and reports may or may not truly reflect the concerns of the poor. On the other hand, survey designs for report cards are deliberately planned to incorporate the voice of the poor. Methodology makes it easier for the poor to participate in providing feedback on their experience with services and other interactions with the government. It compensates for the lack of such information from official sources.

A second reason for the use of citizen feedback has to do with the phenomenon of hidden costs of public services. Most evaluations are based on the notion that the costs and benefits of projects and other kinds of interventions can be measured and assessed with some certainty. But there is evidence to show that some costs and consequences can never be fully anticipated. Albert Hirschman has argued that a 'hidden hand' is at work that conceals the risk in projects. Unintended consequences that may surface anytime is a warning to
experts that they should not count on their knowledge alone to predict the costs and benefits of their projects. A recent example is the failure of many governments and experts to fully understand and take into account the environmental consequences of some of their projects. In the case of public services, one can think of several examples of unintended costs. When people are forced to pay bribes or delays cause them to lose their wages, costs that the planners did not anticipate are being incurred. When the unreliability of services forces people to make alternative investments to cope with such problems, they are incurring unintended costs. These are private costs, and planners typically ignore them or may not even be aware of them. Since private costs are external to service providers and difficult for them to monitor, there is a strong tendency on their part to discount them. Nevertheless, they are real costs, and must be taken into account in any assessment of a public service. To generate information on such unintended costs, one has to go back to the people who have used the service or interacted with the service provider.

A third reason for public feedback in order to improve performance is that the same information can be used to **signal the service provider to take corrective action.** Unlike the evaluation of a completed project which is in the nature of a post-mortem (also called terminal evaluation), the essential goal of monitoring is to be able to take corrective action that could improve the future performance of a project. Many public services are of an ongoing nature and will benefit from a broader type of monitoring that includes feedback from the people who have used the services. If according to the customers quality dimensions are being ignored or if corruption is severe in a service, it is a warning to the authorities that dissatisfaction with the service will increase. Public feedback can act as a leading indicator to predict the performance of the service provider. If public feedback inspires remedial action to be taken, it may well help improve the quality of the service. In spite of the expertise at the command of public officials, they will not be able to generate the required knowledge for this purpose on their own.

Systematic monitoring is especially important as public services and other government functions are increasingly decentralised.
Consequently, the top government officials will have fewer opportunities to observe the ground realities. If local citizen groups are enabled to generate report cards of the type discussed here, it may give some teeth to their monitoring function in relation to the service providers at the decentralised level. Citizen feedback is also a powerful way to generate information that can help those in higher levels of authority understand and assess how well their programme objectives are being met.

The prevailing approach to evaluation needs to be reoriented in light of the perspectives discussed earlier. This is not to undermine the importance of developing physical and financial measures of outputs as a basis for monitoring and evaluation. They are certainly necessary and useful. But they need to be complemented by information on other equally relevant dimensions. A direct leap from inputs to narrowly defined indicators of outputs such as child mortality or food grains distributed as a basis for evaluation neglects important dimensions of the quality and hidden costs of the services involved. In part, this approach reflects a failure to see that an outcome is also the product of the process by which it is sought to be achieved. If the link between the input and output are not predictable, the norms governing the process and compliance with them in the course of the intervention or service provision should also be a subject of evaluation. For example, if corruption free service or other standards of delivery were built into the process of service provision, their evaluation is as pertinent as the evaluation of physical indicators of output. The information required for this assessment must come from outside the domain of the service provider. The experience with report cards narrated in the preceding chapters shows how such information can be generated.

In economic theory, the consumer is assumed to be a maximiser of 'utility'. When he/she consumes/utilises a good service, the objective is to get maximum satisfaction from it. It does not matter whether the goods are private or public. The purpose of production is to enable people to consume the output and derive satisfaction. And in public services, satisfaction is unlikely to be maximised by citizens when the dimensions described above are not taken into account.
Lessons Learned

What have we learned from the Bangalore report cards and the citizen–government interactions that followed in their wake? What advice can we offer to those who wish to adapt or replicate this approach as an aid to improving the quality of governance?

- Citizen feedback has provided valuable insights into the specific and critical factors that have hurt the quality and delivery of Bangalore’s public services. There is no reason to believe that these factors are unique to Bangalore. Instead of repeating general complaints about the government’s inefficiency and lack of productivity, we can now use new information to seek remedies for the specific ills identified.

One of the findings of the report cards is that public satisfaction with service providers falls notably when people have to interact with agencies on service-related problems. A plausible interpretation of this finding is that public agencies are weak in their problem solving. In fact, while governments invest a lot of money for a variety of services, the quality of outputs produced and the satisfaction to be generated as a result of this investment are neglected. They do not seem to recognise that the problem solving function is as important as investing in infrastructure and introducing new technologies. Grievance redressal systems are a case in point. Further, investigations in the wake of report cards have confirmed that the systems and procedures required for speedy disposal of problems are not in place or are poorly managed. Slogans like productivity are bandied about a great deal, but public agencies do not seem to recognise that serving the people speedily and responsively is at the core of productivity.

Preventive action to minimise the problems faced by users is often neglected. More complete and clear guidelines on how to access services and make use of existing remedies would have obviated the need for citizens to waste time and energy in the resolution of their problems. Failure to provide information to the public in ways that would help them to transact business with the government and its agencies more efficiently comes across as a generic ill of many public services. The success of the self-assessment scheme for property tax in
Bangalore illustrates the value of giving transparent and easy to understand information to the people. Compliance with the law was better, and the revenues generated were larger, because BCC was proactive in informing the people about what they needed to do to avail of the new scheme. But no agency is likely to think about such remedies, if it has not identified the underlying problem through a proper diagnosis.

Citizen feedback on aspects like staff behaviour, multiple visits to agency offices, and non-compliance with stated norms or guidelines point also to the relative lack of supervision in public agencies. The staff who interact with citizens will perform their duties well only when they are guided by supervisory personnel and are observed, corrected or reprimanded by them as appropriate. But this can happen only when qualified and motivated staff are assigned supervisory jobs. Report card findings cast doubt on the quality of the supervisory function in several agencies in Bangalore. The underlying problems may not be self-evident. There may not be adequate staff at this level. Alternatively, adequate numbers may exist, but they are not well-equipped or may not have top level support to play their role well. The quality of service will then be determined by the lowest common denominator in the system, namely, a clerk or a peon. Agency leaders need to probe this diagnosis in depth before they design the reforms required to deal with the problem.

Similarly, citizen feedback has given us valuable insights into the role, extent and impact of corruption in essential public services. While there is much grinding of teeth and explosion in the media whenever a scam erupts, very few people are seriously interested in understanding the phenomenon of corruption or in tackling it. But through report cards, we have been able to sensitise a number of public agencies to openly confront the issue and seek ways to control corrupt practices.

The second report card’s finding that corruption in several agencies has in fact increased, simply underscores the need to take a long-term and sustained approach to corruption control. It is the quantification of the problem and the ranking of agencies in terms of corruption that initially stimulated the process of introspection
Similarly, the finding that the burden of corruption is greater on the urban poor than on the better-off sections should make policy makers and citizens sit up and take notice. It is interesting that ordinary people are concerned about the problem and are willing to talk about the corrupt practices they have encountered. A striking contrast from many of our leaders and intellectuals for whom corruption is just a minor irritant and a non-issue.

Both citizen feedback and our experience with reform efforts warn us that a major barrier to the reform of public services in the different states of India will be the deep-rooted system of corruption. The system seems to have within its grip overlapping rings of political leaders, elected representatives, bureaucrats and sections of citizens who stand to gain from these practices. What is called ‘petty’ corruption may not in fact be so petty in its impact when it is grounded both vertically from top to bottom and horizontally across sectors of the economy. A business with assured returns is not easily dismantled even if its scope is limited to a small but well-organised segment of the bureaucracy and politicians. The vicious circle is reportedly well-oiled with illicit payments for job appointments and transfers within lucrative departments at one end, to contracts, disbursements and services at the other end.

Deregulation and dilution of controls at the Government of India’s level may have loosened the grip of corruption to a certain extent for certain sectors in industry. But the fear of an economic collapse was a major factor that caused these actions to be taken. Besides, the pressure for reform from sources outside the country was also influential. The monopolistic public services including essential regulatory activities, on the other hand, do not face such pressures. It is a vast, decentralised preserve with well-entrenched vested interests. It is a moot question whether government and political leaders in power will take the initiative to reform our public services. If they do, they deserve the active support of the people. If they do not, it is only a people’s movement that can make them act. Experiments at the local level can be an aid to this reform process.

- Public feedback can be an aid not only for the diagnosis of the problems of specific public services at the local level, but also for
deriving important policy implications. Report cards on services across cities and over time may reveal patterns of problems that may call for new public policies or changes in the existing policies.

Civil society may not always recognise the importance of public policy as a determinant of the quality of essential services provided by the government. For obvious reasons, citizen action aims to confront and pressurise service providers to perform better and to be more responsive. Though this book is primarily concerned with strengthening the role of civil society in this regard, the evidence presented here may also be of value to policy makers to rethink their strategies and interventions at higher levels. We propose here to pull together the major policy implications of the report card findings highlighted in earlier chapters.

We have reported that public agencies can improve their services without incurring major additional expenditures. By providing information to the people, service providers can help them to access services and resolve their problems more effectively. Clarity in the conditions and terms, including deadlines for accessing services will make the people more aware of their rights and obligations and help them to avoid corrupt practices. Simplification and modernisation of administrative systems and practices could reduce costs and delays for all concerned. Improved monitoring which now can be greatly aided by information technology need not impose heavy costs. Public agencies can seek feedback from the users of their services as an input for the diagnosis of their performance. Governments can restructure their agencies, and improve the quality of leadership and internal management practices.

While none of these reforms calls for large financial outlays, they do demand a change in the attitudes of those who work in these agencies. Here is an important message for policy makers: Instead of throwing money at every problem, identify a set of problems that needs to be addressed with inputs other than money. It could be that these efforts will provide ‘quick wins’ that will add to the credibility of the agencies in a short period. Reforms that need more money and time could then
be used to reinforce the quick wins and produce a long-term impact on accountability.

An issue of some policy significance is whether the use of report cards and other similar methods will bias public service providers even more in favour of the better-off sections of society. There is some truth in this concern as those in civil society who can get organised to prepare and use report cards are more educated and better employed. On the other hand, there are many essential public services, whose quality if improved, can benefit both the better-off sections and the poor. The quality of water, electricity, preventive health, roads, public transport, solid waste management, etc., are of concern to all. If active civil society action helps improve these services, the public at large stands to benefit from these efforts. There are, of course, services and programmes that are designed to meet the needs of the poor. They will no doubt need more sharply targeted attention than generalised citizen action can offer them.

The second report card finding that the level of awareness of the poor about most welfare and poverty reduction programmes is extremely low points to a problem area that needs urgent attention. There may be urban poor improvement or water and sanitation programmes in a city that are meant to benefit the poor. But if the poor are unaware of them, they will not be able to demand their rights or monitor what goes on. Public officials do not realise the need to be proactive in informing and guiding people about the services and programmes they are entitled to. It is no doubt a major reason why resources and benefits get diverted from the people for whom they are meant. Lack of attention to the demand side of these programmes, the failure to educate the poor about their entitlements, and the absence of remedies for redressal when problems arise are the most basic weaknesses of the government’s poverty eradication programmes.

Concerns about the role of public agencies in the provision of essential services cannot be divorced from the ongoing debate about privatisation. New technologies and management practices will open up this area for an expanded role for the private sector. But even if
private providers enter the scene, it is unlikely that their numbers and options will be large enough to generate real and durable competition. The investments involved will be heavy and monitoring the conduct of the providers will not be a layperson’s job. In some areas where the private sector cannot earn adequate returns, public agencies will still be the only providers. Contracting out parts of services and public-private partnerships may emerge on a modest scale. A clear implication of these likely trends is that service provision and regulation will continue to be major responsibilities of the State, but the overload on the government system may decrease to some extent. Irrespective of the shift in the public-private balance, the role of civil society institutions in monitoring the arrangements and providing feedback to the providers will continue to be relevant.

More than privatisation, it is the case for user charges that is signaled clearly by our report card findings. Irrespective of income status, the feedback from significant proportions of the users of most services is that they would be willing to pay for more reliable and better quality services. It is no doubt a reaction to the appalling state of our public services and to the prevalence of corruption. Despite the low nominal costs of public services, their unreliability and the corruption associated with public agencies add to the citizens’ real costs. Even the urban poor prefer to pay more for the services officially if an improvement from the present situation is assured. Payments for services also give citizens the right to demand accountability from the provider and to resort to legal remedies if necessary. This contradicts the rhetoric one hears from the political class. The political argument is that affordability is a barrier to the levy of user charges. While this is a factor to be taken account of in specific contexts, the downside is that it has been used to deny the case for rationalising and updating user charges. This argument ignores the fact that a bribe is a cost to the user of a service. Unreliability and delays in getting a service entail costs. The user is willing to pay a price within reasonable limits to eliminate these costs. The cumulative evidence from public feedback may provide the basis for the reform of existing pricing policies alongside the enhancement of the quality and reliability of services.
- Citizen feedback assumes special significance given the weak monitoring function performed by most governments. Report cards provide an effective and expeditious way to provide feedback on services to the government and its agencies. But to be credible, they should be prepared professionally and under independent auspices.

