CHAPTER - II

ADMINISTRATIVE INNOVATION : AN APPROACH TO THE STUDY
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Over the years governmental functions and responsibilities have increased considerably. The Government has four-fold responsibilities:

(a) uplifting the masses above the poverty line;
(b) modernising agriculture;
(c) building infrastructure for industrial development;
(d) the above three processes should aim at bringing social transformation.

Taking into account the multi-farious functions of development and modernisation, the Governmental machinery (public bureaucracy) has to increase its administrative capabilities. It is surprising to note that in India, administrative capabilities have not increased commensurate with the increase in functions and problems. Administrative capability has to be enhanced to handle effectively the problems of development and social change. Public administration must itself adapt to changing circumstances if it is to be an effective instrument for desired economic and social changes.

This task first calls for modernisation and development of administrative machinery. Again, the task of modernising administration calls for revolutionary changes in the dynamics of administrative machinery. The Second United Nations Development Decade categorically emphasizes this point. What is required in many developing countries is an "administrative revolution in the support of revolutionary changes in the economic and social fields. Public administration must be recreated, renewed and revitalized to produce the changes and achievements required in the
transformation of societies. This necessitates a different kind and magnitude of administrative capability. Dysfunctional and inapplicable administrative structures, systems and practices must be replaced. Nothing less than dynamic organisations, resourceful management and streamlined administrative process will suffice. A new concentration on achieving goals and the ability to solve complex organisational problems becomes indispensable. Administration for development thus requires a commitment and capability of implementing plans, programmes and projects. It must remove obstacles to action, mobilise manpower, materials and equipment, for example to erect a new policy, deliver a service, operate a programme, and it must do all these effectively and with speed.

An essential prerequisite for the success of plan implementation is the need for requisite efficiency in administration so that it is possible to get increased output from investment in programme. Administrative efficiency and innovations will continue to play a great part in Indian planning process and stress the need for taking steps to improve standards. Improvement of the vast administrative machinery spread throughout the country will have to be a continuous process. The administrative machinery has to be structured and restructured to handle multifarious facets of development and modernisation.

The question arises here as to how to enhance administrative capability. Administrative capability can be incrementally and substantially enhanced through a well-organised programme. Such a
programme calls for scientific activity i.e., innovation. Innovation in administration or administrative innovation is an effective instrument for increasing administrative capabilities. Innovation creates new potential of action. Such innovation in administration make public administration an effective agency for bringing about development and social transformation. An administrative system requires innovations to do away with the dysfunctional and inapplicable administrative structures, systems, practices, procedures, techniques, and methods. This ensures that administration becomes a fit instrument for carrying out development functions. It is the role of administrative innovation to create a dynamic organisation to deliver various services with much ease and speed. In this process, innovations in administration acquire greater significance. It is because administration is concerned with maximising innovation for development. It may be stated that the process of planned or intended change in the direction of nation-building and socio-economic change is the process of innovation for development. Thus the crisis of the world is, above all, an institutional crisis demanding institutional innovation.

The Meaning Of Administrative Innovation:

Before discussing administrative innovation, it would be better to analyse the term 'innovation.' There seems to be a little confusion with regard to the meaning of innovation in organisational research.
As a result, at least two types of definitions of innovation can be inferred. Firstly, scholars by distinguishing the term innovation from invention define innovation in a narrow framework. Scholars belonging to this category state that invention implies bringing something new into being, innovation implies bringing something new into use. This school of thought emphasizes that innovation is meant to exclude creativity per se and to include the notion of adopting something non-traditional whether it was invented within or outside the concerned organisation.

Secondly, a few scholars define innovation broadly which even includes invention. Innovation, according to this school of thought is the generation, acceptance and implementation of new ideas, processes and procedures or services. This definition makes it clear that innovation has two facets - invention and adoption. Innovation refers to inventing new ideas as well as operationalising new ideas. An organisation may be inventing without adopting it. In the other case, organisation may be adopting invention or operationalising the invention. In both the cases, organisation is innovating.

For the purpose of the present study innovation has been treated broadly taking into consideration both invention and its adoption. Hence the analysis that follows is based on the definition of the latter category of scholars.
Innovation is a 'neutral' term. The various disciplines have applied the term innovation in specific contexts and purposes. Management scientists define innovation as "a purposeful, organised risk-taking change introduced for the purpose of maximising economic opportunities." Educational scientists define innovation as "any new policy, syllabus, method or organisational change which is intended to improve teaching and learning." The organisational scientists introduce the notion of organisational risk and an element of success in their definitions of innovation. For instance, Selwyn W Baker and Thomas L Whisler define organisational innovation by introducing the notion of organisational risk as "the first or early use of an idea by one of a set of first organisations with similar goals." An element of success is found in Mohr's definition. He states: "Organisational innovation involves the successful introduction into an applied situation of the means or ends that are new to that situation."

