

**Research Summary #19 - Blocked Drains and Open Minds: Multiple
Accountability Relationships and Improved Service Delivery in an Indian City**
By Johnathan Caseley (2003)

This paper forms part of a five year research programme under the Centre for the Future State, based at the Institute of Development Studies. Below is a summary of principal findings. Further details are available at www.ids.ac.uk/gdr/cfs/index.html

Introduction

This case study provides insights into how to improve public service delivery, in a difficult environment. It concerns the Hyderabad Metropolitan Water Supply and Sewerage Board (Metro Water), a semi-autonomous agency in Hyderabad City (Andhra Pradesh, South India). Metro Water was able to implement significant organisational transformation, as well as sustained improvements in service-delivery, following a series of customer-focused reforms at the end of the 1990s. Metro Water's success is largely attributed to the way in which the reforms established multiple, formal accountability relationships between external actors (the most prominent of which were local citizens), and Metro Water staff (namely frontline workers and senior managers).

Three Customer-Focused Reform Measures

Established in 1989, Metro Water had been struggling to deal with increasing demand for water by city residents, and an antiquated sewerage service system plagued by frequent failure. It needed financial resources for long-term investment, but was finding it difficult to get customers to pay charges, or secure tariff increases, so long as service delivery remained poor. The appointment of a new Managing Director in 1997, coupled with the failure in 1998 to obtain World Bank funding for a second phase of infrastructure improvements, created a window of opportunity for change. The new MD introduced a series of face to face meetings between customers and senior staff called the *Customer Meets Campaign*. This was the catalyst for a series of subsequent reforms, based on key service priorities identified by customers at the meetings, and driven by wider pressure from city residents, politicians and the media. The reforms included: (1) establishment, at head office level, of *Metro Customer Care*, an office (open 24 hours) dedicated to dealing with customer complaints. A key element of this reform was the establishment of a computerised database which allowed senior staff to monitor the performance of section staff in dealing with complaints; (2) establishment, at head office level, of *The Single Window Cell*, dedicated to receiving and processing applications for all new water and sewerage connections; and (3) *Metro Water's Citizen Charter*, launched in 2000 by the Chief Minister, which outlined measurable service delivery norms.

What Performance Improvements Were Achieved?

Customer surveys and Metro Water's own records show that customers perceive positive changes in Metro Water staff behaviour. Complaints are being dealt with more speedily (in spite of a huge increase in the number of complaints received). The *Single Window Cell* has halved the average time taken to approve and issue new connection applications, with 69% of customers expressing satisfaction with the service.

Factors behind Service Improvements

A combination of external, organisational and internal factors contributed to these improvements. The state had a reforming Chief Minister, keen to introduce business practices into government. Strong personal leadership from the Managing Director and some senior staff was also crucial. The organisational autonomy of Metro Water allowed it some independence in day to day decision-making, and a Board of Directors composed of senior officials and politicians moderated political interference, while maintaining high level political pressure for improved performance. Engagement by senior staff with the media was used to improve communications with the public, while strengthening the hand of the MD to promote reform. There was constant pressure from customers through the new complaints mechanism. Involvement of the World Bank between 1990 and 1998 exposed staff to new management ideas and technical knowledge, and provided a network of professional support. Internal organisational factors were also important. Recentralisation of responsibility for complaints and new connections to head office prompted more senior staff to demand improved performance; access to computerised information enabled them to better monitor outcomes. Face to face engagement with citizens contributed to changing the organisational culture; teamwork and more flexible deployment of staff at section level enabled them to meet rising expectations.

Motivation and Accountability Relationships

The paper attributes high levels of motivation among section level and frontline staff to: achievable yet challenging goals set by senior staff; consistent and transparent feedback; and a strong sense of public service motivation. The reform measures led to a series of changes in accountability relationships between the main actors which institutionalised citizen engagement, and together contributed to sustained organisational change. Strong, two-way relations of accountability were established between citizens and senior managers; citizens and frontline workers (with recourse to senior staff); senior and frontline staff (through improved performance data); politicians and Metro Water staff; the media and senior managers. A decision by the Chief Minister to allow elections to the Municipal Corporation of Hyderabad increased citizen pressure on politicians for improved services.

Conclusion

The involvement of the World Bank between 1990 and 1998, including phased support linked to conditionality, laid the foundations for reform. But the changes introduced thereafter were not dependent on external finance. Instead, service reforms changed the organisational culture, and strengthened the ability of Metro Water to collect revenue from customers. Increased revenue was invested in network repairs, leading to (small-scale) improvements in services, and improved willingness to pay. The overall improvement in performance contributed to a decision by the state government to make a major investment in improved water supply. The case provides an illustration of the interplay between customer-responsive service delivery, medium term organisational change, and long term impact on core services. Institutional accountability mechanisms played a key role in sustaining a cycle of demand for accountability, and generating an organisational response.