In general, government and its agencies never seek any systematic feedback on its services from their users. This is true not only of the governments in developing countries, but also of their counterparts in most developed nations. Government orders and guidelines on the need to gather citizen feedback on services in countries like the United States is a very recent development. It confirms the suspicion that monitoring of ongoing activities, services, etc., has always been a neglected function in public agencies. User feedback has simply not been considered important in the context of service design and delivery. In the government, problems are seen and dealt with on a case by case basis. It is seldom that an agency looks at the overall picture or assessment of the patterns of problems or gaps that need to be addressed to improve system-wide performance. Pressure from those with influence to solve individual problems exacerbates this tendency. Feedback gathering through report cards does not therefore entail a duplication of efforts. Instead, it has generated new knowledge and insights that never existed.

The report card, on the hand, provides information on very different aspects of services and how they are delivered. It measures the satisfaction of the actual users of a given public service – aspects of quality on which users can comment, their experience with staff behaviour, delays and corruption in interacting with the agency and their success or failure in resolving their problems with an agency.

This type of information can tell us whether a given agency is able to serve the needs of citizens and respond to the problems that arise in the process. These are true measures of the effectiveness of a service. A monopoly service such as telecom or water supply may not satisfy customer needs and yet may show a high rate of return or surplus simply by charging a high price which citizens have no option but to pay. The telecom department and its affiliates in India have generated
large surpluses, but few would give them credit for high service quality or responsiveness. By highlighting such gaps and problems, a report card becomes an advocacy tool in the hands of civil society to pressure the government to be more responsive. But the knowledge about these problems rests not with the technicians and administrators, but with the people. They are willing to share this knowledge if it is sought.

The Bangalore experience has also shown that a report card prepared under independent auspices attracts greater credibility even in the eyes of the government. The fact that PAC is a non-governmental professional body that receives no government grants or political patronage has enhanced the credibility of the report card initiative. The conduct of the field surveys in a professional and unbiased manner and the presentation of findings without blaming specific persons are other factors that helped enhance the credibility of the exercise.

Interest in the report card approach was to some degree due to the quantification of the results and the facility it provided to compare performance across public agencies. Though most people know about the problems with public services, when the problems are measured in some fashion and ranked between agencies, the results attract much greater public attention. They generate public discussion and interest. That the public agencies involved are known to everyone in the city makes it even more interesting. This is a feature of the report card that deserves to be fully exploited! After all, increased public interest can be converted into increased public awareness. If public officials pay more attention when they are rated and compared with other service providers, report cards are indeed doing their job. This is not unique to report cards. Similar is the case when India ranks lower than some other countries, according to the Human Development Index. People seem to pay more attention to such comparisons.

Despite the technical nature of the exercise (sample surveys and analysis of data), we can now affirm that report cards on public services are within the capability and means to undertake of even small organisations. The skills and resources required to prepare them are available in most countries. Market research firms and research groups that undertake sample surveys exist in many cities and are willing to
advise and assist. The sponsors of report cards need not have all the required skills in house. But they should be clear about the objectives of the exercise and capable of specifying the terms of reference to guide the survey firm. As will be explained below, civil society groups may need some support and advice from dedicated resource centres to effectively play their part.

- While report cards on public services can be addressed directly to the government and its agencies, it is important to use them as a trigger to bring together civil society institutions to demand greater public accountability. The starting point has to be the creation of increased public awareness of systemic problems.

There is a multiplicity of civil society institutions. Those who prepare report cards need to focus sharply on institutions that are concerned about issues pertaining to public services. Demand for action will emanate only from those segments of civil society who have a stake in these matters and are organised for collective action. PAC has worked closely with three civil society groups in the context of its report cards, namely, residents’ associations in different city localities, non-governmental organisations (NGOs) dedicated to specialised causes in the city, and the media. Residents’ associations are also non-governmental groups, but whose members are invariably unpaid volunteers who work as citizen groups in an informal setting. NGOs are more structured and employ paid staff in formal organisations. They may or may not be membership organisations. All of them can play useful roles and take the message of the report card further.

For reasons already mentioned in an earlier chapter, the report cards on Bangalore were disseminated through the print media of the city. Public awareness of the report card findings was achieved largely through the local newspapers. Our experience with report cards in other cities as well as other countries is also similar. Media can be a natural ally in this process provided they are independent of the government and function in a democratic regime. The findings are newsworthy from the standpoint of the media and relatively less sensitive than national defence or scams involving national leaders. The media can be an ally in creating public awareness, but they may not be able or
willing to do much on the advocacy and action front. NGOs and residents’ associations are more suited to play the advocacy role.

Residents’ associations are networks of people who live in a neighbourhood and who therefore can come together to deal with the common problems that affect them. The bulk of their problems pertain to service providers and regulatory agencies of the government. Office bearers of these associations meet with public agency officials to solve their individual and group problems. Given this highly localised focus, their understanding of and interest in systemic reforms is limited. Report cards can be used to educate them on the broader issues of governance and energise them to engage in joint action with other groups to demand increased public accountability. In Bangalore, report cards have been used as a springboard to launch interactions between citizen groups and the staff of different public agencies. The presentation of the second report card at a public meeting was followed by an interactive session in which representatives of residents’ associations and agency heads participated. In subsequent separate meetings, the agencies responsible for water supply and electricity met with residents’ associations to sort out the problems with these services. These dialogues gave the parties involved an opportunity to solve outstanding problems and listen to each other’s point of view.

Unlike the residents’ associations that can relate to all services, there are very few NGOs in India whose primary focus is on civic and public service issues. The specialised nature of most NGOs makes it difficult for them to deal with the entire spectrum of service providers. They are better at dialogues and advocacy of services in which they have a special interest. Thus in Bombay (Mumbai), a network of 40 NGOs joined with PAC to launch a report card on the services being provided to people in the low income areas (slums) of the city. They then used the findings to seek remedies for the problems highlighted by the report card in an interactive session with the city’s municipal authorities and civil supplies department. These NGOs were dedicated to working with the urban poor and were interested in the essential services concerning the poor. It would have been difficult to motivate them to prepare a similar report card for the general population of
Bombay. In Bangalore too, the NGOs who came together to prepare a report card on health services for poor women were those with a long term interest in uplifting the city's slums. For them, a report card was a springboard to launch advocacy campaigns for reform and corruption control. But when common issues such as bad roads and encroachment on public parts had to be confronted, NGOs of all kinds and residents' associations joined hands in Bangalore to mount a protest and advocacy campaign.

The focus, concerns and strengths of different segments of civil society discussed above vary a great deal. The problems and challenges highlighted by report card findings also vary from case to case. The mix of civil society involvements and interventions cannot therefore be uniform or predictable in all situations. The mix must match the exigencies of the given context and the opportunities that present themselves at the time. Proactive efforts will be necessary to ensure that civil society involvements being envisaged will have the required staying power.

- The ability of civil society institutions to demand increased public accountability can be greatly enhanced by the catalytic role played by independent resource centres. Assistance in terms of technical skills, capacity building, and networking will add to the motivation and effectiveness of civil society.

The use of the report card approach and similar tools requires technical skills and resources that NGOs, the media, and citizens' groups cannot easily assemble and manage on their own. Most of these organisations are busy with their immediate concerns and may not even be aware of others with whom they could network to make a larger impact. Such gaps must be filled by other civil society organisations dedicated to the cause of good governance.

PAC has emerged as a resource centre along these lines through its report card initiatives, networking, and capacity building in Bangalore and several other cities. In order to do so, PAC has functioned as an independent non-governmental group and mobilised resources from multiple sources. While the first report card emerged as the result of a
personal initiative, subsequent report cards in Bangalore and other cities were launched with the involvement of partner organisations that had an interest in the use of the study findings. In some cases, the initiative to prepare a report card came from other civil society groups who approached PAC for this purpose. Funds and volunteers for the fieldwork have been raised jointly in a few cases. This has led to a broad-basing of the ownership of the exercise and collaborative efforts in respect of dissemination, advocacy, and action. In brief, PAC as a resource centre has assisted a variety of civil society groups with technical support and advice tailored to their settings.

A word of warning is in order at this stage. Many activist groups, including some of our partner organisations in other cities, have sometimes failed to pay adequate attention to the methodology followed in their report card work. There have been cases where surveys have been carried out without ensuring randomness in the selected samples. On other occasions, investigators were deployed without proper orientation and instructions for fieldwork. Neutrality of the investigator in asking questions and recording answers is central to the credibility of a survey. Similarly, data analysis and interpretation of results also require expertise and experience. Small organisations of well meaning people often may not have fully internalised the discipline and norms of conduct necessary to ensure the quality and neutrality of the survey and proper interpretation of the survey findings. For all these reasons, it is important that those who wish to initiate report cards on services seek technical support and advice from qualified experts and organisations right from the start. PAC routinely provides such initial advice to anyone who seeks it. In many parts of the country, there are market research firms that are skilled in survey work, and experts in universities who can provide the needed advice. Those who undertake surveys and prepare report cards without a sense of neutrality and rigour in terms of methods are likely to lose credibility in the process (see Annexure 1 for details).

A distinctive feature of the report cards discussed in this book is its use by civil society groups for dialogue and advocacy with the state and its agencies. Surveys are only a means to gather and present citizen
feedback on public services. The resulting findings are a powerful way to attract the attention of public authorities. The ability to conceptualise and deploy advocacy strategies is not necessarily a strength of all civil society organisations. Here again, civil society groups that wish to engage in dialogue and advocacy, for example, with service providers need to learn how to present their findings and options for reform. The experiences narrated in the preceding chapters are live examples of how this exercise has been carried out in the Indian environment. A given strategy may not be replicable in entirely different contexts. But it can provide insights and stimulate new ideas for action.

Networking has been an important activity of PAC in Bangalore. PAC was actively engaged in the creation of the informal network, ‘Swabhimana’ which brought together many civil society organisations under the leadership of a senior administrator concerned with urban management. It has provided a forum for residents’ associations and NGOs to meet and participate in experiments to improve the city’s public services. In addition, PAC has institutionalised the practice of holding ‘open houses’ to which all these organisations are invited to deliberate on selected current issues of concern. In fact, several joint initiatives and campaigns have emerged out of these meetings. It also serves as a forum for civil society groups to get acquainted with each other and strengthen the bonds of the network. The network acts as a source of support and mutual reinforcement to its members. Here again, it is important to note that report cards have acted as a trigger to create such networks. But the agenda pursued subsequently has often gone well beyond the report card findings. Networks thus provide a foundation for groups to practice and learn from both successes and failures. The ability to monitor and question what goes on in public agencies has been gradually created and strengthened through these learning experiences. It is through these processes that civil society creates ‘social capital’, a major input for enhancing the quality of governance.

PAC’s ability to support and work with networks of this type in other cities has been limited largely due to the problems of distance and communication. One mechanism that has helped to some degree to
compensate for this limitation is **Public Eye**, the quarterly newsletter from PAC. Most of its subscribers are from other cities and **Public Eye** provides them information on new developments, experiments and findings on governance from a variety of sources.

PAC’s capacity building efforts have been designed to help organisations that want to launch report cards and mount advocacy campaigns and actions based on report card findings. Several workshops and training programmes have been held for this purpose in Bangalore. Participants have come from different parts of India and other countries. The purpose of the training is not only to expose them to the methodology of report cards, but also to assist them in the use of the findings for advocacy. Training of this nature will make an impact only when the sponsoring organisations actually work on report cards and campaigns based on their findings. When this fails to materialise, those who underwent the training do not get an opportunity to practice what they learned. An alternative is to work closely with selected organisations in the context of report card projects that may call for a larger investment of time and effort.

PAC is just one example of how a resource centre might be conceived and made to support and advise civil society institutions engaged in improving governance in their own settings. PAC’s experience shows that a mix of research and generation of knowledge relevant to the improvement of governance, dissemination and advocacy, capacity building and networking can provide a firm foundation for strengthening independent civil society initiatives to monitor service providers and mount campaigns to improve the governance of public agencies closest to them. Needless to say, several such resource centres are needed to meet this challenge in India. Whether the leadership, resources, and independence required to make this happen will emerge is a big question.

