FOREWORD

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The issues facing municipalities in the next millennium are far-reaching and challenging. In addition to the well-documented problems of inadequate revenues, lack of accountability and transparency, worn out roads and blocked drains, urban local bodies must tackle a new agenda to safeguard the interests of the growing number of urban poor, protect the environment and reverse the decline in service provision.

The Eighth Urban Think Tank concentrated its efforts on one of the most important and urgent tasks: processes for building municipal capacity to improve service delivery to the poor. Municipalities will have to change their approach and possibly, their structure. This is not an easy task in India, but the notion of change as an agent of reform threw up some challenging ideas which are examined in this publication. The debate also recognized that motivated people can make a difference and that consumer education is an important part of the process of transforming our cities.
The Structure Of Municipalities In The Millennium

Initiated by an invitation from the UP Academy of Administration, the Eighth Urban Think Tank grappled with the complex issues of how municipalities can build capacity to deliver services to the poor. The basic three Rs – reform, reassessment and retraining – were much in evidence; but there was certain agreement on one crucial point. As the bottom line, capacity building is about getting things done. In the end there should be water in pipes, housing, security, employment and concern for local issues.

Different visions, practicalities, incentives and structural reforms underpinned the practicalities of working out a system to make the dreams of change a workable reality. The boldest theme for transforming municipalities to face the challenges of the new millennium were:

- Incentives for staff performance and the right to hire and fire. This would involve clear job descriptions, a more efficient work force, and individual responsibility for grievances and complaints.
- A decentralized management structure which would be accountable to an elected body and responsible to the consumers. This could involve the privatization of service provision and lead to a more cost-effective system.
- Active participation of elected members to enforce the law and to ensure that citizens are made aware of their rights and responsibilities.
- A quality service backed by consumer guarantees which are transparent and easily understood by all sections of the community.
- The establishment of a professional group of municipal managers who would specialize in all aspects of urban development – finance, housing, employment, service provision, etc.

The Urban Think Tank

The Urban Think Tank is a participatory forum which enables experts and practitioners to address a wide range of issues on urban development linked to the provision of water supply and sanitation services for the poorest sectors of the community. Regular meetings have been hosted by the Water and Sanitation Program - South Asia (WSP-SA) in collaboration with the UK Department for International Development (DFID) since December 1994.

Through the publication of Nagari, the proceedings and key issues of each meeting are disseminated to municipalities all over India. The purpose of this information note is to share lessons learnt, highlight emerging issues, illustrate examples of best practice and provide a link between municipalities and other stakeholders to foster a better operating environment in the sector of water supply and sanitation services.

The Eighth Urban Think Tank met in Nainital on May 13, at the invitation of the UP Academy of Administration, and examined ideas for building municipal capacity to improve service delivery to the poor. We would welcome your feedback on any of the issues discussed in this publication. Please also write in any comments and suggestions on topics that you feel are important for managers of local urban bodies.
All participants in the Eighth Urban Think Tank agreed that reform was necessary but needed to be underpinned by measurable client satisfaction, increased resources and well-motivated staff. Some argued that a change of approach could be accommodated within existing structures; others felt this could only be achieved by a change in structural arrangements and recruiting procedures. The structure of a model municipality in the next millennium should look something like the diagram below.

But the question of the appropriate route to take from today’s reality to tomorrow’s ideal municipality definitely attracted two schools of thought.

**Giant leap forward:** Aiming for excellence in capacity building needs a radical new approach to move quickly from the dream of change to the reality of improved functioning. A lean, responsive, accountable municipality assumes a small, well-trained, user friendly executive which is:

- consumer oriented;
- closely monitors processes and systems using an information technology-based approach;
- contracts technical skills through the free market/private sector and works in partnership with civil society;
- is well motivated both by financial incentives and client satisfaction;
- has a Chief Executive recruited on the open market, bringing skills acquired in the private sector.

If you like the vision and the structure but can’t approach change head on, then the gradual change should attract you.