Thus, in administrative science innovation can be defined as 'administrative innovation means bringing deliberate change in administrative machinery which would be more efficient, the change may be new idea, procedure, rules, methods, techniques or establishing new organisation'. The crux of this definition is that in order to increase efficiency deliberate changes should be brought in the administrative machinery by inducting new ideas. This can be done by bringing innovations in administration. The process may involve adopting new ideas originating either in the administration or outside.
administrative system. In this sense administrative innovation involves inventing new ideas, procedures, rules, devising new methods and techniques or establishing new organisations. It also involves adopting or implementing new ideas, practices, techniques and methods. In development administration ideas of innovations have become more a matter of suggesting adoption of practices elsewhere than the creation of strikingly new patterns of social integration and coordination.

**Why Administrative Innovation?**

The factors responsible for innovation in administration are performance-gap, new problems and constantly changing environment. The performance-gap is one where the discrepancies between what the organisations could do by virtue of a goal related opportunity in its environment and what it actually does in terms of exploiting that opportunity. In Downs terminology performance-gaps are what the organisation is doing and what its decision-makers believe it or could be doing. Performance-gap exists when there is a gap between administration's current performance and its normative performance, a gap between *is* and *ought*. Performance-gaps are also called 'administrative-lag'. The wide variation or gap in administrative performance makes the decision makers to think of an alternative strategy to reduce the gap and enhance the performance. The question arises as to how to evolve an alternative strategy to bridge the gap. Here comes the role of innovation. By bringing innovations in administration performance-gaps can be reduced. Administrative
innovation bridges the gap between is and ought. Innovation provides an alternative strategy to enhance administrative performance. For instance, the benefits of generalised multipurpose approach to rural development in the name of community development failed to reach weaker sections and small farmers. There existed a performance-gap in the community development administration. In order to overcome this administrative-lag policy-makers evolved a new strategy in the name of target-group and area-development approach to rural development. Under this innovative idea new programmes and projects were created in the name of Small Farmers Development Agency etc.

Secondly, the impetus to innovation in administration arises from new problems. The process of innovation in fact begins with the perception of a problem. When policy makers and top administrators perceive that the organisation is facing a new problem they go for new ways to handle them effectively. It does not mean that all the time administrators go for new ways and methods to resolve problematic situations. Usually administrators opt for new strategy after giving enough trial to existing approaches. Problematic situations can be resolved by introducing appropriate innovations in administration. Under problematic situation innovations provide novel solutions to overcome the situation. Novel solutions may be a new idea, technique, method or practice and so on. This is how a problematic situation paves way to innovation in administration. In this process administrative innovation acts as a problem-solving device. Basically
impetus to innovation arises from problematic situation. The problem may be a performance-gap or something else. The problem of increasing agricultural production was not given proper attention in community development, national extension services and panchayati raj, which were multipurpose programmes. Thus agricultural production suffered and thereby acute food problem arose. The serious food problem created a need for an intensive approach to increase agricultural production. In pursuance of this, Intensive Agriculture District Programme (IADP) was introduced to increase agricultural production.

The third factor responsible for innovation in administration is changing environment. Fred W. Riggs, a pioneer in the study of ecological aspects of public administration suggests that administrative development should be studied taking into account ecological aspects. His thesis is that there is an inevitable and continuous interaction between ecology and administration; the environmental factors influence and in turn are influenced by administration. The environment at a given time is constant but in the long-run it is changing. With the change in the environment administration also should change to equip itself to handle the new environment. Such a process involves initiation of new ideas, methods and techniques in the field of administration. Initiating new ideas call for a creative activity i.e., innovation. Innovation in administration equips administrative machinery to handle the changing environment. Recently Riggs spoke about 'environmental administration' -- a study dealing with
environmental policies and their administration. This branch of development administration (like development administration meaning administration of development and administrative development) should include the study of administrative innovations in the context of changing environment. Research in this field can explore how changes in the environment bring corresponding changes in administrative system, and sometimes changes are novel in the sense of innovation.