- Significant actions to improve governance are set in motion only when the political leadership gives the right signals. But even when political leaders are indifferent, there is much that civil servants (bureaucracy) can do to respond to civil society’s concerns.
Leaders also need the right vision, a sense of commitment, and organisational capabilities. The citizens’ concerns that the current Chief Minister was responding to were the same that had fallen on deaf ears in the previous regime. Leaders can and do make a difference. Once a leader gives strong signals, bureaucracy for the most part tends to fall in line. The changes that a leader can bring about once he has control of the government far exceed what the civil society or external donors can achieve by pushing the state from the outside. The dynamic Chief Minister of Andhra Pradesh (Karnataka State’s neighbour) has also demonstrated what can be achieved through strong leadership. Civil society can only push. Actions have to come from within the government, from those who wield the power to change. Ternopil, a city in Ukraine that has adopted the report card approach reaffirms the same experience. The mayor of this city responded warmly to the idea of the report card by creating working groups within his government to reform the system in light of the report card findings. These deliberations continued for two days with the active participation of the mayor. When a political leader has the will and wisdom to listen to citizen feedback and the courage to act, he/she can work wonders.

Nevertheless, PAC’s experience shows that even when political leadership is uninterested, civil servants in charge of public agencies can also make a difference by responding to citizen feedback and pressure. The impact of their responses may not be as broad and visible as in the cases cited above. Even when operating under constraints of resources and existing rules, those responsible for services can be more responsive and efficient if they are motivated to do so. In Bangalore, most agency leaders who responded to the report cards considered them as an aid to their reform efforts. Some of them used the findings to nudge their staff to be more responsive. As a result, some agencies were able to make more information about their services available to the public, thus creating more transparency in the system. They were able to hold periodic meetings with groups of customers, thus receiving feedback and solving their problems more speedily. Some of them eliminated restrictive practices in their offices that used to create delays and opportunities for corruption.
In one case, an agency experimented with the systematic collection of feedback from its customers (a mini report card) for its internal assessment and use. Agency heads have acknowledged that the stimulus for these changes came from the report card findings and other forms of ‘voice’. While major responses from government may come only when committed political leaders are in charge, even the bureaucrats managing parts of the larger system can initiate positive changes that could improve the quality of services.

The success of the agency leaders in improving their services, however, varied greatly. One was able to initiate staff training programmes, but could not make any headway with monitoring and information related reforms. Another introduced a new grievance redressal system, but was unable to make it work in a sustained manner. The varying degrees of success achieved by the agencies may be due to more basic weaknesses in their organisational practices and internal incentive structures. A report card can only goad the agencies to change, but it is for the government to initiate the major policy and organisational reforms essential to make them more effective. Failure on this front may make it difficult for agency leaders to go beyond cosmetic changes.
EPILOGUE

Nobel laureate and scientist S Chandrasekhar once said: "Simplicity is the seal of the true." He was referring to scientific advances, and pointing out that major insights in science are not necessarily complex, but surprisingly simple once they are discovered. This is equally true of other fields of endeavour. That the government should listen to the feedback of its citizens is a simple concept. Yet once this powerful concept is put to work in the public services arena through the simple tool of report cards, it can empower civil society to demand accountability from service providers. It can also be an aid to government’s own monitoring of its services and programmes. However, despite the simplicity of the concept, neither the government nor the organised institutions of civil society have exploited the potential payoff from its application.

This is part of a paradox that we find all around us. Government has planners who can precisely predict economic growth rates and the proportions of people who will be below the poverty line at the end of the next two decades. But the zoning regulations needed to make our cities more orderly and livable are not in place, and if they exist, they are not often enforced, even when violations are there for all to see. We may have adequate electricity generating capacity, but the final steps needed to deliver its output efficiently and serve the customers will be left unattended. We have thus a ‘last mile’ problem.

Report cards on public services are attracting attention at a slow pace. One reason is the limited capacity and interest of our civil society institutions to internalise and use the information made available to them. While the credibility and value of the information have not been
questioned, the ability and willingness of the public agencies to respond have also varied, as explained in the preceding chapters. Some of these agencies may have their own constraints. Such experiences reinforce the pervasive belief that the government is rigid and unresponsive. My advice to the disenchanted is a counsel of patience. Change comes slow in most of the public agencies that we deal with. Deep-rooted practices of corruption cannot be made to disappear overnight. But if we keep up the pressure, response will come. At least, that is our experience in the experiments narrated here. And a democratic setting where information can be widely disseminated and public pressure can be mounted gives us an enabling environment. The media can be a partner with civic groups in this endeavour. We need to persist and keep our hope alive.

It is encouraging to see the growing interest of the irrigation sector, infrastructure, forestry, etc., in using the report card approach. These are examples of production sectors whose problems of efficiency and equity could be better addressed by only increasing attention to user feedback on a systematic basis. The government has made large investments for these services, but their productivity leaves much to be desired. But the capacity to gather citizen feedback and use it for advocacy and dialogue with public agencies will have to be built up on a large scale. Farmer organisations, for example, could play a major role in the generation of report cards and in advocacy. Public agencies also need to develop the capability to seek user feedback and engage in dialogues with their customers. The government spends a great deal of money auditing the accounts of its numerous agencies. Should not the collection of citizen feedback on their services be similarly institutionalised?

Many more public interest organisations need to develop the capability to participate in this endeavour. Their independence and technical capabilities will be of much value to other less well-endowed citizen groups. The era of 'e-governance' has already arrived in many parts of the world. Developing country governments may be slow in adopting these high tech reforms, but may not be able to keep them out for long. The ongoing global integration of trade and finance and
the increased sharing of technology and other knowledge among the skilled populations in numerous countries will eventually nudge their governments to adopt new governance practices and respond more speedily and transparently to the problems of their peoples. To take a simple example, ‘citizen charters’ are being announced by a number of government departments to make their services more people friendly and accountable. These charters could be transformed from a pious ritual to a powerful governance tool using information technology aids to gather citizen feedback on how well they are working. Similarly, like the drops of water that eventually become torrents, the expanding applications of report cards in diverse sectors of the economy can emerge as a force for change in the hands of reform minded political leaders and administrators. If the public services that citizens need on a daily basis and the services that underpin the productive sectors of society are brought under the spotlight of ‘public feedback’; a strong foundation would have been laid to improve public accountability and performance in our country.
IMPLEMENTING REPORT CARDS:
A User’s Manual

The following sections describe the various steps in planning and organising a Report Card Study including sampling procedures, basics of instrument design, frameworks for analysis and dissemination of findings and advocacy.

I. Planning a Report Card Strategy

As a first step in moving towards data collection, your organization should define an issue focus and a framework for your study. Several questions should be asked to help provide clarity to your research design:

- **What do you want to know?**
  - What are the issues or problems that you find the most troublesome in your community (e.g., continued power shortages, lack of access to public bank loans, corruption in local government agencies, etc.)?
  - What does your community have to say about those issues/problems?
  - Can this research add value to existing studies and/or current action on that issue/area(s)?

- **About whom?**
  - Do you want to focus on a single public utility or service provider?
  - Do you want to gather comparative information from a wide range of utilities?

- **How will you use the information?**
  - What is the purpose of this study?
  - Will it re-shape a current programme in your organisation?
  - Will it be used to consider developing new programmes?
  - Who will see the results of the study (e.g., government agencies, the media, civic groups, research institutions, etc.)?

* Adapted from The Training Kit on the Report Card Approach, Public Affairs Centre, Bangalore
• How can the data be obtained?
  – What methods (e.g., key informant interviews, focus groups, surveys, observations) are the most effective in gathering the kind of responses you want?
  – How will you identify the specific population to be measured (e.g., by locality, income, gender, age, etc.)?

• How do you plan to collect the data?
  – What specific tests, measures and/or questionnaire items are needed to arrive at the desired information?
  – Will you use random sampling and/or focus group methods?
  – What level of skill do your staff and fieldworkers require?

• Who will pay the bill?
  – Do you have enough resources to finance a project which will take a minimum of 12 weeks with a staff (internal or external) of about 12 people?
  – Have you budgeted for unexpected changes (e.g., the need to expand your sample size to increase the reliability of results).

These questions should be discussed within your organisation and cast out to a wide net of other public interest groups, donors, your board of directors and selected community residents. This collective brainstorming and strategising can provide your organisation with its own set of feedback, helping you to construct a better project and, in turn, to better serve your community. At this point, your organisation will have a conceptual approach and in many ways will be past the most difficult point.

Your strategic plan might vary, but it should include the following points:

A. The Problem
   a. background
   b. importance to you and your community

B. Research Purpose and Objectives

C. Implications and Use of Findings

D. Methodology
   a. sample size
      – who are the target respondents
      – where do they live
   b. questionnaire
      – focus group help to identify issue areas
      – hard information (structured questions)
      – soft information (open-ended questions)
c. fieldworkers
   - number needed
d. quality control supervision
c. data processing

E. Timetable
a. when questionnaires will be produced
b. when fieldwork will begin
c. when raw data will be processed
d. when analysis will be complete

F. Costs
a. pilot testing your questionnaire
b. staff salaries
c. outside consultant fees, if any.

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A checklist on how to plan a survey

Step 1: Framing the Purposes and Objectives of the Survey

Considerations
Is the purpose chiefly to explore, describe, or explain phenomena?

Methods
Workshops
Brainstorming sessions
Group discussions

Step 2: Specifying Information Needs

Considerations
Review the types of information that survey questions can measure, and use these to classify information objectives.
Is the survey a one-time cross-sectional effort or part of an ongoing longitudinal study?

Methods
Focus groups
Workshops to review drafts of information objectives and ‘ideal’ items of information desired.

Step 3: Identifying the Target Population

Considerations.
Determine the unit of analysis.
What kinds of screen or filter questions are needed to obtain information from knowledgeable respondents?
What population attributes are important for the study?
How difficult will it be to contact the desired population?
Methods
List the types of information needed from various population groups and the kinds of analysis required to determine who thinks what and why. Check to ensure that the intended unit of analysis corresponds with the level of information needed.

Step 4: Selecting the Methods of Contact
Considerations
Review the merits of different types of survey approaches.
Determine when survey results are needed.
Balance available resources with estimated costs of the desired method of contact.

Methods
Ascertain the monetary amount available for the survey project, personnel and staff and decide whether to adjust the time frame for the study and also whether to contract out some part of the project’s implementation.

II. Choosing an Approach

The approach you choose for your study should reflect the kind of information you want to gather. That data, in turn, should be based on the objectives you identified in your strategic plan. If you are looking for percentages and averages, you should use quantitative research techniques. If you prefer to focus on individual case studies, qualitative techniques will be required.

The Report Card methodology is rooted in quantitative research methods, but is enhanced by qualitative findings obtained from interviews and observations. Mixing quantitative and qualitative research methods is often thought of as mixing oil and water. Some believe they do not blend. Others, however, see the value in complementing attitudes with statistics and augmenting opinions with numbers. In fact, many of the advantages of the Report Card’s quantitative survey approach are derived from prior use of qualitative methods. Initial sessions with focus groups in Bangalore and other cities provided valuable inputs for the final design of the survey.

The Report Card methodology combines these two methods of research with two primary (though not exclusive) research techniques: focus groups and questionnaires. Combining these techniques can enhance the overall validity of your own study by:

- helping to reduce bias
- revealing errors in measurement
- verifying and cross-checking data, and
- increasing response rates by producing a better questionnaire.
Qualitative Research is a method of information gathering that conveys feeling or insights. It is based on a small sample, usually no greater than 30 people, and thus, is too small to draw valid conclusions about the opinions of an entire target population. It mainly uses observation and unstructured interviews to uncover meanings and insights to problems and issues.

It is used to
- Generate hypotheses
- Clarify issues prior to undertaking quantitative studies
- Assess citizen perceptions of a public utility or service provider
- Examine emotional responses of citizens to interaction with public service agency and/or agent.

Quantitative Research is based on statistical principles. It uses sampling methods, questionnaires, and computer based data processing to answer questions of how much, who, where and when. It tends to be more expensive and time-consuming than qualitative research, but provides a certain degree of reliability.

It is used to
- Establish the level of citizen satisfaction or dissatisfaction with public service providers
- Rank order the agencies according to the level of public satisfaction or dissatisfaction ratings
- Propose options and reform with the weight of quantitative backing.

Basic survey research (questionnaires) is usually accompanied by some form of probability sampling when an entire population cannot be measured. With marginal resources available in both time and money, developing a small but representative data base on a specific problem can serve the interests of your city or community well. This systematic statistical sampling procedure reinforces rigour in the data collection approach. Such rigour is critical because in the world of policy, numbers are often given more importance than opinions. The survey method can also highlight the quantitative estimates between a problem and its possible causal factors through frequency distributions and regression analysis. Once a problem’s size and dimensions are identified (via the findings from the survey), researchers can begin to look at which factors are most closely related to that problem.

