Developing Service-Oriented Government Agencies: Observations on the Divisional Secretariats in Galle, SriLanka

DON KUSALANI DE SILVA

CITU Thammasat University, Bangkok, Thailand

PLEASE SCROLL DOWN FOR ARTICLE

DEVELOPING SERVICE-ORIENTED GOVERNMENT AGENCIES: OBSERVATIONS ON THE DIVISIONAL SECRETARIATS IN GALLE, SRI LANKA

DON KUSALANI DE SILVA *

CITU Thammasat University, Bangkok, Thailand

Abstract. This paper aims to explore new concepts, new approaches and new methods to improve innovation and enhance service delivery methods to develop service-oriented government agencies at the divisional level as well as to discover ways to accelerate the existing innovation and to seek opportunities to overcome challenges for new ways of doing things in a government agency at the divisional level. In order to accomplish the aforementioned objectives, the author observed Divisional Secretariats and conducted semi-structured in-depth interviews with all heads of all Divisional Secretaries in Galle district, Sri Lanka. The basic concept of the research is the importance of innovation to a government agency at divisional level. The study shows that implementation of innovation has been catalyzed for a developing service-oriented government agency. From this perspective, service innovation is the catalyst for maximizing customers' satisfaction. In the same way, the results of this research show that the most important factor for developing service-oriented government agencies is the innovative and creative leadership of the organizations and optimum utilization of human resources, as well as application of modern and advanced technology to sustain better public service delivery in an innovative way.

INTRODUCTION

Within the governmental sector "services are often highly tailored to customer needs" (Durst, Mention & Poutanen, 2015). "Highly productive public service delivery and high performing public organizations have become indispensable to any community striving for sustainable economic development and smart growth. Success in public sectors is increasingly dependent on innovativeness and creativity and, thus, on public sector organizations transformative and innovative capability" (Anttiroiko, Bailey & Valkama, 2011, p. 1). "Innovation in the public sector refers to significant improvements to public administration and/or services" (OECD, 2012a, p. 181). "At present many countries focus on how to encourage public sector innovation in order to increase the productivity of the public sector, the quality of public service delivery and the efficiency of service delivery due to growing policy interest and economic weight" (Arundel, Casali & Hollanders, 2015). "Since the 1980s, a new philosophy or set of ideas known as New Public Management (NPM) has guided management in public administration" (Gonzalez, Llopis & Gasco, 2013) to support organizational changes, reduce hierarchical structure, achieve targets, innovate within the organization and increase independence for senior management, as well as act as a solution to a lack of innovation in the public sector (Arundel & Huber, 2013). Modern governments need new public

governance to implement public policies in various sectors of society and to deliver quality public services. "Innovation in public governance is a new mechanism or institutional arrangement which is successfully implemented to solve government problems or to gain better government outcomes. NPM has introduced innovation for the public sector to bring administration closer to the perspective of citizens" (Gonzalez et al., 2013; Bernik, Azis, Kartini & Harsanto, 2015). "The public sector is keen on innovation because of the endless need to improve productivity and effectiveness" (Anttiroiko et al., 2011, p. 3). Therefore, governments have started to pursue innovations to overcome various domestic challenges such as the need to improve responsiveness and citizen participation, reduce cost and provide high quality services (Alberti & Bertucci, 2006). Also, innovative public sector approaches are required to answer the new challenges of fiscal pressure and increasingly sophisticated public demand (OECD, 2012a).

However, most government officials still depend on bureaucratic and extremely traditional service methods. They don't concentrate on either innovation or creativity and have no willingness to change. As a result, most people in the country are not satisfied with public service delivery methods or public services (Lankaweb, 2012). Citizens have negative perceptions of government organizations (Government Information Center,

---
*Corresponding author: Don Kusalani de Silva
†Email: kusalanidesilva@yahoo.com

2011). Consequently, one central question and three specific sub questions are presented:

- What are the strategies for developing service-oriented government agencies?

The study seeks to answer the following sub questions that are more specific than the major question.

- Which new methods, new approaches and new concepts have been developed to create service-oriented government agencies?
- How have challenges been overcome to develop service-oriented government agencies?
- What ways have been explored to accelerate the existing innovation at the office?