It is not possible to pinpoint a particular factor responsible for the origin of an administrative innovation. Usually more than one factor are responsible for a particular innovation. In a given situation of administrative innovation the three factors—performance-gap, problematic situation and changing environment—may be present in different proportions. Sometimes performance gap may be mainly responsible for a particular administrative innovation. In certain other cases both performance gap and problematic situation might have produced a certain type of administrative innovation. In some other situations it may be only environmental factors or all the three factors might have influenced a certain innovation. It is rather difficult to quantify the proportion of each element in a given administrative innovation. Once again, it is difficult to compartmentalise or categorise the factors distinctly.

The present study employs three variables—institutionalisation, evaluation and time dimension, and tries to study the DRDS—an administrative innovation in rural development administration in
Dharwad and Kolar Districts of Karnataka. Performance gap, problematic situation and changing environment have been collectively responsible for administrative innovations in Dharwad and Kolar Districts or alternatively one of the three factors may be responsible for administrative innovation. Institutionalisation of the DRDS is studied in terms of differentiation or specialization in implementing special economic programme within the broad system of rural development administration. The study utilises Allan Harris's time continuum stage along with one more stage for descriptive analysis. Hence, the study tries to probe in the following direction in respect of Dharwad and Kolar Districts.

1. The DRDS - in antecedent stage,
2. The DRDS - in interactive stage i.e., implementing and working phase;
3. The DRDS - in consequent stage i.e., impact; and
4. The DRDS - in terminating stage.

Again, the transformation of DRDS in each stage is itself a process of institutionalisation. The study also employs the evaluative framework by trying to understand and analyse the DRDS in Dharwad and Kolar districts in terms of

1. efficiency in resource mobilisation and utilisation;
2. effectiveness in accomplishing its goals. The goals of a particular innovation and goal of an overall institution or organization. Both the goals are complimentary to each other. The accomplishment of the first type goals determines the second and vice-versa; and

3. appropriateness in its continuation, reforming and dropping or termination.

Rationale For Innovating DRDS:

Many factors are responsible for innovation in administration. Performance gap, new problems and changing environment are important in this regard. The performance gap is one where the discrepancies between what the organizations could do by virtue of a goal-related opportunity in its environment and what it actually does in terms of exploiting that opportunity. In Downs terminology performance-gaps are what the organization is doing and what its decision-makers believe in or could be doing. Performance-gaps exist when there is a gap between administration's current performance and its normative performance or a gap between is and ought. Performance-gaps are also called administrative-lag. The wide variation or gap in administrative performance makes the decision-makers to think of an alternative strategy to reduce the gap and enhance the performance
The predecessor to DRDS agency were the Small Farmer Development Agency (SFDA), Drought Prone Area Development Programme (DPAP), and a host of Special Economic Programmes (SEP). The Special Economic Programmes appeared on the rural scenario during the Fourth Five Year Plan in the name of 'Growth with Social Justice'. The Special Economic Programmes were introduced on the recommendations of the All-India Rural Credit Committee in 1969, set up by the Reserve Bank of India.

SFDA's main thrust was preferential treatment to small farmers, marginal farmers and agricultural labourers in matters of credit, inputs and technical assistance. The SFDA along with subsidies, provided package of services to the target groups. The objectives of SFDA were to identify eligible small farmers, marginal farmers and agricultural labourers; identify their problems and potentialities; and planning and executing suitable programmes for identified target groups. The SFDA schemes included soil conservation, minor irrigation, horticulture, animal husbandry etc. But unfortunately the SFDA did not fulfill the above mentioned objectives for a number of reasons.

In reality the whole burden fell on the shoulders of the project official alone with little active involvement of departments. This led to considerable delay and dilution in the implementation of programmes. Instead of an all out approach to improve conditions of the small farmers in every possible manner and the consequent need for a total reorientation of the departmental programme and machinery in
favour of the small and marginal farmers, the programme was limited to the specific items of SFDA projects, namely, providing subsidies and risk funds. This is the bane of departmentalism in rural development administration.

Number of evaluation studies on all-India and regional basis have been made to assess the performance of SFDA in delivering services. Barring a few most of the studies are mainly involve economic evaluation. The socio-political and administrative aspects have been almost neglected or given a cursory attention in most of these studies. The gist of the findings of all the studies and this researcher's findings and observations are as follows: As regards success of the programme Karnataka, Harayana and Himachal Pradesh showed a bright picture in certain fields. In Karnataka sheep-raring was beneficial. The Harayana study shows that SFDA has a marked impact on increasing the employment opportunities, utilisation of loans and in dairying. The Himachal Pradesh study highlights the success of SFDA in dairying, piggery and sheep rearing. The study also pinpoints reasons for the success, continuous leadership rendered by a single project officer, integration and coordination of Government departments with the target groups, active participation by all concerned; and lastly, effective linkages.