Some issues, however, are better addressed through open-ended, exploratory inquiries where factors might not be easily laid out in a predetermined survey-response format. The Bangalore study of urban poor dwellers, for example, balanced its large-scale survey with focus groups and individual case studies.
The unique characteristic of the urban poor populations required a softer approach to the Report Card study. That is, establishing degrees of awareness, attitudes and beliefs about the quality of public services in the Project Voice survey was as important to the survey outcomes as determining degrees of satisfaction and dissatisfaction.

Although the Report Card methodology is adaptable, it must still abide by statistical conventions. Throwing a questionnaire together quickly and asking nearby residents or passers-by on a ‘first come, first questioned basis’ is not survey research, although it can be quite functional in building good programmes starts and cases for action in a community. This method is less rigorous than a sample survey research approach. The trade-off is energy versus rigour.

In mounting the Report Card approach itself, your organisation needs to set general parameters related to sampling units (e.g., households, bus rides, hospital users), sample size, and the method of interviewing (by mail, telephone, or in person). Due to the erratic nature of the very services you may be measuring, interviewing may be the only viable data collecting method in most developing countries. It is important to remember that each of the decisions has cost implications. Sample location necessarily follows from the intentions of one’s survey, but sample size and methods often derive principally from financial resources available and how close your organisation wants to get to the target community in conducting the project.

### Household Interviewing

**PROs**

- By being physically present, the interviewer may convince the person to participate.
- Visual materials may be used
- Long questionnaires have a better chance of completion (vs. mailed surveys)
- Interviewer may help clarify questions the respondent is having trouble understanding
- Selection of sample can be more precise.

**CONs**

- Travel time and expense to locate the respondents is high
- Interviewer’s presence and mannerisms may bias responses
- Anonymity is lost; respondents might fear later identification
- Fieldwork control and supervision is difficult
- Staffing capable interviewers, especially when your study is in distant places, is difficult.
III. Sampling

Sampling is the science of selecting cases in a way that enables the researcher to make accurate inferences about a larger population.

Two major decisions to be taken in sampling
- About the kind/method of sample.
- About the size of sample.

The above decisions are in turn governed by:
- Information needs
- Desired level of confidence and precision
- Available resources

Importance of sampling/logic of sampling
Main uses of samples are in:
- Making inferences about the population based on information from a sample.
- Estimation
- Testing of Hypotheses

Sample selection affects precision and accuracy of survey results.

Major steps of sampling
Irrespective of the type of sampling done, this remains a constant. The 7 major steps in sampling are:
- Defining the population: Population means the group you want to generalise the results of your survey to; hence, the group you would sample from. An important distinction that needs to be made here is between: theoretical population: the accessible population. Theoretical: Population you would like to generalise to Accessible: Population: people actually accessible to you.

Precision in the definition of the population depends a great deal on how precisely have we defined our research problem, which, in turn, is a result of lack of clear transmission of the purpose or objectives of the study from the decision-maker to the investigator.

The 3 core parts of population definition are: (1) which elements (i.e., the units of analysis, like individuals, households, institutions, etc.) to include, (2) where, and, (3) when. The ‘which’ question is important because from a research point of view, each group represents a distinct population with corresponding implications of any information obtained. The ‘where’ and ‘when’ represent dimensions that are designed to define the population more precisely in terms of its extent and time. One useful approach is to first define the population as the ideal one to meet the
study objectives. Practical constraints then enter to define the study population. The advantage of starting with an ideal population is that exclusions are made explicit.

Dangers of over-defining the population: Over-defining should be avoided unless it is completely necessary. Over-defining can limit the extent to which findings can be generalised and operationally greatly increase the cost and difficulty of finding population elements.

- Census or sample: Once the population has been defined, the investigator must decide whether the survey is to be conducted among the whole population (a census) or only a subset of it (a sample). A census may just not be feasible, particularly when it comes to Developmental Organisations. Hence, in most instances, samples are used.

Two main advantages of using a sample are: speed and timeliness. Firstly, a survey based on a sample takes much less time to complete than one based on a census. Secondly, in certain instances, a complete count may require so much time that, when it is completed and made available for use, it becomes a historical record. Other additional considerations are the relative cost and effort involved.

- Sample design

Operationally, sample design is the heart of sample planning, involving both theoretical and practical (e.g., time, cost, labour involved and organisation) considerations. Typically, questions to be answered include:

Type of sample

Sampling unit: This is the unit that we sample (usually people). The sampling unit forms the basis of the actual sampling procedure. The sampling unit may consist of one or more population elements, i.e., these units may be individual elements or aggregates of individual elements. For a Report Card survey, we generally select individual chief wage earners or entire households as sampling units.

Sample frame: The physical listing of the accessible population from which you will draw your sample is called the sampling frame. (e.g., telephone directory in the case of a telephonic survey). In an ‘on-the-street’ consumer survey, the frame may be defined as a ‘listing’ of people who might reasonably be expected to pass by the interviewer during a specified period.

Refusals and Non-Response: The sample plan must include provision for how refusals and non-response are to be handled. Of concern is whether additional sampling units are to be chosen as replacements and, if so, how these are to be selected.
• **Sample size:** Almost similar to sample design, but in many ways a separate decision area for the investigator, is the determination of the sample size. In general, size of the sample is directly related to precision. There are 4 general traditional approaches to this determination. The first 3 are:
  
  – **arbitrary** or judgmental  
  – **minimum cell size** needed for analysis  
  – **budget-based** (particularly when a huge, cost-intensive study is being launched). The fourth approach involves the opposite procedure. Hence by **specifying a desired precision in advance**, a sample size can be arrived at.

An objection the researchers very frequently face is that ‘the sample size was too small to lead to any meaningful inferences’, but the question to be asked is: Does adding more respondents to the sample necessarily add value to the results?

• **Fixed vs Sequential Sampling:** As the name implies, in **fixed size sampling**, the number of items is decided upon in advance in such a way as to achieve some type of balance between sample reliability and sample cost. In general, all observations are taken before the data are analysed.

In **sequential sampling**, however, the analyst goes by a decision rule that includes not only the alternative of stopping the sampling process (and taking appropriate action, based on the sample evidence already in hand) but also the possibility of collecting more information before making a terminal decision. Observations may be taken either singly or collectively, the chief novelty being that the **data are analysed as they are assembled and sample size is not pre-determined**.

In general, sequential sampling has the **benefit** of leading to smaller (more manageable) sample sizes, on the average, than those associated with fixed size samples of a given reliability. The **disadvantages** are that:

  – the mathematics underlying sequential sampling are more complex and time-consuming  
  – the problem may be such that it fixed size sampling becomes preferable to a sequential sampling.

• **Costs of Sampling:** The sample plan must take into consideration the estimated costs of sampling. Such costs are two **types**:

  – **Overhead Costs:** these are relatively fixed for a sampling procedure,  
  – **Variable Costs:** these depend on the scope of the study. In reality, it is difficult, and perhaps not even reasonable, to separate sampling costs from overall study costs. Consequently, in a typical study, costs from all
aspects of the study are usually considered together. (See Annexures for a specimen of the survey cost sheet).

- **Execution of Sampling Process**: This is the last step in sample planning. Here the sample is actually chosen. There are 2 basic requirements for the sampling process to be fulfilled. These are:

  The sample must be representative and adequate. A representative sample is a relatively small piece of the population that mirrors the various patterns and sub-classes of the population. A sample is adequate when it is of sufficient size to provide confidence in the stability of its characteristics.

**Why probability sampling?**

A **probability sampling** is a method of sampling that utilises a process that ensures for the different units in your population, an equal probability of being chosen. It is preferred because such a sample is most likely to be representative.

The various types of probability sampling are:

- **Simple Random**: This is the **best known type** of probability sampling. In such a sample, each sample element has a known and equal probability of selection. Here, we use a table of random numbers, a computer random number generator, or a mechanical device to select the sample. A mechanical device may, however, fail to mix the whole set of accessible elements thoroughly and thus limit the randomness of selection. Computer programmes, apart from being more perfect, are also less expensive.

  The benefit of simple random sampling is that it is easy to accomplish and easy to explain to others. Because simple random sampling is a fair way to select a sample, it is reasonable to generalise the results from the samples back to the population.

  However, on the **negative side**, it is not the most statistically efficient method of sampling and you may not get good representation of sub-groups in a population. To deal with these issues, we have to turn to other sampling methods.

- **Systematic Random Sampling**: To use systematic sampling in drawing a sample of size of say, 20, the population (say, 100 people) must be listed in a random order. The sampling fraction would be \( f = 20\% \). In this case, the interval size, \( k \), is equal to \( 100/20 = 5 \). Now, select a random integer from 1 to 5. In our example, imagine that you chose 4. Now, to select the sample, start with the 4\(^{th}\) unit in the list and take every \( k \)\(^{th}\) unit (i.e., every 5\(^{th}\) unit). You would be sampling units 4, 9, 14, 19 and so on to 100 and you would wind up with 20 units in your sample.
The benefits of this system are:

- you only have to select a single random number to start things off
- it may also be more precise than simple random sampling
- in cases where the population is too large or the time available for survey is too limited, it is more feasible to draw a systematic random sample.

- **Stratified Random Sampling** (also called *Proportionate Random Sampling* or *Quota Random Sampling*): This method involves dividing the population into homogenous sub-groups and then taking a simple random sample in each sub-group.

There are several reasons why this method is preferable to simple random sampling. First, if one wants to be able to talk about all key sub-groups, especially small ones, this may be the only way to effectively assure one will be able to. Second, stratified random sampling will generally have more statistical precision than simple random sampling. This will only be true if the strata or groups are homogenous. If they are, we expect that the variability within groups is lower than the variability for the population as a whole. Stratified random sampling capitalises on this fact.

In the Millenium Survey recently taken up by PAC, a variant of the stratified random sampling was used. Here, while selecting the sample, a four-stage procedure was followed. In the first stage, six districts were selected from all over the state. The subsequent stages were:

**Block Selection**
On an average, the districts have 9–10 blocks. Under the proposed study, 5 blocks will be randomly selected in each district.

**Village Selection**
In each of the selected blocks, 5 villages will be randomly selected.

**Household Selection**
Two options were considered:

**Option 1**
Six districts (30% of the total districts in the state) will provide the universe for the survey. Five blocks in each district, five villages in each block and 20 households in each village will be randomly selected.

<table>
<thead>
<tr>
<th>No. of sample districts</th>
<th>No. of sample blocks</th>
<th>No. of sample villages</th>
<th>No. of sample households</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>90</td>
<td>150</td>
<td>3000</td>
</tr>
</tbody>
</table>
Option II
Recognising the need to develop a more comprehensive database for some (i.e., 50%) of the sample districts, it was thought for those districts, 7 blocks instead of 5 would be selected randomly, so that the sample structure looks like:

<table>
<thead>
<tr>
<th></th>
<th>No. of sample districts</th>
<th>No. of sample blocks</th>
<th>No. of sample villages</th>
<th>No. of sample households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comprehensive Distt. level study</td>
<td>3</td>
<td>21</td>
<td>105</td>
<td>2100</td>
</tr>
<tr>
<td>State level study</td>
<td>3</td>
<td>15</td>
<td>75</td>
<td>1500</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>36</td>
<td>180</td>
<td>3600</td>
</tr>
</tbody>
</table>

Option II was finally selected for the study.

- **Cluster (Area) Sampling**: This method was invented to overcome the difficulties in doing a random sampling of a population spread over a large area. It is used primarily for **efficiency of administration** and lower interviewing costs. However, the reliability of results in this case may not be any better than in a simple random sampling.

  The steps involved in cluster sampling are:
  - Divide population into clusters (usually along geographic boundaries)
  - Random sample the clusters
  - Measure all units within sampled clusters

- **Multi-Stage Sampling**: In cluster sampling, only one level of sampling takes place (e.g., a sampling of blocks) before the basic elements are sampled (e.g., the households). However, if one or more successive samples within the larger area are taken before settling on the final clusters, the resulting design is usually referred to as a multi-stage area sample. That is, even within sampled blocks, households are sampled and only selected households are finally interviewed.

**Non-probability sampling**
Sometimes, non-probability sampling may be needed. Non-probability sampling is different because it does not involve random selection.

The various types of non-probability sampling are:
- Accidental, Haphazard or **Convenience** and Sampling

This is a generic term covering a wide variety of *ad hoc* procedures used for selecting respondents. It includes the traditional man-on-the-street interviews.
Convenience sampling means that the sampling units are accessible, convenient and easy to measure, cooperative or articulate and a relatively large number of interviews can be obtained quickly. There is no evidence that such samples are representative of the populations one wants to generalize to.

In relation to Report Cards, such sampling is not used except in those cases where an in-depth case study is being attempted.