Objectives

The general objective of the research:

- To identify innovation factors at the Divisional Secretariat to develop service delivery processes to maximize customer satisfaction.

The specific objectives of the study:

- To explore new concepts, new approaches and new methods to improve innovation and enhance service delivery methods.
- To discover opportunities to overcome challenges to develop service-oriented government agencies.
- To explore ways to accelerate the existing innovation at the office.

The structure of this paper includes seven parts. Sections 2 and 3 discuss and review literature devoted to innovation and the components of the public service delivery process. Section 4 depicts the research methodology of the fieldwork. Section 5 contains results from the findings, and the paper ends with the recommendations and the conclusion in Sections 6 and 7.

Innovation and Service Innovation in the Public Sector

Innovation is a continuous process (OECD, 2015), not a single event, and needs to be managed as such (Bessant & Tidd, 2007). Innovation, which is driven by the ability to spot opportunities, to see connections and to take advantage, is the most important feature associated with success (Bessant & Tidd, 2007). The phases of generating creative ideas and thinking outside the box are effectively combined in innovation with a structured and rational screening and implementation process, to bring successful and improved results (Bruce & Birchall, 2009).

Innovation should be managed to survive and grow; the steps of the managing process are generating new ideas, selecting the good ones and implementing them with strategic leadership, direction and deployment, to create an innovative organization

(Bessant & Tidd, 2007). There are three contributors to innovation; the willingness to change, the capacity to change and the opportunity to change (Patanakul & Pinto, 2014). These are the basis of an innovative culture in governmental organizations and innovation is crucial to successful performance results in organizations (Uslu, 2015; Biju, 2016). The most frequently evaluated innovation types in the public sector are service innovation and process innovation (Arundel & Huber, 2013). Strategic innovation is defined as changes to an organization's activities, for instance, building new capabilities within the organization or outsourcing services and processes (Hughes, Moore & Kataria, 2011).

The public sector can be defined as the general government sector at local, regional and national levels (OECD, 2012b), thus the public sector should bear a considerable percentage of GDP (Arundel & Huber, 2013). "Innovation in public governance represents newness" (Anttiroiko et al., 2011, p.4) and it has a very important role in delivering effective and efficient public services in new ways (Burstein & Black, 2014) to the community in any country. At present, innovation in the public sector, and research about it, can be seen as supporting the adoption of new public management, which causes major organizational changes to the perceived lack of innovation in the public sector (Arundel & Huber, 2013). Innovation in the public sector connects with crucial improvements in public administration and public services. Public sector innovation can be described as the implementation of new improved processes in public sector organizations. Public sector innovation is new ideas that create value for society (Bason, 2010). Likewise, the modification and adaptation of ideas which are developed elsewhere is common practice in innovation in the public sector (Arduini, Belotti, Denni, Giungato & Zanfei, 2010).

In the past few years, public administrations have increasingly accepted that governments don't hold a monopoly on the delivery of public services; consequently, public private partnership has been introduced to the public service delivery system to achieve success with innovation (OECD, 2015). Updating rules and regulations is particularly important to strengthen government, and obtain new concepts, new ways and new approaches (OECD, 2015), and success in the public sector is increasingly dependent on innovativeness and creativity (Anttiroiko et al., 2011). In addition, innovation policy acts as a lever for promoting best practice for organizations to accomplish organizational success (Patanakul & Pinto, 2014). As service providers, government organizations perform many types of service delivery processes. Process can be defined as an interrelated set of activities designed to convert inputs into specified outcomes for customers and process innovation can be described as the

introduction of new and improved methods for delivery of outcomes which add value to the organization (O'Sullivan & Dooley, 2008).