Barring these success stories, the studies pinpoint a number of factors for the dismal performance of SFDA, which is also true of Dharwad and Kolar Districts in a large measure.
1. Identification of eligible beneficiaries has been slow and inadequate. Also identification was done on faulty basis.  

2. The number of actual beneficiaries is smaller. Benefits did not percolate to the target groups. Improper identification and verification of the beneficiaries resulted in 9 per cent error in benefits accruing to wrong persons.  

3. Agricultural labourers have been almost neglected. It is reported that agricultural labourers received only 1 per cent of the total credit advanced by credit institutions.  

4. Inadequate staff and excessive dependence on the existing district and block organisation Lack of commitment on the part of administrators  

5. Lack of coordination among concerned departments and agencies, procedural delays in sanctioning loans due to cumbersome procedures, outdated land records and other village statistics.  

6. Inadequate credit facilities and cooperatives did not play major role as desired because of their inherent weakness. Apathy of commercial banks in advancing credit to the target groups
7. Schemes were implemented without looking into the infrastructural facilities, such as marketing, cattle-breeding arrangements, veterinary services, availability of green fodder etc.  

8. Lack of awareness of the agency and programmes among target group due to inadequate publicity measures and efforts.  

9. Misutilization of loans and cornering of benefits by the rich people  

10. The exploitation of the poor by the middleman.  

In Karnataka also a few studies have been undertaken to evaluate the performance of SFDA. Rajapurohit's study shows that the credit received by the beneficiaries is fully reflected in the additions to the assets and thereby income has been improved. But the number of actual beneficiaries is very small i.e., 7 per cent. Another study undertaken in Tumkur taluk reveals that loans for purchase of milch animals and well irrigation were popular. A study undertaken in South Kanara district divulges that lack of physical and financial resources is the major constraint in the implementation of programmes. However, it suggests adequate credit and other inputs and administrative reforms for gearing up the programme. Amal Ray's study points out that the benefits intended for the small farmers have
not reached them due to organisational inadequacies. Further, he suggests an organisation with in-built boundary control. Mutaz Ali Khan's study examines sociological forces which favour the beneficiaries and the role of change agents and institutions in the implementation of SFDA schemes. It states that a wide gap exists between the actual number of farmers and the numbers identified. Similarly, a significant gap is found between the number identified and the number actually benefitted.

The total percentage of persons benefitted under SFDA in Karnataka upto March 1980 stood at 27.5 per cent. Of this, 42 per cent were small farmers and 32.1 per cent were marginal farmers. As regards agricultural labourers, the performance of SFDA is very much discouraging. Their percentage stood at 8.9 per cent. As regards districtwise performance, Uttara Kannada (77 per cent) stood at the top while Gulbarga (6% per cent) at the bottom. Other districts' performance was dismal.33

Looking at the financial progress i.e., amount spent out of the total amount earmarked for each project, it is surprising that not even fifty per cent of the amount is spent by SFDAs. Upto March 1980 the percentage of total expenditure was 49.0 per cent. In the financial progress Tumkur district with 87.0 per cent occupied the first place whereas again Gulbarga district with 20.0 per cent is placed last 34.
The performance of SFDA and other projects was not satisfactory. There existed a performance gap. Performance-gaps are attributed to a number of factors or problems. In the case, of SFDA there were a number of administrative problems which hindered effective implementation. In order to elicit the problems which hindered effective implementation of SFDA schemes, a question with various inadequacies was included in the questionnaire to various respondents.

In respect of the two districts of Dharwad and Kolar districts the respondents were asked as to their opinion about the SFDA, DPAP etc. The responses are analysed below:

**Question:**

What were the inadequacies in the previous organisation like SFDA, DPAP etc.?

**Answer:**

Answers are tabulated as follows:

<table>
<thead>
<tr>
<th>Inadequacies in SFDA, DPAP Organisations</th>
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<tr>
<td>Total No. of respondents answered the question by giving various inadequacies</td>
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<tr>
<td>58</td>
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*The total does not tally with the total number of respondents because various respondents tick marked more than one inadequacies.*
The analysis of the above table reveals that SFDA had organisational problems. There was lack of field level functionaries. The 18 respondents felt that the absence of field staff was a serious lacuna for implementation. A few top executive posts were vacant for months. Officials were transferred against their wills. This also contributed to the tardy implementation of schemes. One executive officer stated that: "Officials may be posted after taking their consent, in some cases they were posted against their will, due to which much work could not be turned out." In SFDA district as an unit of implementation was not conceived. The area of operation of SFDA and DPAP were not demarcated precisely. Thus, it resulted in overlapping of programmes and areas. The natural corollary to this was the problem of coordination. One Governing Body Member said, "the aim of DPAP is to develop infrastructure in drought prone areas, for example, development of grass land for feeding the dairy animals. The object of SFDA is to uplift the poor farmers above the poverty line by assisting in income-generating exercises like dairying, sheep rearing, piggery etc. The two organisations namely, DPAP and SFDA were working separately and there was no proper assessment of the need of the infrastructure which is a prerequisite for improving the activities like dairy".

