

Value Sytems in Public Services

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"Free Enterprise was born with man
and shall survive as long as man
survives".

-A.D. Shroff
1899-1965
Founder-President
Forum of Free Enterprise

Introduction

This year's Annual Bhogilal Leherchand Memorial Lecture was delivered by Mr. A.K. Purwar, Chairman of State Bank of India. The theme of the Memorial Lecture was **"Value Systems in Public Services"**. We have pleasure in publishing the text.

The Lecture deals with what constitutes ethics in commercial life, in whichever sector one is operating in. With the growing accent on Corporate Governance the treatment of the subject makes absorbing reading. The observations made on various facets of the subject by a person of his eminence makes these very relevant.

The treatise deals with the expectations of the service user, the government and the community at large. It is obvious that public services cover a wider and more encompassing role than normally understood. The challenges before public services have been highlighted and valuable suggestions made as to how to address them.

Public service per se is vital for the economic and social well-being of the country and its citizens. It has a very vital function both for counseling the government and implementing government decisions, spread over a wide range of functions. Since it has a large public interface it demands a high degree of trust and integrity from all public servants. What is paramount is to earn the

credibility of the constituents through superior level of performance and transparency and integrity.

As the old saying goes, "**as at the top so at the bottom**". Hence very high standards of value and ethics have to be set at the very top. These have to be reinforced by excellence. Services must conform to the best practices globally. However, the motivation to excel must come essentially from within. No amount of external stimulus can match this impulse. A lot of stress has been laid on commitment, determination and team-work to achieve the goals.

The **touchstone** of a good value system is to accept and abide by high standards of integrity and commitment to serve society. This calls for involvement of both the beneficiaries as well as those expected to deliver. Motivation to perform at the highest level is imperative for it to resonate right down the organization.

We are grateful to Mr. Pratap Bhogilal, a Vice President of the Forum and also Chairman, Bhogilal Leherchand Foundation, for sponsorship of the Lecture and the booklet.

Mumbai
31st March, 2005

Minoo R. Shroff
President
Forum of Free Enterprise

Value Sytems in Public Services

by
A.K. Purwar*

I am deeply honoured by your invitation to deliver the Bhogilal Leherchand Memorial Lecture. The prestige commanded by the Forum is reflected by the illustrious names of earlier speakers and their topics highlighting the Forum's moral vibrancy and its intellectual reach. The themes underpin values that are being increasingly acknowledged as essential to business and corporate management and are an extension of the beliefs of the late Bhogilal Leherchand himself. It is, therefore, a privilege for me to speak today in his memory.

My topic – "Value systems in Public Service" – could not be more timely and appropriate. The big debate which is engaging a great deal of attention in our country is Public versus Private Enterprises and the service rendered by them.

I think the responsibilities and duties of public servants demand that they be, as Abe Lincoln said '*a good one*'. The challenge then is to identify

*The author is Chairman, State Bank of India. The text is based on the 16th Bhogilal Leherchand Memorial Lecture delivered under the auspices of Forum of Free Enterprise on 10th December, 2004, in Mumbai.

some enduring principles, which would not only satisfy continuing needs but also provide real support as they carry out their responsibilities.

- What do we feel are the most important elements representing the key values of Public Service?
- What kind of Values, in the public sector, would fulfill the needs of government, the public service and the expectations of the public at large?

There are many definitions of values; values are about those principles that guide judgment about what is good and proper. Values refer to our beliefs or desires, the things we value the most, the way we behave, values that what drives our principles.

Values are essentially the link between the daily work of public servants and the broad aims of democratic government. ***The challenge today is of providing services where the thoughts and actions are based on shared values.*** Adopting and implementing policies with value implications is very important. ***This can be done only if the public service has specific value systems in place.*** The choices about values have an effect on individuals, families, nations, minorities, the environment, etc. Values need to

be carefully examined, since inappropriate values can lead to damaging results.

The importance of the public service cannot be underestimated. As David Kemp said: "A dynamic, high performing public service is vital to the democratic, economic and social wellbeing of any country and its citizens." Public Services exist to advise the Government and implement government policies and decisions and to provide or administer a wide range of public functions and services.

Public service demands that extra step in honesty and trustworthiness. Those in public service need to enjoy the confidence of those they serve and to be extra cautious that their conduct is above reproach. It is essentially integrity that defines a good public servant.

Mr. Azim Premji, Chairman of WIPRO – his recipe for building a successful company is "to build it on a bedrock of integrity". This is true for any public enterprise. Values help attract people who want to work with you towards achieving excellence and thereby creating strong anchors that help you weather the storms.

Integrity to me also epitomizes Narayana Murthy and the Tatas. The one thing that stands out in their success, is their pursuit of excellence.

Excellence is the dream to deliver beyond expectation; it is about going beyond even our own expectations. Globalisation and liberalization has made us all raise the standards of service expectation. Excellence is not just about being the best in India. It is about being the best in the world. It is about stretching to achieve the dream of setting standards globally. Excellence is partly imposed on us driven by external factors but the main drivers are internal.

I would like to digress a little here. We have been talking for a long time about making Mumbai the next Singapore or Shanghai. Lee Kuan Yew as we all know is the person behind Singapore's successful transformation into a garden city. In the 1960s, constrained by money supply, transforming the city from being one of the world's most densely populated countries was low down in the list of priorities. He became personally involved in the project of creating a different city. For example, he brought in the concept of broad tree-lined boulevards from France by adopting the drainage system built below the pavements. Comparing the beautiful rolling Meadows in New Zealand to the bald, yellow football fields in Singapore, he knew any makeover would need a nationwide solution. Despite the experts negating the idea because

of climatic conditions, Lee began the task of making compost from rubbish dumps converting it to fertilizers to replenish the soil. Today, expressways and flyóvers have sprouted all over the island, with greenery and vegetation thriving alongside making it a model city for the world. Lee was a man with a vision, a commitment and a determination to succeed against all odds. With determination and commitment, challenging performance is possible even in public sector enterprises.