Innovation teams are groups of people that share common goals and collectively engage in actions to represent the organization and sustain innovation, also, the human resources in an organization are essential to generating and developing innovative actions (O'Sullivan & Dooley, 2008) because innovation cannot be led by a single person; it requires a group of people who collaborate with each other as a team (Gonzalez et al., 2013). The diffusion of innovation-based human resources accelerates with the emergence of new knowledge, skills and the expansion of value additions; correspondingly, producing innovation. Motivating public servants to be innovative requires that they have the skills to apply themselves to problems and obtain appropriate solutions. The quality of relationships among staff and management should be maintained for the motivation to innovate in organizations and to achieve organizational success (OECD, 2015). According to the resource-based view, a quality workforce is an important foundation of innovation (Patanakul & Pinto, 2014) at government agencies. Furthermore, leadership is an important factor in all activities of an organization, not just innovation. It is critical for innovation success to motivate people and fulfill organizational goals (O'Sullivan & Dooley, 2008). Senior leaders are expected to drive innovation and managers to pay attention to developing new ways of doing things and help the trial and error method of generating new ideas. Leaders in local government want to respond to challenges with a proactive strategy to foster an effective government culture and achieve innovation in work units for success. Top-down governance structures are a common innovation method in several countries, but there can be staff resistance to change with this approach. The traditional decision making process in the public sector is top-down (Hartley, 2005; Walker, 2006). However, a bottom-up governance structure was introduced in Northern Europe to build pro-innovation culture and discretionary learning strategies (Arundel et al., 2015). This bottom-up process was encouraged by the government (Hartley, 2005) so members of teams could participate in the decision making process.

Service innovation is making changes to intangible products that cannot be seen or touched (O'Sullivan & Dooley, 2008). It is positively connected to non-financial and financial performance in service industries (Thakur & Hale, 2013). Service innovation may simultaneously refer to innovation in service sectors, also, innovation in services is associated with improvements in the quality and efficiency of public services that help economic growth (Arduini et al., 2010). The analysis of innovation in services implies different phases such as technology adoption,

innovation diffusion and generation (Arduini et al., 2010). Opportunities for innovation can be recognized by having an accurate understanding of the service delivery process in the public sector that contains customers' demands and expectations. Sensitivity to demand and opportunities in society is key to evolving an organization's innovative capability (OECD, 2015). "Innovation offices specifically tied to a technology function regard technology as both a tool for encouraging innovation as well as the innovation itself" (Burstein & Black, 2014, p. 8). The relevant technological, institutional and economic context is considered for innovation in local level public organizations (Arduini et al., 2010). At the current time, information is digitized, and can be moved, stored, manipulated, recombined, relocated, transformed and can take on new values (Zysman, Feldman, Murray, Nielsen & Kushida, 2011). Technology plays an essential role in the increase of the level of welfare and is an important factor in achieving success (Bircan & Gencler, 2015).

Divisional Secretariats in Sri Lanka

The administrative structure of Sri Lanka basically consists of a central government and provincial councils. The policies, rules and regulations made by the central government or provincial council are implemented by the Divisional Secretary at divisional level and he or she is responsible to the central government and the respective provincial council. Additionally, the Divisional Secretary has to coordinate with the central government and the respective provincial council to enhance the living conditions of people in the region. Both administrative bodies provide financial allocations to the Divisional Secretariat in order to function and fulfill customers' requirements. There are 313 Divisional Secretariats and 18 Assistant Government Agent offices in Sri Lanka. All Divisional Secretariats belong to 25 administrative districts and 9 provincial councils. A Divisional Secretariat connects with the relevant district secretariat, provincial councils and central government.

The Divisional Secretary is empowered by the Transfer of Powers to Divisional Secretary Act 58 of 1992. Similarly, more than a hundred acts and ordinances authorize the Divisional Secretary to implement his or her duties and responsibilities. The Divisional Secretariat can be described as the most important administrative unit in Sri Lanka because it is the bridge between central government and grass-roots community. It is the main body of public service delivery to the community. The Divisional Secretary is the senior administrative officer of the division, enjoying the power and status of being in charge of the division (Slater, 1997). The division is administrated by the Divisional Secretary or an assistant government agent under the supervision of the Secretary of the Ministry of Home Affairs

and the District Secretary. All decisions are finalized by the Divisional Secretary as the head of the department. Discussing with the community on behalf of the Divisional Secretariat are secondary level managers such as the Assistant Divisional Secretary, Accountant, and Assistant Director (Planning), all of whom assist the head of the organization to fulfill customers' requirements.

The scope of the Divisional Secretariat covers not only administration but also sustainable development. Some services of the Divisional Secretariat depend on geographical diversity and cultural differences. Basically, they provide every service from birth to death for citizens in the area. According to Public Administration Circular number 21/92, a Divisional Secretariat has to deliver numerous services to the people, however, the major duties and responsibilities of the Divisional Secretariat can be divided into five parts: 1. administrative activities, 2. development activities, 3. crown land management activities, 4. social security activities, and 5. poverty eradication activities.