Procedural loopholes came in the way of identifying really eligible beneficiaries. In SFDA the family was not taken as the unit of assistance. This helped the well-off people to corner the benefits of
SFDA by exploiting the procedural loopholes. For instance, a number of rich farmers dividing their land among their kith and kin (only in records) availed the benefits of SFDA as small farmers. Also activities financed were not based on assessment of available resources at individual and area level. Another procedural lacuna was delay in getting the approval for the schemes and programmes from the State level authorities. Procedural impediments resulted in time-lag between filling of application and disbursement of credit. Thus tremendous procedural delay impaired the effective implementation.

Finance was a major problem. As DPAP was a departmental programme the funds used to lapse after 31st March every year. Secondly, delay in sanctioning grants was another serious problem. Thirdly, raising matching funds from commercial banks was a serious challenge to SFDA. Commercial banks tended to favour well-off people while sanctioning loans, because of recovery problem. Because of this, one respondent suggested that "there should be a law enacted by the legislature specifying the role of commercial banks in financing special economic programmes". Fourthly, cooperatives as such were not active and financing through cooperatives did not yield much expected results.

Owing to all these financial inadequacies SFDA could not achieve the expected results.

Linkages of various kinds play significant role in realising the tasks of development programmes. In case of SFDA there was lack of
linkages especially functional. Linkages with popular institutions was missing. Absence of political participation resulted in lack of confidence in the schemes. Horizontal linkages with functional development departments were weak, which resulted in weak co-ordination. Functional linkages with the financing institutions were also weak. Due to lack of effective and proper linkages in SFDA, it could not deliver the service which it was supposed to deliver.

Another serious inadequacy in SFDA was lack of follow-up and evaluation. There was no evaluation and monitoring, with the result that nobody knew how the programme was received by the beneficiaries and to what extent assistance was utilised. One officer thus commented "giving assistance was not an end, but it is the beginning of improving the conditions of poor, whereas now-a-days in Government schemes giving assistance has become an end". The SFDA was begun for improving the life of poor, but nobody could understand how the programmes progressed due to lack of evaluation. Thus, there was no feedback and programmes were not rectified wherever they went wrong.

It is evident that there was a performance-gap in SFDA and other special economic programmes. Not only performance-gap but also these programmes were facing a number of problems. All these gave birth to another administrative innovation i.e., District Rural Development Society (DRDS). Thus we find that there were significant and major defects in the implementation of the SFDA and DPAP, rendering these
programmes dysfunctional or totally irrelevant to the needs of the rural population in Dharwad and Kolar Districts. Given this kind of a contingency, the need was felt to create a new programme or agency like the DRDS to rejuvenate the socio-economic conditions of the population in Dharwad and Kolar districts.
It is because firstly, national governments have a central role in promoting economic and social development, secondly, that the extent to which the government fulfils this role depends largely on the degree and speed of expansion of administrative capability at all levels of government and in major fields of development and thirdly, that public administration must itself adapt to changing circumstances if it is to be an effective instrument for desired economic and social changes. The role of government is crucial in the technologically developed as well as developing countries and includes not only direct action of public bodies at all levels, but also facilitative, allocative and regulatory functions of the government needed to accelerate development and also to encourage participation by the people, voluntary bodies and the private sector in national development. As economic and social problems become more complex, the central role of public administration becomes more crucial. See Public Administration: In The Second United Nations Development Decade, Report of the Second Meeting of Experts, 16-26 Jan. 1971, (New York, Public Administration Division, Department of Economic and Social Affairs, United Nations, 1971), (ST/TAO/M/57), p.36.

2. Ibid.

3. Ibid., p.4


24. Ibid., p.88.


29. G. Ram Reddy and G. Haragopal, *Public Policy And The Rural Poor In India*, pp 175-194


36. This was revealed by many officials in informal interviews. But as per the Government Civil Service Rules Officials can be transferred throughout the state.

37. The present researcher found such a case in the Kolar District.