**Small steps approach:** Existing structures need reform but a dismantling of the entire system is not necessary:

- Begin at the motivational level by introducing clear job descriptions and manageable targets for all employees.
- Seek out and introduce models of best practice.
- Exchange ideas and information about what works with other municipalities.
- Ease financial constraints by improving revenue collection.
- On the legal front, ensure consumers are aware of their rights and that legal requirements are simple and sensible.
An ordinary place: A population of 200,000, poor but not destitute, broken down infrastructure, little civic leadership – by 1995, Mirzapur was bankrupt. Heaps of garbage littered the streets, drains were blocked and broken, water was largely untreated and distributed at low pressure, salaries went unpaid for up to six months and strikes were routine. Records were no longer properly maintained and a ‘babu raj’ was the result. A discouraging scenario, but representative of many Indian cities, when the GANGA ICDP project started in 1995. Four years later, the dramatic improvement in the city’s appearance has raised public spirits with new expectations and optimism among the local people. How did this transformation occur?

A model for regeneration: Priority number one was to correct, update and computerize the records which allowed, for the first time, the creation of property tax maps. The first municipal Geographical Information System (GIS) in India began operations; within three years, tax collection more than doubled and the computerized valuation analysis increased property tax assessments from Rs 30 lakh to over Rs 7 crore.

But the municipality did not sit still during the years it took to restore adequate revenues and get the tax records in proper working order. Visible improvements were required to encourage public officials to undertake, and elected representatives to support, the long term process. Mirzapur used two strategies:

Firstly, matching grants of up to 80 per cent were provided to poor communities who were willing to invest in new hand-pumps, street drains and infrastructure repair. The fact that over 10 per cent of the city’s population has participated in this program, and new applications greatly exceed the money available, demonstrate a huge pent-up demand.

Secondly, a deliberate focus on high impact/low investment items. To tackle solid waste, creative thinking and appropriate technology, such as the introduction of rickshaw trolleys and direct loading ramp platforms, have solved the problem of street piles and allowed old garbage collection points to be converted into urban gardens. Low-cost, effective and supported by municipal employees and the public, this approach has helped generate civic pride.

Replication of Mirzapur model elsewhere: In view of the remarkable success of the Mirzapur model, the government of Uttar Pradesh has requested that it be implemented at Kanpur as well.

Most cities in India do not collect enough revenues to fund the basic services they must provide and in that sense, they are all Mirzapurs. Given that the model is primarily an approach and strategy, it can be replicated in other cities regardless of size or level of service.

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If you have read this far and your imagination has been captured by the idea of changing your organization, you may want to consider what resources/skills/ideas are available to carry your vision forward.

First of all, do not fall in to the trap of thinking of Human Resources Development as being concerned with training and little else. Human resource development is part of a larger capacity building process which aims at getting things done so that they work satisfactorily – whether it is access to safe drinking water or basic sanitation facilities or clean drains and a healthy environment. So think of HRD as being like an egg.

Capacity building: A process of acquiring new ideas and knowledge to strengthen an organization’s vision, structure, direction and talent and enable it to contribute to common goals.

Human Resources Development: A progressive enhancement of latent capabilities and talents; establishment of optimal staffing incentives, structures and appropriate monitoring and development of skills to ensure organizations grow from within to achieve a vigorous life.

Training: Systematic instruction and practical experience in a profession or occupation with a view to achieving the greatest proficiency in it.

If you look at it this way, you realize that HRD cannot thrive alone. While it has training at its heart, it is also firmly embedded in the notion of capacity building, which is the route that must be followed to get water in the pipes and waste off the streets in India’s urban centers.

The Academy for Human Resources Development was founded in 1991 to promote knowledge generation, knowledge dissemination and in-house capacity building. Main clients are from the corporate sector, but also include the government and NGO sectors.

The success of any organization is dependant on human resources – neither money, technology or infrastructure can deliver excellence without the requisite human resource bank. Nor can money buy human resources – for this is one resource which develops and appreciates over time, while other resources depreciate.

The development of human resources depends on three essential building blocks, or the three Cs:

- **Culture**
- **Competence**
- **Commitment**

Every organization has its own culture which is technical, behavioral and conceptual. This culture can be acquired and developed. Similarly, competence levels can, and must, also be enhanced from time to time.