The administrative activities consist of the authentication of people's identities, which is a very basic requirement of citizens, civil registration (births, marriages and deaths), issuance of certified copies to customers, verification of those documents where necessary, issuance of licenses for using vehicles, selling foreign or local liquor, initiating a business and certificating the income of a person. The Divisional Secretary provides permits, with careful consideration, for some activities which affect the environment. The Divisional Secretary is responsible for implementing and managing the Pensioner's Act at divisional level and coordinating activities to issue national identity cards and passports.

The government expects the Divisional Secretary to plan, coordinate and monitor the development agenda within the division by coordinating the relevant agencies and people. Thus the development of infrastructure facilities in the division must be carried out by the Divisional Secretary. The Divisional Secretary is also accountable for making estimates, supervising projects and obtaining qualitative outcomes.

The Divisional Secretary manages crown land in the area. He must implement land development ordinances, crown land ordinances and land recovery. In addition, he is responsible for acquiring private land for common purposes under the Provision of Land Acquisition Act. The most sensitive subject for the Divisional Secretary is managing land, because the population is rapidly increasing and crown land is very limited in the country. Interestingly, the Divisional Secretary handles social security programs which are public assistance for vulnerable people, aid for low income elders and aid for differently-abled people. The Divisional Secretariat also conducts disaster pre-

paredness programs, disaster relief programs and rehabilitation programs in the region. Additionally, it coordinates all religious schools, cultural centers and indigenous medical centers. The most important social security activity is the prisoner's welfare program.

The Divisional Secretary should coordinate the government, social organizations, religious leaders, donors and the community as partners to reduce poverty. Also, the Divisional Secretary has to take actions necessary to eradicate poverty and to conduct livelihood development programs in the division, and should empower poor people to enhance their lifestyle.

The Divisional Coordinating Committee is the platform where government officials discuss all subject matter related to the division with political authority at the divisional level. This committee was established in 1954 to facilitate the decentralized administrative system in order to implement central government functions (Uduporuwa, 2007). Officially, the Divisional Secretary is the secretary of the committee which is chaired by a member of parliament who belongs to the government party and lives in the district. All heads of government organizations in the Divisional Secretariat area are members of the committee. Development progress, problems and all matters related to the inhabitants of the Division are discussed, and necessary actions taken, at this committee meeting. Before finalizing all decisions, the chairman and the secretary always discuss matters, to obtain optimum solutions.

"Local governments are more apt to innovate than state and federal governments because of their capacity to make decisions quickly and decisively" (Gonzalez et al., 2013). The Divisional Secretariat is very close to the general public in the country. It is the local level administrative unit in Sri Lanka. As a result, it must be developed as a service-oriented organization to create wellbeing in society.

METHOD

Among the many government agencies, this paper looks for new ways of doing things at divisional level. This research focuses on only 19 of the 331 Divisional Secretariats in Sri Lanka. Galle district has 19 Divisional Secretariats and all are included in the research sample. Because of their quick and decisive decision making capacity, some scholars say that local governments are more prone to innovate than national government (Gonzalez et al., 2013). This research uses only qualitative research methodology to collect primary data. The researcher preferred to gather primary data from observation of all Divisional Secretaries as heads of departments using semi-structured in-depth interviews because they not only have good knowledge of the organizational objectives, procedures and

strategies but also an overall vision of the institution. Customer feedback details were collected as secondary data.

District Secretary-Galle granted permission to access the Divisional Secretariats to conduct interviews. The interview sheets and consent papers were distributed among the respondents prior to the interviews. A total of twenty-five Divisional Secretaries (including six former Divisional Secretaries in Galle district) agreed to provide the necessary information with the District Secretary's support, and the interview time was scheduled. After finalizing the interview date and time, the researcher visited and conducted face to face interviews. The researcher performed twenty-five semi-structured in-depth interviews in Galle district in Sri Lanka between 11 January and 8 February 2016.