**Purposive Sampling**

This implies 'sampling with a purpose in mind'. We usually would have one or more specific pre-defined groups we are seeking. So, when we check before interviewing someone, whether he meets the predefined criteria that we have set, we are being purposive. This method can be useful when we need to reach a targeted group quickly. But the downside is that we are also likely to overweigh the sub-groups in our population that are more readily accessible. Purposive sampling was done by PAC while conducting a study in which the target group was the property tax payers.

- **Quota Sampling**: The most commonly employed non-probability sampling procedure. Here, the sizes of various sub-classes or strata in the population are first estimated from some outside source, such as from the Bureau of the Census Data. For e.g., one may use census data to find out the proportion of the adult population who fall into various age-by-sex-by-education classes.

In quota sampling, the interviewer may not select the respondents necessary to fill each quota, on a random basis. This is where it is different from stratified random sampling.

The benefit of using quotas is that it makes it easier and cheaper for the interviewer to select his respondents.

Quota sampling can be of two types: Proportional and Non-Proportional. In proportional quota sampling, you want to represent the major characteristics of the population by sampling a proportional amount of each. The problem here is that one has to decide the specific characteristics on which to base the quota (such as, gender, age, race, religion, etc.). Non-proportional quota sampling is less restrictive. In this method, you specify a number of sampled units you want in each category. Here, you are not concerned with having numbers that match the proportions in the population. Instead, you simply want to have enough to assure that you will be able to talk about even small groups in the population. It is typically used to ensure that smaller groups are adequately represented in your sample.
• Expert/Judgment Sampling: This involves the assembling of a sample of persons with known or demonstrable experience and expertise in some area.

There may be two reasons for doing expert sampling because.

- it would be the best way to elicit the views of persons who have a specific expertise. In this case, expert sampling is essentially a sub-case of purposive sampling
- it provides evidence for the validity of another sampling approach you might have chosen. You might convene an expert panel consisting of persons with acknowledged experience and insight into that field or topic and ask them to examine your modal definitions and comment on their appropriateness and validity.

The advantage of doing this is that you have some acknowledged experts to back your decisions. The disadvantage is that even the experts can be, and often are, wrong.

IV. Designing Questionnaires

Designing questions that elicit accurate responses from the respondents could turn out to be a challenging job. Clear, coherent questions with interesting and appropriate response choices prompt accurate and consistent responses. The major challenge is to frame questions that are valid and avoid things that diminish these qualities.

A Checklist of the Basics

Which structure or format is best for a question? What kind of response choices should be offered? What variations should be incorporated so that the respondent would not be bored? What type of question is best for the kind of information needed? Here are some suggestions:

• Specify and rank order the information objectives of the survey from most to least important.
• Enumerate the kinds of information needed from respondents that relate to each information objective. Are they opinions, attitudes, beliefs, or attributes?
• Rank the items in each topical group in the order of their importance to the study.
• For each item in each group, try to answer these questions: Why ask this? (How is it linked to the purpose of the study) Who in the target population knows about it, and is likely to have an opinion about it?
How will the responses to this item be coded?
What kind of statistical analysis will be performed with this variable?
- Place the most interesting item(s) at the beginning of the questionnaire.

**Question Type**
The two basic question types are open-ended and closed-ended. The respondents answer open-ended questions in their own words. For closed-ended questions, the researcher offers limited response choices. The following chart lists out the major advantages and disadvantages associated with each type.

<table>
<thead>
<tr>
<th>Question Type</th>
<th>Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open-ended</td>
<td>Allows respondents to answer in their own words. Useful for exploratory research questions that need to probe people’s preferences, priorities, and positions. Appropriate when mutually exclusive and exhaustive response choices are difficult to devise or when such a list increases the complexity.</td>
</tr>
<tr>
<td>Partially close-ended</td>
<td>The most probable or likely choices are presented but the list cannot be exhaustive because there is reason to suspect that opinion delivery exists among a small segment of the population. The question type permits respondents to offer their own answers.</td>
</tr>
<tr>
<td>Close-ended with ordered choices</td>
<td>Especially useful for determining frequency of participation, intensity of feeling, or degree of involvement or contact. A scale that represents a gradation of a single concept distinguishes this question type. This format is especially useful for a series of attitude and belief questions.</td>
</tr>
<tr>
<td>Close-ended with unordered choices</td>
<td>Used to help establish priorities, decide on alternative policies, or enumerate behaviours as long as the choices are exhaustive and mutually exclusive.</td>
</tr>
</tbody>
</table>
How to Avoid Bias in Questionnaire Design
A bias is said to exist whenever some feature of the survey instrument or interview process leads to a response that is not a genuine measure of the respondent's true opinion, attitude, belief, or attribute. The bias can occur in the instructions, question wording, question order, response choices, or the format of the instrument. Some common biases are given below:

Instrumentation Bias: The major sources of instrumentation bias are unclear or vague vocabulary, poor grammar, excessively demanding questions, loaded questions, unbalanced or overlapping response choices, and reliance on a single question to measure complex concepts. Interviewers may also induce a bias through voice inflection that suggests preferred responses or by inconsistently phrasing questions.

Acquiescence Response Set Bias: Sometimes, there is a tendency for people to answer questions in a specific direction. Respondents become bored quickly when they encounter too many questions with the same format, and they may superficially scan for answers they think apply to end the ordeal quickly.

Straight-Line Response Set Bias: This may occur when a long series of questions or statements with identical answer choices appears on a page. To use the same 'agree-disagree' scale for a long list of items is a recipe for disaster. The respondent may mark the first few items accurately and thereafter, finding the process boring, speed through the rest of the items by marking the same response for subsequent statements. Varying the arrangement, structure, and format of questions, and selecting different types of questions, eliminates straight line response bias.

Framing Effective Questions: The Report Card Strategy
The Report Card questionnaire follows a flow of five basic types of questions to arrive at optimal interviewing efforts:

- **Lead in question(s)**
  These serve as an introduction of your interview, starts the flow of responses, and establishes rapport with the respondent.
  Example. Greetings! *I am ... from ... organization. We are currently trying to understand problems experienced with organizations which provide important public services to you.... Could I please talk to the head of the household?*

- **Qualifying questions**
  These are used to determine the eligibility of the respondent to provide the desired information.
  Example. *Could you please look at this card and tell me the income range of your household?* If, for example, the respondent answers that the monthly income is below Rs1,000, the interview is terminated because the
Report Card Household studies are only interested in tracking sample populations at a certain income level.

- **Warm-up questions**
  These are used to focus thinking and memory.
  Example. *The agencies listed on this card provide services to the public. Which agency's services have you used in the last 6 months?* In the Report Card survey, this type of question establishes the respondent's contact with a particular agency.

- **Specifics**
  These questions extract the opinions and information sought by the study.
  Example. *On an overall basis, how satisfied are you with this agency after your experience with it? How satisfied were you with the behaviour of the staff towards you? Did you have to pay anything extra to people in the agency to get your work done?* The Report Card survey uses these questions to focus on
  - overall satisfaction and dissatisfaction levels
  - service dimensions which contribute to those levels.

- **Demographic questions**
  These describe the person and/or household who responded.
  Example. *Could you please tell me your occupation? What is your educational background?* This information is especially important when looking at the socio-economic variables that might influence the quality of public services provided.

Each of the example questions listed above are closed questions. These offer the respondent a choice of answers. They may be simple yes/no questions or multiple choice. With the latter, be cautious about the choices you provide; piloting your questionnaire will hopefully reveal unexpected responses. Closed questions often use scales to measure qualitative attitudes about your problems. The Report Card survey operates with a seven-point scale ranging from: very dissatisfied, dissatisfied, somewhat dissatisfied, neither satisfied nor dissatisfied, somewhat satisfied, satisfied, to very satisfied

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**V. Piloting, Coding and Analysis**

**Piloting**
Pretesting the questionnaire in the form of a 'Pilot Survey' is a critical quality control strategy. Piloting facilitates the researcher to identify and correct problems with question wording, questionnaire structure, or administration. **Remember!** the time spent on planning and pretesting your questionnaire has a direct effect on the quality of the final results.
What should you keep in mind when doing a pretest? Three criteria are usually indicated:

- How easily the respondent can understand the questions as worded
- Whether the respondent can understand the question consistently
- Whether the respondent answers the question accurately with the response choices provided.

Problems arise when interviewers do not read each question as worded, respondents regularly ask for clarification of questions’ meanings or give inadequate or inappropriate answers. A simple ‘problem-no problem’ rating can be used to evaluate questions. If problems occur for given questions in more than 15% of the pilot interviews, it can be safely assumed that the questions are highly likely to produce distorted data or distinctively susceptible to interviewer effects. Interviewer debriefings and the recorded or observed difficulties should indicate which questions need to be revised, relocated, or deleted.

**Coding**

The object of coding is to give each answer a number which can than be processed by computer. Many quantitative questions can be pre-coded and can be completed by the fieldworker at the time of the interview. Open-ended responses must be analysed and each response given a number. It is also recommended that one person completes the coding task to maintain consistency in response interpretation.

**Fieldwork**

Regardless of how finely tuned your questionnaire becomes, it is the actual collection of the data that largely determines the validity of your study. Strict guidelines for data collection must be outlined and clearly articulated to each of your field staff. Group training and/or manuals are a good way to reinforce uniformity between fieldworkers. One supervisor should oversee this stage of the Report Card study. This person should enforce rigid adherence to the data collection process through close supervision. He or she should also perform periodic quality checks to ensure the reliability of the data submitted by each of the fieldworkers. This can be done by randomly selecting completed surveys and doing follow-up interviews with the respondents, either over the phone or in person, to confirm their original answers.

The importance of conducting a truly random sample cannot be understated. All work rests on the assumption that those interviewed are a random, and thus, representative sample of your city’s entire population. To ensure randomness, your household selection process should be well thought out and grilled into the routines of each of the fieldworkers. Once you have
selected the localities you wish to survey, establish a starting point (e.g., the post office) and then follow a consistent pattern. For e.g., the interviewer will stop at every third house. If a complete questionnaire cannot be fully administered, he/she or she will continue to the very next house and resume the original pattern. Do not forget to include directional instructions (e.g., turn left at every second junction).

Making Sense of Numbers
In many ways, the analysis process is the easiest stage of your survey. Yet, even in its relative simplicity, thorough analysis requires a degree of expertise. It is best if the person assigned to this works independently to maintain continuity.

Data can be analysed using several techniques. These include simple techniques of averages, data ranges, frequency and mid-point, as well as more technical analytical tools. Be certain to use only the techniques that match your objectives. Several computer programmes which deal specifically with statistical analysis, such as Statistical Package for the Social Sciences (SPSS) and Statistical Analysis System (SAS) are widely available. Before you invest in one, determine the complexity of the results you expect, and then decide if the investment in a software package is necessary. With basic spreadsheet programmes like Microsoft Excel and Lotus 1-2-3, you can easily generate basic linear regression models. The results from these simple tools of analysis often provide adequate statistical insight into your issue or problem.

Processed data will be presented as a series of tables. These will show the number of respondents who gave a particular answer to a particular question. Tables will be provided for the sample as a whole and for sub-samples (e.g., by age, occupation, or gender, etc.). It is important to generate usable data. It is easy to ask for many tables, but the majority of tables are often left unused. In times of questioning or doubt, consider your original objectives.

The interpretation process, in contrast, can be undertaken by any number of people who possess a good understanding of the problem. In fact, the inclusion of multiple perspectives at this stage can greatly enrich the overall impact of your Report Card. There are some basic points you should keep in mind when interpreting your findings:

- Do not be a slave to techniques. Select the appropriate technique for the task in hand
- Be clear on your norms for interpretation. Link them back to your original objectives
- Keep your eyes open for typical patterns, unusual patterns, significant differences, significant relationships
- Use a mix of analytical tools
Remember that the results are only as good as the data from which they are obtained
Results must be understood by the public even if sophisticated research techniques have been used
Analysis provides the basis for interpretation, decisions and action. Technical skills are not a substitute for experience and judgement.

The interpretation stage is also significant because it is when the Report Card becomes tangible. At this point, a report or extensive summary of the findings should be written. Determine who you want your audience(s) to be beforehand and prepare a Report Card suitable to its comprehension level. In-depth statistical analysis of the findings may be better suited for academics or government agencies than for local citizen groups. Your report should be well organised, readable and supported by your data.

VI. Dissemination of Findings

The utilisation of the research effort is of paramount importance since it helps us understand the processes better and thereby enhance the quality of life. Utilisation occurs when the research is of high quality, the findings lead to practical interventions, the findings conform with the users expectations and whether and how much the findings challenged current practices. Some other factors which enhance the utilisation are the client’s information needs, decision characteristics, the political climate, and the availability of competing information.

The research findings could be categorised as follows:

- **Knowledge driven** or conducted to gain knowledge
- **Problem solving** or providing evidence to help solve policy problems
- **Interactive** or combining with experience to provide solutions to problems
- **Political** or supporting predetermined positions or advocating
- **Tactical** or supporting immediate needs
- **Enlightenment** or helping to make better sense of the environment.

