

From strategy to execution

The Budget is about big ideas, but the next wave of public policy impact lies in execution and operations

By MANISH SABHARWAL

The budget season is always the time for big ideas and unfair expectations. Debates about what this Budget needs to tackle have included direct versus indirect taxes, privatization, infrastructure, market failures, social security, financial market regulation, education reform, and the many other alibis for India's poverty. We seem to broadly agree on priorities, and all the ideas are on the table. In fact, they are falling off the table. So despite what economist John Maynard Keynes said about the paramountcy of ideas, I believe the next phase of Indian public policy impact lies in plumbing and execution.

One of the biggest mysteries in Indian public policy is how to get something done when everybody who matters in the government agrees with you. How can we get teachers to show up in government schools? How can we create competition for government services that don't have clients but hostages? How can we get roads built? How can we make a vocational training market relevant so it leads to a job? How can we get the National Rural Employment Guarantee Scheme (NREGS) payments to create assets that raise productivity or skills that create an employability corridor? How can the goods and services tax (GST) implementation eliminate the inter-state border checkpoints? How can the new education regulatory authority manage the quantity-quality trade-off without regulatory capture? How can employment exchanges match job seekers with employers and lubricate migration? How can we get doctors and medicines to

show up in government hospitals? India has the most e-governance pilots in the world, but how can technology truly revolutionize the citizen interface?

Fundamentally, why are we not moving from outlays to outcomes? Because the first phase—the phase of big ideas—in Indian reform is over. We need a shift from debating which train to build to keeping the trains running on time. Identifying a problem, verbalizing the solution and spending money is not the same thing as solving it. Reducing the transmission losses between intent and action requires shifting away from generalities and big-picture strategy. This is sabotaged by a skill mismatch among public policy staffers—not just the Indian Administrative Service—who have a fear, contempt or aversion for operations. The resistance to or ignorance of an operational perspective—life in the fourth decimal place—by current public policy staffers does not recognize the need for a skill transition. But any entrepreneur can testify that if you convert a high-energy, ideation-heavy start-up into an institutional, process-driven company too early, you take away its birth-

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right. But if you make the transition too late, you take away its destiny. Globally, there is an interesting resurgence in the recognition of managing over leading because too many leaders are detached from the messy process of managing. So they don't know what is going on beyond pronouncing performance targets which are supposed to be met by whoever is doing the real managing. But the hectic, fragmented, never-ending world of managing has huge rewards: getting things done. As Stanford University professor James March says: "Leadership involved plumbing as well as poetry."

Shifting to execution recognizes that the state must be efficient to be effective. This requires retooling how the civil service is currently hired, trained and promoted: It needs to become more a deliverer of public services rather than a dispenser of advice. New units for performance manage-

ment, innovation and review are needed. The government must raise its decision-making metabolism by reducing the number of ministries, defining jurisdictions and creating forums for conflict resolution and trade-offs. Formalizing and motivating lifelong learning by linking it to individual advancement must be accompanied by a revamp of the entry-level government academies at Mussoorie, Hyderabad, Nagpur and others, so that they increase focus on imparting skills such as technology, project management and contracting. Lateral entry must be institutionalized to access specialized skills over patrician generalism; would we really want a former fertilizer or food secretary running the Unique Identification project?

We have a clear vision—eliminating inequality of opportunity. We have a clear strategy—inclusive growth. We have clear strategic Plans—the 11th one. But do

we have operating plans? As writer Joseph Campbell says, to find something new we have to leave the old and go in quest of the seed, the germinal idea that will have the potential to bring forth that new thing. India missed its tryst with destiny, but has made a new appointment. Economic reforms are not about rich guys buying fancy cars but about creating access to healthcare, power, education, training and jobs. This needs execution; breaking down our big goals into bite-size pieces, getting people with the right skills in the right places, project management, rigorous periodic reviews and goal-aligned performance management that creates a fear of falling and hope of rising. Only then do we convert growth to poverty reduction and meet our destiny.

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