FINDINGS

The study discovered that the human resources in the Divisional Secretariat is the dominant factor in the public service delivery process. In addition, the majority of Divisional Secretaries demonstrate their great effort and commitment to maximizing customers' satisfaction. Many officials brought innovative and creative ideas to the process, however most people do not have sufficient knowledge and skills to perform well and some employees don't have willingness to change. Sufficient training programs are available to build the capacity of public officials at present in Sri Lanka, but participation in training programs is low, due to poor enthusiasm of the staff.

The online facilities are not popular in society because of the scarcity of IT literacy and insufficient IT resources. Also, service seekers are not geared up to use the official website of the Divisional Secretariat or receive their desired services online or through the website. Government institutions related to the Divisional Secretariat are not interconnected, therefore customers must visit all the institutions physically when necessary. The motivation and appreciation programs for officers are not in place for the transformation of manual service delivery to online service delivery.

Divisional Secretariats perform according to new productivity concepts and strategies such as 5S, 3R, Kaizen, Quality Circles, and Total Quality Management. As a result, a lack of resources is not a potential problem for organizations and they manage granted financial allocations effectively in order to upgrade service delivery processes.

The legal framework including rules, regulations and policies is not updated according to citizens' requirements and they are not flexible enough to change when and where necessary at divisional level.

Customer feedback evaluation systems are slightly different at each Divisional Secretariat, whereas all Divisional Secretariats collect and analyze customer feedback to improve the service delivery system.

RECOMMENDATIONS

The strategies explained in the subsequent sections are according to the findings from both the primary and secondary data of the research.

Improved Capabilities of Government Servants

The research finds that the capacity for development of human resources is the most important component in the service delivery process, because officers with the required skills and positive attitudes provide effective, efficient and quality service to customers. Compulsory and continuous training programs are essential for capacity development of the staff.

High Utilization of Resources

All government institutions should perform according to the new productivity concepts and strategies such as 5S, 3R, Kaizen, Quality Circles and Total Quality Management, to reduce cost and wastage, save energy and maximize utilization of resources.

Promoting Awareness Programs for Citizens

Public awareness programs for the general community at grassroots level should be promoted to encourage people to receive their desired services through the internet.

Enhanced Use of Information Technology

Official websites of the Divisional Secretariats must be updated every day, and the number of online services should be increased. Software packages and databases for critical subjects and services must be created to upgrade the public service delivery process.

Updating Rules and Regulations

State policy rules and regulations should be updated appropriately to develop the service delivery process, and they have to be flexible enough to change, where necessary, at the divisional level.

Developing a Unique and Simple Feedback Mechanism

The customer feedback mechanisms should be equal at all Divisional Secretariats. Therefore, a unique and simple feedback mechanism has to be introduced for all Divisional Secretariats.

CONCLUSION

The study identifies various issues for the service delivery pro-

cess in Sri Lanka as a developing country. Lack of awareness of the service delivery process, unnecessary political influences on the decision making process at divisional level, scarcity of essential resources and lack of coordination among institutions and stakeholders are identified as dominant issues for the public service delivery process at divisional level in Sri Lanka.

The research finds that leaders' commitment, enthusiasm of subordinates, high utilization of resources, introducing new concepts and methodologies, and use of technology are the key factors in developing a service-oriented government agency.

The results of the study present new approaches for improvement of services, new concepts for adding value to services, and strategies for developing services. The results strongly suggest that new ways of doing things are very important and essential to each procedure in the government agencies at divisional level. Examining the entire research process, innovation acts as a catalyst at every step in the Divisional Secretariat, and service innovation should be applied to the public service delivery process at divisional level.

REFERENCES

Alberti, A., & Bertucci, G. (2006). Replicating innovations in governance: An overview. In *Innovation I governance and public administration: Replicating what works.* New York, NY: United Nations, Department Economics and Social affairs.

Anttiroiko, A., Bailey, S. J., & Valkama, P. (2011). *Innovations in public governance in the Western world: Innovation in public governance.* Amsterdam, Netherland: IOS Press BV.

Arduini, D., Belotti, F., Denni, M., Giungato, G., & Zanfei, A. (2010). Technology adoption and innovation in public services the case of e-government in Italy. *Information Economics and Policy, 22*(3), 257-275.

Arundel, A., & Huber, D. (2013). From too little to too much innovation? Issues in measuring innovation in the public sector. *Structural Change and Economic Dynamics, 27,* 146-159.