**Communicating the Research Findings**

A carefully planned and well-executed survey is a fruitless exercise unless the final report clearly communicates what was done, how it was done and what was found. The final package has to explain these factors so that the citizens can judge the accuracy of the research and the utility of the findings. A good and effective way to disseminate the findings are media releases. These releases help to minimise reportorial misinterpretations and helps in facilitating a broad public discourse about what citizens think and what administrators should do in response. Since the audience for the official report and press releases are different, the design and content of these vary.
The Survey Report
An effective report is well organised, clearly written, and concise. It should include the following:

- The Executive Summary: It is the leadoff for the report. It highlights in one or two pages the contents of the report and presents a highly condensed version of the project’s purpose, methodology, and major findings. It should also contain a list of recommended actions suggested by the findings.

- Survey Objectives: This section should relate the reasons for doing the survey, what information was needed and why, and how this information was expected to inform specific types of deliberations, decisions, or actions by various actors.

- Methodology: This should explain how the information was gathered, when it was collected, the response rate, and what the confidence level and margin of error mean in the context of the response rate to the sample. The objective here is to present a thorough, accurate, and honest description of what he/she did and how. Remember! The quality of the research effort is distinguished by the methods employed.

- Major Findings: This section should summarise the results and review them in order of their importance or interest to the audience. Tables should be used to summarise the main findings, and the most interesting results should be highlighted with appropriate graphic illustrations.

- Implications of the Findings: This section should answer the ‘So what?’ question and discuss the deductions that are possible from the findings that relate to the objectives of the survey. The findings should have implications concerning what is being done right, what is not, and how particular changes may improve, enhance, or otherwise affect the service or policy. Whatever is gleaned from the results, the inferences must be based on the evidence obtained, tempered by an understanding of the limits of survey research.

Media Releases
Media releases are effective conduits to disseminate accurate information about the survey and its findings. The executive summary of the final report should provide a good starting point to draft a release. To enable a non-technical audience to assess the accuracy of the findings, the release should stress the following points

- Who was surveyed, when were they contacted, the method of contact, and the size of the sample
- The response rate
VII. From Theory to Action: Some Cases

The Report Card methodology is more than just a quantitative snapshot of citizen satisfaction levels. With a vital plan of action, it can take on shape and substance.

At this point, it is helpful to revisit the questions you and your advisory group discussed from the Planning and Strategising section. Were you able to obtain the information you expected, and did this information come from the people you expected it to come from? If so, what sort of operational changes did you anticipate making then? Is your group or organisation prepared and willing to invest in new programmes or to augment old ones in the light of your new Report Card findings? These questions should again be cast out to a wide net of interested parties and advisors. This collaborative brainstorming can examine a wide range of possible impacts of the Report Card and, thus, help to stimulate innovative approaches to achieving them.

There are several valuable points to keep in mind when you are drawing up your Report Card plan of action:

- Know what you want to achieve
- Be clear on your objectives and strategies; multiple options are available:
  - Disseminating information
  - Mobilising the media
  - Educating citizens about their civic rights and responsibilities
  - Catalysing the government to respond
  - Developing pro-active programmes and projects
  - Creating alliances among citizen groups, NGOs, the business community, willing government agencies
- Be innovative and creative in your responses
- Do not assume instant impact; be ready for both positive and negative responses:
  - In Bangalore, the lowest rated BDA took over a year and a half to actively respond to the findings of the Report Card. Subsequently, they have requested consultation from PAC to curb corruption and increase public accountability.
  - In New York City, the Straphangers Campaign undertook bi-yearly Report Cards to measure subway reliability. Yet, even with the
reoccurring assessment mechanism, they noted an overall decline in service delivery from one survey to the next. This suggested a disinterest in the quality of service by the Transit Authority. Subsequent action by the Authority, however, positively lead to an increase in the capital budget.

The introduction of the Report Card methodology itself is an innovative step to further the cause of improved local governance. Done correctly, the Report Card can provide a systematic measure of citizen feedback with regards to their experiences and satisfaction levels of urban services. This quantitative tool can be a powerful new instrument of collective public voice at all levels of government and all stages of democracies.

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1 When we use the same sampling fraction within strata, we are conducting proportionate stratified random sampling. When we use different sampling fractions in the strata, we call this disproportionate stratified random sampling.
BANGALORE'S MUNICIPAL BUDGETS:  
What Citizens Should Know

Introduction
This section presents the results of an analysis of the budgets of the BCC for the period 1988–89 to 1994–95. Six years is a reasonable period for a critical assessment of a city’s budget, especially in view of our interest to probe into the trends in the more recent years, when Bangalore’s growth began to accelerate, and the country entered the era of liberalisation. The study begins with a review of the overall size and growth of the revenue and expenditure of BCC, and then probes a series of issues of great concern to the citizens of Bangalore. What are the major sources and uses of funds available to BCC? What is its record in terms of resource mobilisation and capital investment? How efficient and effective is its allocation and utilisation of funds? How good is its planning and monitoring of finances? In the light of available evidence, is it likely that Bangalore’s civic services will be improved and expanded in the near future?

Key Issues
1. What do BCC’s Services Cost the Citizens?
The annual expenditure incurred by BCC represents the total cost of the services provided by it to the citizens of Bangalore. A major part of this expenditure is for the production and delivery of a variety of current services and regulatory functions. The remainder is in the nature of capital investment that is meant to expand the volume of services in the future. Several sources of revenue are available to BCC to finance these two categories of expenditures. Property tax, fees for services, grants and loans are among BCC’s major sources of income.

Over the six-year period under study, the annual revenues of BCC grew at the rate of 12.8%. Annual expenditure increased by 9.1%. A break-up of the expenditure shows that nearly 15% of the total was devoted to capital expenditure 1994–95. To understand how much is being spent on current services, it is better to look at the operating expenditure for the same period

(see Table 2). Capital expenditure or investment for the future accounts for the difference between Tables 1 and 2.

### Table 1

**BCC Budgets: Trends in Nominal Revenue and Expenditure**  
*1988–89 to 1994–95*

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual Revenue (Rs Crores)</th>
<th>Actual Expenditure (Rs Crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988–89</td>
<td>92.90</td>
<td>82.30</td>
</tr>
<tr>
<td>1989–90</td>
<td>93.80</td>
<td>85.57</td>
</tr>
<tr>
<td>1990–91</td>
<td>92.66</td>
<td>89.86</td>
</tr>
<tr>
<td>1991–92</td>
<td>120.96</td>
<td>120.77</td>
</tr>
<tr>
<td>1992–93</td>
<td>144.25</td>
<td>133.42</td>
</tr>
<tr>
<td>1993–94</td>
<td>134.88</td>
<td>118.22</td>
</tr>
<tr>
<td>1994–95</td>
<td>191.86</td>
<td>139.67</td>
</tr>
<tr>
<td><strong>Average Annual Growth Rate</strong></td>
<td><strong>12.8 %</strong></td>
<td><strong>9.1 %</strong></td>
</tr>
</tbody>
</table>

### Table 2

**BCC Budgets: Trends in Total Operational Revenue and Expenditure**  
*1988–89 to 1994–95*

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Operational Revenue (Rs Crores)</th>
<th>Total Operational Expenditure (Rs Crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988–89</td>
<td>79.16</td>
<td>68.15</td>
</tr>
<tr>
<td>1989–90</td>
<td>75.79</td>
<td>67.56</td>
</tr>
<tr>
<td>1990–91</td>
<td>86.98</td>
<td>76.08</td>
</tr>
<tr>
<td>1991–92</td>
<td>101.16</td>
<td>104.83</td>
</tr>
<tr>
<td>1992–93</td>
<td>114.63</td>
<td>120.52</td>
</tr>
<tr>
<td>1993–94</td>
<td>114.06</td>
<td>101.70</td>
</tr>
<tr>
<td>1994–95</td>
<td>155.90</td>
<td>119.19</td>
</tr>
<tr>
<td><strong>Average Annual Growth Rate</strong></td>
<td><strong>11.96 %</strong></td>
<td><strong>9.76 %</strong></td>
</tr>
</tbody>
</table>
The substantial excess of income over expenditure in 1994–95 deserves special mention. It probably means that grants and loans that became available during this year could not be utilised. It does not reflect well on the internal budgetary planning and control procedures of BCC. It is unusual to see funds remaining unutilised in BCC when there is resource scarcity all around.

It is instructive to compare the magnitude of resources that BCC spends with the annual budget of the Government of Karnataka (see Table 3).

Table 3

<table>
<thead>
<tr>
<th>Year</th>
<th>BCC Revenue as a % of State Revenue</th>
<th>BCC Expenditure as a % of State Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988–89</td>
<td>3.5</td>
<td>2.5</td>
</tr>
<tr>
<td>1994–95</td>
<td>2.6</td>
<td>1.5</td>
</tr>
</tbody>
</table>

BCC’s expenditure in 1988–89 was 2.5% of Karnataka’s expenditure in the same year. In 1994–95, this share was 1.5%. BCC’s revenues as a proportion of the State Government’s total revenues have also fallen from 3.5% in 1988–89 to 2.6% in 1994–95. This means that BCC’s resource mobilisation as well as

Table 4

<table>
<thead>
<tr>
<th>Head of Revenue</th>
<th>Revenue in 1988–89</th>
<th>Revenue in 1994–95</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs (crores)</td>
<td>as % of total</td>
</tr>
<tr>
<td>Own Taxes</td>
<td>23.05</td>
<td>26.87</td>
</tr>
<tr>
<td>Share of Taxes</td>
<td>14.03</td>
<td>16.35</td>
</tr>
<tr>
<td>Departmental Receipts</td>
<td>7.28</td>
<td>8.48</td>
</tr>
<tr>
<td>Grants and MVT</td>
<td>34.63</td>
<td>40.36</td>
</tr>
<tr>
<td>Others</td>
<td>6.80</td>
<td>7.93</td>
</tr>
<tr>
<td>Total*</td>
<td>85.79</td>
<td>100.00</td>
</tr>
</tbody>
</table>

* This does not include minor items of revenue such as deposits and loans
expenditure have lagged behind the State as a whole, despite Bangalore being the most dynamic and growing part of the State.

2. What are the Sources and Uses of BCC’s Funds?
In order to see the changes over time, we examine the changes over the six-year period 1988–89 to 1994–95 (see Table 4 and 5). Table 4 shows that the taxes directly collected by BCC accounts for only about a quarter of its total annual income. Most of the income of BCC comes from grants and share of taxes and compensatory payments made by the State Government. On the expenditure side, health and sanitation, public works, education, water supply and lighting account for most of the public spending. As can be seen, the distribution of income and expenditure has not changed substantially over the six-year period under study.

Table 5
BCC Budgets: Composition of Expenditure
1988–89 and 1994–95

<table>
<thead>
<tr>
<th>Head of Expenditure</th>
<th>Expenditure in 1988–89</th>
<th>Expenditure in 1994–95</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs (crores)</td>
<td>As % of total</td>
</tr>
<tr>
<td>Council</td>
<td>0.18</td>
<td>0</td>
</tr>
<tr>
<td>General Admin</td>
<td>2.96</td>
<td>5</td>
</tr>
<tr>
<td>Revenue</td>
<td>2.34</td>
<td>4</td>
</tr>
<tr>
<td>Public Works</td>
<td>12.61</td>
<td>24</td>
</tr>
<tr>
<td>Health</td>
<td>17.60</td>
<td>33</td>
</tr>
<tr>
<td>Education</td>
<td>3.15</td>
<td>6</td>
</tr>
<tr>
<td>Water Supply</td>
<td>4.35</td>
<td>10</td>
</tr>
<tr>
<td>Lighting</td>
<td>2.54</td>
<td>5</td>
</tr>
<tr>
<td>Horticulture</td>
<td>1.13</td>
<td>2</td>
</tr>
<tr>
<td>Loans</td>
<td>6.23</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

3. What does BCC do for Infrastructural Development?
An analysis of the trends in capital expenditure in Table 6 reveals that there has been an increase in the capital expenditure from 14.85 crores to 20.48 crores
in the six-year period between 1988–89 and 1994–95. This indicates an average annual growth rate of 5.5 per cent. However, from 1989–90 to 1992–93, the capital expenditure shows a declining trend, which implies that infrastructural development slowed down during this period.