Commitment can depend on internal motivation but the external environment is also important. And this is where a new acronym, **OCTAPACE**, comes in. Those letters stand for openness, confrontation, trust, authenticity, proactivity, autonomy, communication and experimentation.

Blended together, these qualities produce a value culture – a climate in which HRD can be initiated and facilitated.

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Following two national seminars, by NIUA and HSMI in 1997 and an ADB-supported study by P.S.A. Sundaram on capacity building in 1999, there has been a major shift in thinking which can be summarised as:

1. Capacity building is not only training; it is also strengthening of:
   - Managerial capacity: Recruitment, performance appraisal, day-to-day operations, efficiency, accountability, responsiveness.
   - Technical capacity: Improved skills to perform regular functions and to design and implement new projects.
   - Institutional capacity: Institutional arrangements, organizational reforms and restructuring, autonomy.

2. Capacity building has been more focused on individuals. It should shift to include institutions and the operating environment:
   - Government policies, regulations;
   - interaction with political groups, civil society and other partners.

3. Training has been largely supply-led, not demand-induced:
   - Some institutions are more innovative, such as NIUA, HSMI, DTUDP;
   - general training versus project/program-specific training.

4. Training is not redundant but new approaches are needed:
   - Has to be made more relevant within the broader capacity building context;
   - strengthening and upgrading of training institutions is needed.

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The recent DFID-sponsored study on Human Resource Development in the water and environmental sanitation sector in India endorsed the need to shift from a narrow emphasis on training to a wider interpretation that includes institutional development. Targeting isolated individuals in public sector organizations for specialized training without simultaneously creating an enabling environment where they can use their new skills and knowledge is futile.

The primary need identified during the consultative process of the study was for capacity building of corporators, councillors and chairpersons to provide a cadre of urban managers who could undertake effective financial and technical management of water and sanitation services and guarantee quality, uninterrupted services to consumers, including the poorest.

This need was also articulated by several participants of the Eighth Urban Think Tank.

Key elements of a multi-pronged Human Resource Development approach to address this need would include:

1. Building of individual capacities as well as those of teams;
2. adequately rewarding innovation, performance and customer satisfaction;
3. enhancing the quality and scope of what the organization does;
4. emphasizing the customer-oriented nature of the sector with a focus on the poorest and the unreached;
5. equipping individuals and organizations to respond quickly to demand and to change and evolve as required;
6. working within the politico-institutional framework indicated by the 74th Constitutional Amendment to devolve responsibility for water and environmental sanitation to the lowest appropriate level.

The five-month study concluded that elements of reform and organizational restructuring must go hand-in-hand with training in order to change the way in which services are currently designed and delivered to consumers. Training alone will be unable to deliver better services to the poor. The problem is one of human resources development – involving a multiplicity of factors from the size and mandate of organizations to recruitment procedures, job charts and evaluation.

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Municipal Managers – An Idea Whose Time Has Come?

A recurring theme in the debate was the idea of developing a corps of specialists who would chart the way. Such a ‘cadre’ of specialized municipal managers would not only improve municipal functioning, but also provide a forum for the exchange of ideas and experiences for better service delivery. However, some questions remained:

♦ Is such expertise needed at all municipal levels or just corporations and large municipalities?
♦ What sort of numbers would be required?
♦ Should they be drawn from the IAS, at least in the short term, or established from the outset as an independent cadre?

How could this be tackled?

♦ Include specialized aspects of urban development (finance, housing, employment, poverty, utilities, etc) in graduate and post-graduate programs;
♦ set up a national urban management institute for specialized higher education along the lines of business management institutes;
♦ introduce an urban cadre in the Central and state civil services.

Many officers who have served as municipal commissioners have cited the need, not only for specialized training in urban management, but also for a clear career path for successful municipal managers to ensure that experience garnered in the field is not subsequently lost.
Eighth Meeting Of The Urban Think Tank

Building Municipal Capacity To Deliver Services To The Poor
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