Arundel, A., Casali, L., & Hollanders, H. (2015). How European public sector agencies innovate: The use of bottom-up, policy- dependent and knowledge-scanning innovation methods. *Research Policy, 44*(7), 1271-1282.

Bason, C. (2010). *Leading public sector innovation: Co-creating for a better society.* London, UK: Policy Press.

Biju, A. V. (2016). Social connectivity of local governments: A social network analysis Basedon Kerala local governments. *Journal of Advances in Humanities and Social Sciences, 2*(1), 44-54.

Bernik, B., Azis, Y., Kartini, D., & Harsanto, B. (2015). Managing innovation of SMEs in creative industry for interactive game subsector and TV and Radio subsector based on local wisdom in development of competitiveness business (Case Study SMEs in Bandung). *International Journal of Business and Administrative Studies, 1*(2), 49-53.

Bessant, J., & Tidd, J. (2007). *Innovation and entrepreneurship.* West Sussex, UK: John Wiley & Sons Ltd.

Bircan, I., & Gencler, F. (2015). Analysis of innovation-based human resources for sustainable development. *Procedia-Social and Behavioral Sciences, 195,* 1348-1354.

Bruce, A., & Birchall, D. W. (2009). *Fast track to success: Innovation.* London, UK: FT Prentice Hall.

Burstein, R., & Black, A. (2014). *A guide for making innovation offices work.* New York, NY: IBM Center for the Business of Government.

Durst, S., Mention, A., & Poutanen, P. (2015). Service innovation and its impact: What do we know about? *Investigaciones Europeas De Direccion Y Economia De La Empresa, 21*(2), 65-72.

Gonzalez, R., Llopis, J., & Gasco, J. (2013). Innovation in public services: The case of Spanish local government. *Journal of Business Research, 66*(10), 2024-2033.

Government Information Center. (2011). *E-Sri Lanka development project: Outcome evaluation survey for government information center.* Retrieved from http://goo.gl/z51ZFi

Hartley, J. (2005). Innovation in governance and public services: Past and present. *Public Money and Management, 25*(1), 27-34.

Hughes, A., Moore, K., Kataria, N., (2011). *Innovation in public sector organizations: A pilot survey for measuring innovation across the public sector.* NESTA Index Report, London, UK.

Lankaweb. (2012). *Sri Lanka needs a customer- Centric public sector.* Retrieved from http://goo.gl/Wjn6ui

O'Sullivan, D., & Dooley, L. (2008). *Applying innovation.* London, UK: SAGE Publications Ltd.

OECD. (2012a). *OECD science, technology and industry outlook 2012.* Retrieved from http://goo.gl/WMu2R9

OECD. (2012b). *Public-sector innovation.* Retrieved from http://goo.gl/hsooBQ

OECD. (2015). *Human resource management for innovation in government.* OECD, Paris.

Patanakul, P., & Pinto, J. K. (2014). Examining the roles of government policy on innovation. *The Journal of High Technol-   ogy Management Research, 25*(2), 97-107.

Slater, R. (1997). Approaches to strengthening local government: Lessons from Sri Lanka. *Public Administration & Development (1986-1998), 17*(2), 251-265.

Thakur, R., & Hale, D. (2013). Service innovation: A comparative study of US and Indian service firms. *Journal of Business Research, 66*(8), 1108-1123.

Uduporuwa, R. J. M. (2011). An analysis of urban growth and urbanization in the Sabaragamuwa province, Sri Lanka. *Sabaraga-   muwa University Journal, 9*(1), 115-132.

Uslu, T. (2015). Innovation culture and strategic human resource management in public and private sector within the framework of employee ownership. *Procedia-Social and Behavioral Sciences, 195,* 1463-1470.

Walker, R. M. (2006). Innovation type and diffusion: An empirical analysis of local government. *Public Administration, 84*(2), 311-335.

Zysman, J., Feldman, S., Murray, J., Nielsen, N. C., & Kushida, K. E. (2011) The new challenge to economic governance: The   digital transformation of services. In Anttiroiko, A. V., Bailey, S. J. and Valkama, P. (eds) *Innovations in Public Gover-   nance: Innovation and the Public Sector,* (Vol. 15). Amsterdam, Netherlands: IOS Press.

— This article does not have any appendix. —