Table 6
BCC Budgets: Trends in Capital Expenditure
(at current prices) 1988–89 to 1994–95

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Expenditure in Rs (Crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988–89</td>
<td>14.85</td>
</tr>
<tr>
<td>1989–90</td>
<td>18.02</td>
</tr>
<tr>
<td>1990–91</td>
<td>13.78</td>
</tr>
<tr>
<td>1991–92</td>
<td>15.93</td>
</tr>
<tr>
<td>1992–93</td>
<td>12.91</td>
</tr>
<tr>
<td>1993–94</td>
<td>16.52</td>
</tr>
<tr>
<td>1994–95</td>
<td>20.48</td>
</tr>
<tr>
<td>Average Annual Growth Rate</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

Further analysis of capital expenditure as a percentage of total expenditure in Table 7 shows a general decline in the share of capital expenditure in total

Table 7
BCC Budgets: Capital expenditure as a proportion of total expenditure

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital expenditure as a percentage of total expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988–89</td>
<td>17.9</td>
</tr>
<tr>
<td>1989–90</td>
<td>21</td>
</tr>
<tr>
<td>1990–91</td>
<td>15</td>
</tr>
<tr>
<td>1991–92</td>
<td>13</td>
</tr>
<tr>
<td>1992–93</td>
<td>9.7</td>
</tr>
<tr>
<td>1993–94</td>
<td>14.0</td>
</tr>
<tr>
<td>1994–95</td>
<td>14.7</td>
</tr>
</tbody>
</table>
expenditure from nearly 18 per cent in 1988–89 to 14.7 per cent in 1994–95. It is alarming to learn that capital expenditure which is the basis of infrastructural development and upgrading is declining as a share of total expenditure in this fast expanding city. A detailed probing of this phenomenon is certainly warranted.

Table 8
BCC Budgets: Capital expenditure by the department
1988–89 and 1994–95

<table>
<thead>
<tr>
<th>Department</th>
<th>1988–89</th>
<th></th>
<th>1994–95</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs (crores)</td>
<td>As % of total</td>
<td>Rs (crores)</td>
<td>As % of total</td>
</tr>
<tr>
<td>Public Works</td>
<td>10.92</td>
<td>73.55</td>
<td>11.78</td>
<td>57.48</td>
</tr>
<tr>
<td>Health</td>
<td>0.002</td>
<td>0.01</td>
<td>0.56</td>
<td>2.75</td>
</tr>
<tr>
<td>Education</td>
<td>0.065</td>
<td>0.43</td>
<td>0.06</td>
<td>0.31</td>
</tr>
<tr>
<td>Lighting</td>
<td>0.78</td>
<td>5.23</td>
<td>0.90</td>
<td>4.40</td>
</tr>
<tr>
<td>Capital exp. from loans</td>
<td>2.75</td>
<td>18.55</td>
<td>6.70</td>
<td>32.71</td>
</tr>
<tr>
<td>Others</td>
<td>0.33</td>
<td>2.23</td>
<td>0.48</td>
<td>2.34</td>
</tr>
<tr>
<td>Total</td>
<td>14.85</td>
<td>100.00</td>
<td>20.48</td>
<td>100.00</td>
</tr>
</tbody>
</table>

An analysis of the capital expenditure by the department (Table 8) shows that a major portion of it is accounted for by the Public Works Department (PWD). This is not surprising given the fact that the activities of the PWD do involve a large amount of capital investment. However, the share of this department in the total capital expenditure has come down from 73.6% in 1988–89 to 57.5% in 1994–95. The increase in the share of the Health Department and the rise in capital expenditure from loans (which is for the most part used by the PWD) during this period have mainly accounted for this reduction.

4. How much do the employees cost the BCC?
The employment in BCC has gone up from 13055 to 13450. Thus the annual growth rate of employment is 0.5% during the six-year period between 1988–89 and 1994–95 (see Table 9). In contrast, the expenditure on salaries has grown at the annual rate of over 9.7% from Rs31.4 crores to Rs54.8 crores during the same period.

Computing the salary expenses as a percentage of total expenditure in Table 9, we find that nearly 40% of the expenditure of the BCC is on salaries for the
personnel in the various departments. When the computation is done excluding the PWD (where most of the expenditure is on capital goods and supplies), the share goes up to 52%. Departments vary widely in terms of salary shares.

Table 9

<table>
<thead>
<tr>
<th>Year</th>
<th>Salary expenditure as percentage of total operational expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Including Public Works</td>
</tr>
<tr>
<td>1988–89</td>
<td>37.81</td>
</tr>
<tr>
<td>1989–90</td>
<td>33.24</td>
</tr>
<tr>
<td>1990–91</td>
<td>37.47</td>
</tr>
<tr>
<td>1991–92</td>
<td>32.07</td>
</tr>
<tr>
<td>1992–93</td>
<td>32.34</td>
</tr>
<tr>
<td>1993–94</td>
<td>41.75</td>
</tr>
<tr>
<td>1994–95</td>
<td>39.24</td>
</tr>
</tbody>
</table>

The distribution of the salary expenditure by the Department in Table 10 shows that the Health Department spends the most on salaries. Health, Education and Horticulture Departments spend almost 90% of their total expenditure on salaries. Though this finding in itself does not indicate any inefficiency, the comparative analysis of the expenses on supplies presented later on in the paper raises important questions of both efficiency and effectiveness.

5. What are the trends in real revenue and expenditure (at constant prices)?

The analysis thus far is based on the nominal data on BCC revenue and expenditure. But this does not tell us the full story as prices have increased during the period under study. We need to analyse the data after adjusting for price changes so that we can judge the real trends. In this section, therefore, we analyse the same data after adjusting for inflation using wholesale and consumer price indices as appropriate.

A comparison of collections from property tax with and without adjustment for price changes is presented in Table 11. Wholesale price indices for the corresponding years have been used for the deflation. A look at the nominal
Table 10

BCC Budgets: Trends in salary expenditure as percentage of operational expenditure 1988–89 and 19994–95

<table>
<thead>
<tr>
<th>Department</th>
<th>1988–89</th>
<th>1994–95</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary exp. in Rs crores</td>
<td>Total oper. exp. in Rs crores</td>
</tr>
<tr>
<td>General Administration</td>
<td>1.31</td>
<td>2.96</td>
</tr>
<tr>
<td>Public Works</td>
<td>3.36</td>
<td>12.61</td>
</tr>
<tr>
<td>Health</td>
<td>16.32</td>
<td>17.61</td>
</tr>
<tr>
<td>Education</td>
<td>3.03</td>
<td>3.08</td>
</tr>
<tr>
<td>Lighting</td>
<td>0.16</td>
<td>2.54</td>
</tr>
<tr>
<td>Horticulture</td>
<td>1.12</td>
<td>1.13</td>
</tr>
<tr>
<td>Total</td>
<td>31.38</td>
<td>68.15</td>
</tr>
</tbody>
</table>

Table 11

BCC Budgets: Trends in unadjusted and adjusted property tax 1988–89 to 1994–95

<table>
<thead>
<tr>
<th>Year</th>
<th>Property tax in Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unadjusted</td>
</tr>
<tr>
<td>1988–89</td>
<td>22.92</td>
</tr>
<tr>
<td>1989–90</td>
<td>24.97</td>
</tr>
<tr>
<td>1990–91</td>
<td>30.22</td>
</tr>
<tr>
<td>1991–92</td>
<td>32.20</td>
</tr>
<tr>
<td>1992–93</td>
<td>44.21</td>
</tr>
<tr>
<td>1993–94</td>
<td>43.90</td>
</tr>
<tr>
<td>1994–95</td>
<td>41.55</td>
</tr>
<tr>
<td>Average Annual Growth Rate</td>
<td>10.43 %</td>
</tr>
</tbody>
</table>
figures would indicate a 10.4% rise in revenue from this tax from 1988–89 to 1994–95. However, when adjusted figures are compared, we find that the revenue from property tax has been almost stagnant. This reflects poorly on the efficiency of BCC in collection of property tax. This is a matter of serious concern considering the fact that Bangalore has been growing at a fast rate during this period.

The trends in adjusted total expenditure during the six-year period are traced in Table 12. The expenditure in real terms has, in fact, remained almost the same over the six-year period. The annual growth rate has actually been negative, though the reduction is not very steep at one per cent.

Table 12

BCC Budgets: Trends in adjusted expenditure
1988–89 to 1994–95

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted Expenditure in Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988–89</td>
<td>53.79</td>
</tr>
<tr>
<td>1989–90</td>
<td>51.64</td>
</tr>
<tr>
<td>1990–91</td>
<td>49.18</td>
</tr>
<tr>
<td>1991–92</td>
<td>58.11</td>
</tr>
<tr>
<td>1992–93</td>
<td>58.34</td>
</tr>
<tr>
<td>1993–94</td>
<td>47.79</td>
</tr>
<tr>
<td>1994–95</td>
<td>50.88</td>
</tr>
</tbody>
</table>

Average Annual Growth Rate (-) 0.9 %

A study of the trends in adjusted Operational expenditure in Table 13 also reveals a trend that is similar to that of the total expenditure. However, the fall in operational expenditure has been relatively smaller. This implies that capital expenditure by the BCC has been declining at an annual rate of 4.2 per cent in real terms. This is corroborated by the analysis in Table 14, where the trends in adjusted capital expenditure have been examined. While the need for infrastructure facilities in the city is growing, the reality is that allocation for infrastructure has declined, leading to deterioration in infrastructural services and their maintenance.
Table 13

BCC Budgets: Trends in adjusted operational expenditure
1988–89 to 1994–95

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted Operational Expenditure in Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988–89</td>
<td>44.17</td>
</tr>
<tr>
<td>1989–90</td>
<td>40.77</td>
</tr>
<tr>
<td>1990–91</td>
<td>41.64</td>
</tr>
<tr>
<td>1991–92</td>
<td>50.45</td>
</tr>
<tr>
<td>1992–93</td>
<td>52.70</td>
</tr>
<tr>
<td>1993–94</td>
<td>41.11</td>
</tr>
<tr>
<td>1994–95</td>
<td>43.42</td>
</tr>
<tr>
<td>Average Annual Growth Rate</td>
<td>(-) 0.3%</td>
</tr>
</tbody>
</table>

Table 14

BCC Budgets: Trends in adjusted capital expenditure
1988–89 to 1994–95

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Expenditure in Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988–89</td>
<td>9.62</td>
</tr>
<tr>
<td>1989–90</td>
<td>10.87</td>
</tr>
<tr>
<td>1990–91</td>
<td>7.54</td>
</tr>
<tr>
<td>1991–92</td>
<td>7.67</td>
</tr>
<tr>
<td>1992–93</td>
<td>5.64</td>
</tr>
<tr>
<td>1993–94</td>
<td>6.67</td>
</tr>
<tr>
<td>1994–95</td>
<td>7.46</td>
</tr>
<tr>
<td>Average Annual Growth Rate</td>
<td>(-) 4.2 %</td>
</tr>
</tbody>
</table>

6. Is BCC's Budget Planning Process Adequate?
A detailed study of the BCC Budgets shows that there are major deficiencies in the planning and estimation procedures being used. Discussions with officials of the BCC in various sections have revealed that the methods used for forecasting revenues and expenditures leave much to be desired. Estimates
Holding the State to Account

seem to be decided upon on an ad hoc basis or by reference to past trends. It is also observed that the actual figures are nowhere near the budgeted (planned) figures.

The situation is no different when the figures for revenue are compared. There is a considerable degree of variation between the estimated property tax collections and the actual collections made in the six years that have been analysed here. As can be observed in Table 15, the actual collections are much lower than the estimated ones. In some years, the variance has been 50–60 per cent. This finding points to the inefficiencies in the assessment and collection process and possibly also to the leakages due to corrupt practices in tax assessments.

Table 15

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated Property Tax in Rs Crores</th>
<th>Actual Property Tax in Rs Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989–90</td>
<td>30.00</td>
<td>24.98</td>
</tr>
<tr>
<td>1990–91</td>
<td>30.00</td>
<td>30.22</td>
</tr>
<tr>
<td>1991–92</td>
<td>55.20</td>
<td>32.20</td>
</tr>
<tr>
<td>1992–93</td>
<td>56.00</td>
<td>44.21</td>
</tr>
<tr>
<td>1993–94</td>
<td>62.00</td>
<td>43.90</td>
</tr>
<tr>
<td>1994–95</td>
<td>62.00</td>
<td>40.72</td>
</tr>
</tbody>
</table>

Table 16

**Potential Property Tax Lost**

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Property Tax per Unit</td>
<td></td>
</tr>
<tr>
<td>Total Number of houses</td>
<td>511123 (census 91)</td>
</tr>
<tr>
<td>Number of houses taxed</td>
<td>252999</td>
</tr>
<tr>
<td>Number of untaxed houses</td>
<td>258824</td>
</tr>
<tr>
<td>Less 10% for kacha houses</td>
<td>25882</td>
</tr>
<tr>
<td>House outside tax net</td>
<td>232942</td>
</tr>
<tr>
<td>Potential tax lost at the rate of Rs1000/unit</td>
<td>Rs23 crores</td>
</tr>
</tbody>
</table>
Inadequate planning procedures are only part of the problem. A more important issue is whether BCC is losing money because of its inability to levy taxes on properties that ought to be taxed. In order to assess the significance of this problem, we have estimated below the proportion of properties paying property taxes in comparison to the total number of such properties. Based on the total number of houses in the city as per the Census of 1991, we estimate that nearly 50 per cent of the properties in the city do not pay property tax. It might be argued that the 1991 Census could have included houses outside of BCC's jurisdiction. To adjust for this error, we have also compared the number of houses in the property tax net with the number that existed according to the Census of 1981 which certainly would have fallen within the present boundaries of the city. Our conclusion is that between a third and a half of all taxable properties are outside the property tax net in 1995–96. We estimate that this exclusion has cost BCC at least Rs23 crores of revenue per year. This estimate does not take into account the potential loss of revenue due to leakages or the failure of BCC to revise tax rates on properties where no revision has taken place for a long time.