Today, for example in the Banking sector with increased competition from Private and Foreign banks, quality of service, the variety of product offering determine the efficiency and success of the Bank. A Public sector bank, like my Bank, the State Bank Group, has to be on its toes to retain its market leadership. This, it has been able to do despite the tag of 'public sector'. We have computerized all our 13649 branches of the group and this was accomplished at an astonishing pace. In the last year, my Bank was computerizing 1000 branches a month – i.e. almost one bank a month. This was possible because of strong commitment, determination and primarily teamwork and belief in accomplishing our goals.

As a lover of cricket, I cannot but recall the series when, at Chennai, Tendulkar dominated Shane Warne, reflecting his commitment and passion for the game. In his preparation for facing Warne four years ago, he recognized his weakness against balls bowled short of length and which hit the deck. Tendulkar focussed on practising hard on his batting, using different balls with more and varied bounce. ***Who can forget the result – 155 not out, an innings he considers to be his best to date.***

Alongwith the commitment and passion, what the public service workers need to cultivate is teamwork. It must become a way of life. The advantage of exponential versus simple progression cannot be denied. So also in an enterprise, since building a culture of teamwork enables superior results. Dhirubhai Ambani setting up the refinery in Jamnagar in 24 months was nothing short of a miracle. He was confident of achieving the target. "If the impossible has to be converted to possible, then it's this team that can do it". And teamwork was what made it possible.

I have talked at length on some cardinal values necessary in public service – integrity, commitment for excellence and passion for the work and teamwork. The framework which

encompasses the above, are enduring and people tend to transfer these things differently depending on their value systems and in some cases their background. These enduring values must also encompass transparency in all decisions and actions taken, responsibility to citizens, accountability as to the effectiveness of their service and efficient use of the resources. Unaccounted, uncompromising honesty in all spheres and maintaining objectivity, openness and fairness, is another vital value, which needs to rank high in public service systems. To quote David S. Border "...honesty is not a mere bonus in a public servant. It is the fundamental requirement of his role. The public cannot – and never should – accept less".

And lastly, public service workers need to become professionals. Creating an environment that encourages teamwork, being open to new methods and constant self-evaluation develops professionalism. ***The goal should be to LEARN, CHANGE AND IMPROVE,*** to continually strive to be faster, smarter and better than the year before. There are a lot of lessons to be learnt from the private sector – for coping with market pressures, for techniques to produce greater management efficiencies.

Public service workers should promote and support these principles by leadership and example. ***And make these values a part of every day life.***

According to Mahatma Gandhi, two deadly sins are “knowledge without character” and “Commerce without morality”. To enjoy the economic gains we have all worked so hard to achieve, we must live in a civilized society. And we cannot expect to create a civilized society unless we bring a moral dimension to our work environment. We must, therefore, ask ourselves what we are willing to do to be successful.

If I were to sum up the crucial challenge before India in one line, it would perhaps be – establishing the value systems in Public Services that I have spoken about.

Values have been invariably implicit, not explicit. They were achieved through the application of specific rules or processes rather than through an understanding of concepts. Values refer to our core beliefs or desires, the things we value the most, how we behave, values that drive our principles. People are, of course, at the centre of all attempts to reform or modernise public services. People with an interest in the effectiveness and sustainability of their jobs. This

involves establishing clear expectations and understanding about results to be achieved and the jobs to be done to achieve them. It is a system, i.e. a logical sequence of procedures or processes. However, systems although important cannot completely override the ultimate goal of the betterment of the society. ***In my view, Integrity should be the watchword and common good the ultimate goal.*** But public servants today have got so involved in the rigmarole of processes that they are completely losing sight of the ultimate goal. Processes have not become rigid. They need to become more flexible, more steered towards achieving the ultimate result of satisfying the needs of the society they serve.

Public service workers should have an innate ability to deliver quality service. What is most needed today is to build the sense of ownership among these workers. Typically, today, a public servant sees himself as only a cog in the wheel and the very size of the enterprise has created a sense of alienation. What is today required is to instill a passion for problem solving, for solutions instead of creating problems.

Building a performance culture in public services is therefore of key importance. It needs to be actively nourished and cultivated, and this means

engaging workers themselves in the process of continuous improvement. A metamorphosis from a rule-bound, precedence-focused, slothful work culture, to a culture that is result-oriented process and focussed fundamentally towards satisfaction of society at large.

India must go back to Mahatma Gandhi, the master strategist, and an exemplary leader. Gandhiji had a fine understanding of human psychology. Gandhiji's style, of making even the person at the bottom of the organisational hierarchy believe in himself and in the significance of his contribution to the organization, is of particular relevance in the knowledge economy. His way of ensuring that everyone is connected to a common set of goals is what the world is trying to achieve today. Shared values are essentially the 'glue' that binds a group of people together and forms the basis of an overall culture. We need to study Gandhiji's ideas and tactics and apply these to the way of doing service in order to create the world we want to grow in.

The views expressed in this booklet are not necessarily those of the Forum of Free Enterprise.

"People must come to accept private enterprise not as a necessary evil, but as an affirmative good".

-Eugene Black

FORUM OF FREE ENTERPRISE

The Forum of Free Enterprise is a non-political and non-partisan organisation started in 1956, to educate public opinion in India on free enterprise and its close relationship with the democratic way of life. The Forum seeks to stimulate public thinking on vital economic problems of the day through booklets, meetings, essay and elocution competitions and other means as befit a democratic society.

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