7. Is BCC's Expenditure on Essential Services adequate?

The essential services that form a major part of the functions of the BCC include garbage clearance, road maintenance, and street lighting. A comparison of the expenditure on these services in 1991–92 and 1994–95 by the BCC is presented in Table 17. There has been a decline of 5 per cent in the nominal expenditure on road maintenance, which is deplorable in view of the urgent need for better maintenance of roads. Expenditure on garbage clearance has increased during this period by nearly 78 per cent, though its impact on the city's cleanliness is not evident. The increase in the expenditure on street lighting has also increased, though at a lower rate of 20.5 per cent. The inference that can be drawn from these figures is that generally the expenditure on the provision of essential services to the public is inadequate considering the requirements of the City.

Table 17

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Maintenance</td>
<td>161.31</td>
<td>153.30</td>
</tr>
<tr>
<td>Garbage Clearance</td>
<td>115.49</td>
<td>520.60</td>
</tr>
<tr>
<td>Street Lighting</td>
<td>69.53</td>
<td>83.79</td>
</tr>
</tbody>
</table>
8. How well are lower income groups served by BCC?
The lower income households of Bangalore who live in slums and in other areas too probably account for 10–15 per cent of the population. They are almost totally dependent on the services provided by the BCC, especially when it comes to sanitation, medical facilities and education. Other citizens can afford to invest in alternate facilities, whereas the poor cannot. Therefore it is important that the quality and magnitude of the services available to them are examined, in order to get an idea of the efficiency of the BCC in this regard. One way to assess this is by checking the expenditure on supplies under certain heads which are essential not only for the well-being of the poor, but also for the environment of the city as a whole. If supplies are meagre in relation to staff, it is reasonable to conclude that the quality and adequacy of services will be poor and staff productivity will be low.

The amounts spent on supplies for a few important services in two selected years are given in Table 18. The departments are Public Works, Horticulture, Health, and Education. The last two especially are of significant relevance to the poor. The expenditure on supplies/maintenance in the PWD includes expenditure on important items such as tools and plants, annual maintenance and repair, and asphaltting, while that in the Health department includes expenditure on purchase of medicines, preventive drugs, and supplies for activities such as mosquito control and malaria eradication, prevention of food adulteration, conservancy and sanitation, family planning and maternity homes and child welfare. Supplies for schools include books, laboratory apparatus, library materials, crafts, computers and other equipment.

Table 18 below shows the pattern of expenditure on supplies as a proportion of total expenditure in the four departments. In the three years between

<table>
<thead>
<tr>
<th>Department</th>
<th>Expenditure on Supplies/Maintenance in 1991–92</th>
<th>Expenditure on Supplies/Maintenance in 1991–92</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Expd. In Rs Lakhs</td>
<td>As % of total expenditure</td>
</tr>
<tr>
<td>Public Works</td>
<td>1719.54</td>
<td>39.4</td>
</tr>
<tr>
<td>Health</td>
<td>61.49</td>
<td>2.7</td>
</tr>
<tr>
<td>Education</td>
<td>50.28</td>
<td>11.21</td>
</tr>
<tr>
<td>Horticulture</td>
<td>27.64</td>
<td>15.9</td>
</tr>
</tbody>
</table>
1991–92 and 1994–95, not only have the actual amounts spent on supplies declined, but the proportion of the total expenditure spent on supplies has also declined, except in one department. The decline is particularly sharp both in the Public Works and Education departments, while it is not so sharp in the Horticulture department. Supplies for education are abysmally low at one per cent.

9. BCC's Budget and the Expanding City of Bangalore.
In the last few years, there has been a tremendous expansion of the city of Bangalore. This can be demonstrated with the help of data on various indicators as follows. The city limits covered an area of 126 sq. kms in 1991–92. In just three years, the area has almost doubled to 250 sq. kms in 1994–95. To take another example, the stock of electrical installations has grown from 11.76 lakhs in 1990 to 16.41 lakhs in 1995 (a rise of 40 per cent). Another indicator of the city’s expansion is the number of motor vehicles registered. In a single decade, the number of vehicles registered has increased from 2.78 lacs in 1985 to 7.74 lacs in 1994 (78 per cent growth). All these indicators confirm the growth of the city at a rapid rate.

To sum up, the analysis shows that BCC’s budgets have failed to respond to the city’s growth in recent years. The problem is not only with the overall budget planning and control, but also with the internal allocations between salaries and supplies, and with the declining real resources available to perform essential functions. It is high time that a systematic investigation of all these aspects is undertaken to improve the planning, resource mobilisation and management of BCC.
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Index


Bangladesh 108
BATF 101, 102, 104-106
BCC 41, 43, 45, 60, 61, 64-67, 70, 74-76, 78, 79, 81, 82, 83, 85, 87, 91-95, 100, 102, 103, 105, 106, 135, 176-189
BDA 40, 41, 43-46, 59, 60, 69, 70, 74-81, 85, 87, 174
BMTC 78, 81, 85
Bribes 15, 18, 32, 35, 45, 46, 47, 50, 53, 78-81, 84-90, 97, 112, 113, 121, 132
BT 41, 43, 45, 64, 74-79, 81, 91, 99
Budgets 25, 64, 67, 111, 176-186, 189
Bureaucracy 16, 31, 89, 117, 136, 147
BWSSB 41, 43, 45, 60, 62, 63, 74-79, 81, 82, 84, 85, 91, 98, 100

Capacity building 144, 147
Central Government 16, 24
Chief Minister 55, 101-106, 114, 117, 120, 121, 148
Citizen action 54, 57, 58, 137, 138
Citizen charters 15, 152.
Citizen groups 28, 58, 59, 68-72, 87, 103, 106, 111, 122-126, 133, 142, 143, 151, 172, 174
Citizen monitoring 122, 124, 125
Civil society 1, 2, 20, 22, 25, 27-30, 33, 56, 57, 60, 71, 72, 100-103, 105, 106, 108, 109, 111, 112, 123, 124, 126, 127, 137, 138, 139, 141, 142, 144, 145, 147, 148, 150
Collective action 21, 22, 52, 53, 55, 71, 142
Corruption 2, 5-7, 15, 17-20, 22, 25, 34, 44-47, 49-51, 53-56, 58, 63, 71, 72, 78-81, 84, 86-91, 94, 97, 98, 100, 102, 103, 106, 113, 114, 118, 120, 122, 132, 133, 135, 136, 139, 140, 144, 149, 151, 153, 174

Decentralisation 60
Decentralised 62, 87, 112, 132, 133, 136
Deregulation 136
Dialogue 22, 29, 30, 59, 69, 70, 72, 111, 112, 143, 145, 146, 151
Dissemination 55, 56, 58, 71, 77, 122, 123, 145, 147, 153, 172
Index

Donor agencies 8
Donors 9, 10, 105–108, 126, 148, 154

Elected representations 14, 16, 70, 102, 111, 128, 136
Elections 1, 6, 16, 17, 20, 36, 61, 68, 70, 106, 122, 123, 125–127
Evaluation 44, 129–133
External pressure 15, 28

Fees 47, 53, 80, 115, 155, 176
Field survey 34, 36, 38, 141
Fieldwork 74, 145, 155, 158, 170
Focus groups 154–157

Government of India 2, 15, 24, 136
Government of Karnataka 124, 178
Grievance redressal 5, 13, 52, 61, 62, 77, 78, 86, 88, 90, 93, 95, 97, 134, 149

Healthcare 114, 118
Hidden costs 47, 48, 78, 84, 131, 133
Hospitals 10, 19, 39–43, 45, 58, 74–85, 88, 90, 115


KEB 41, 43, 45, 63, 70, 74, 82, 91
KPTCL 74–76, 78–85, 91, 100, 111

Maternity homes 65, 112–116, 188
Media 1, 11, 17, 27, 44, 55, 56, 69, 71, 72, 91, 101, 102, 105, 106, 135, 142, 144, 151, 153, 172–174
Methodology 58, 73, 107, 108, 131, 145, 147, 154, 156, 158, 173–175
Monitoring 2, 5, 13, 18, 26, 30, 36, 52, 53, 59, 60, 61, 66, 72, 94, 102, 104–106, 109, 111, 122, 124, 125, 127, 129–133, 137, 139, 140, 149, 150, 176
Monopoly 14, 33, 55, 63, 140

Networking 57, 68, 72, 144, 146, 147
Networks 16, 27, 143, 146
NGOs 53, 57, 60, 63, 70, 103, 107, 108, 113–116, 142–144, 146, 174

Participation 3, 60, 61, 70, 107, 122, 127, 148, 167
Patients’ charter 115, 116
Philippines 27, 107
Privatisation 25, 26, 138, 139
Productivity 1, 2, 23–25, 33, 66, 134, 151, 188
Public interest litigation 28, 68
Questionnaires 34, 155–158, 166
Research and development 110
Residents’ Associations 63, 68–70, 143
Responsive 4, 7, 49, 98, 101, 105, 126, 137, 141, 148
Responsiveness 1, 2, 9, 23, 25, 28, 31, 49, 50, 59, 63, 72, 76, 83, 89, 90, 96, 98, 100, 102, 110, 112, 141
Right to information 28
Road quality 124, 125
Roads 2, 9, 21, 22, 32, 40, 68, 93, 105, 117, 119, 124, 125, 138, 144, 187
Role of state–society 27
RTO 41, 43, 45, 74–79, 81, 87
Rule of law 19, 45
Satisfaction scores 37, 40, 44, 74, 76, 81, 86, 87, 93, 94
Social capital 146
Staff behaviour 37, 42–44, 76, 77, 84, 86, 88, 89, 93, 96, 113, 135, 140.
Stakeholders 28, 60, 104, 106
Standards 5, 12, 15, 20–23, 25–27, 35, 36, 40, 44, 88, 89, 105, 113, 124, 130, 131, 133
State’s governance 117, 120
Survey method 33, 157
Times of India 55, 69, 100, 123
Transparency 7, 17, 19, 65, 94, 103, 118, 123, 148
Transparent 102, 105, 135
Ukraine 107, 108, 148
UNDP 108, 109
User charges 10, 27, 53, 80, 115, 116, 139
Vietnam 108, 109
World Bank 8, 107–109, 112

194
Reflections on Report Cards

As the Chairman of the Bangalore Development Authority and the Municipal Commissioner of Bangalore, I had an opportunity to examine the 'report card approach' very closely. I found the report card findings revealing and was able to promote reforms using the impact and publicity created by the findings. The power of citizen feedback on services can be an aid to all administrators committed to improving governance.

Dr A Ravindra
Additional Chief Secretary
Government of Karnataka, India

A group of us (Praja) in Mumbai (Bombay) was inspired by PAC's report card methodology to prepare a report card for Bombay; soon the second one will also be brought out. Imitation is the highest form of praise! Besides being inspired by PAC, Praja has also been assisted by PAC.

Anuj Bhagwati
PRAJA, Mumbai

Inspired and guided by the work of the Public Affairs Centre, the Filipino Report card obtained systematic feedback from ordinary citizens on five key public services. These findings have been useful in empowering the poor to demand effectiveness and accountability of government services.

Hon. Ging Deles
Secretary, National Anti-Poverty Commission
Government of the Philippines
The Bangalore report card was the starting point of our People's Voice Project in Ukraine. The advice and support of the Public Affairs Centre made it possible for ICPS to launch this project in two of our cities. The city mayors have responded well to this initiative. The main instrument of the Ukraine People's Voice project—Report Cards—was PAC's unique contribution.

Dr Vira Nanivska
Director, International Institute for Policy Studies (ICPS)
Kiev, Ukraine

Citizen voice is being powerfully channelled through the report card methodology pioneered by the Public Affairs Centre. The World Development Report has highlighted its potential for providing citizen feedback to governments. Several governments and civil society groups around the world are using this simple, yet effective tool to make public institutions more responsive and accountable.

Dr Deepa Narayan
Author, Voices of the Poor and
Senior Adviser, the World Bank