

Domain Expertise in Governance

Why in News?

In the current central government, there's a push to align the educational qualifications of top Indian Administrative Services (IAS) officers with their assigned roles.

What is Governance?

- **Governance** - It is manner in which the power is exercised in the administration and management of a country's economic and social resources for growth and Development.
- It is the process of decision-making and implementing such decisions for the well-being of the people.

According to Word Bank, Good Governance is defined as "the manner in which power is exercised in the management of a country's economic and social resources for development".

- **In India** - Governance Division deals with issues concerning the *policies* and programmes of Central Sector and Centrally Sponsored Schemes, *their implementation and monitoring* with respect to twelve Central Ministries and Departments.
- **Organs** - It is exercised by legislators and executives of the government.
- In both, it is the combination of political leaders or people's representative and the selected bureaucrats.
- Among bureaucrats, IAS occupies a significant position in the governance process.

IAS comes under All-India services which are services that are common to both Central and state governments. In 1947, the Indian civil Service (ICS) was replaced by IAS.

- **Non-alignment with education** - The educational qualifications of IAS officers have *seldom been relevant to the roles* they perform in the government.
 - Former Gujarat-cadre IAS Hasmukh Adhia, who has a PhD in yoga became the finance secretary of India in the first NDA government.

Arguments in favour of existing system of Generalist

- **Grass root learning** - Many IAS officers *start their careers from the district level*, and learn the nuts and bolts of governance over three decades before they rise to top positions.
- **Hands-on training** - What they *learn on the ground* through their tenure is far more important.
- It is their *"on the job" learning* that is considered far more valuable than their educational background.

Why domain expertise in governance is needed?

- **Informed decision making** - Domain knowledge aid in taking effective decisions in their respective areas of expertise.
- **Proficient policy formulation** - It supports in formulating policies to address the specific needs and challenges of their sectors.
- **Effective implementation** - It helps to streamline the implementation of programs and initiatives.
- **Promotes stakeholders engagement** - It enables for extended stakeholder engagement with industry experts, professionals, and the public.
- **Effective resource allocation** - It can ensure efficient allocation of resources within their sectors by understanding the needs and priorities of various stakeholders.

Status of Domain expertise within the Government (2024)

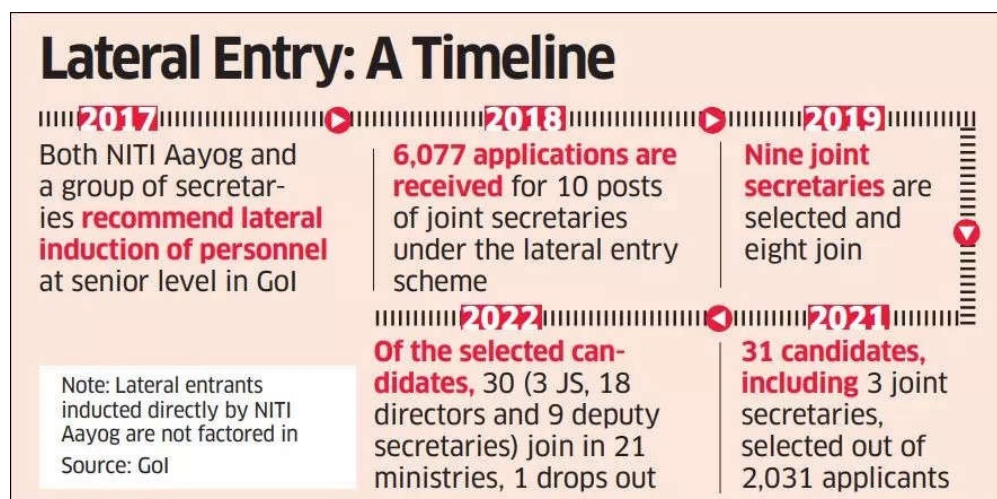
- **At secretary level** - In economics and finance-related ministries, secretaries' educational qualifications now *broadly align* with their ministerial roles.
- Of the six secretaries in the finance ministry, *four hold degrees in finance and economics*.
 - Finance secretary T.V. Somanathan, who also heads the department of expenditure, has a PhD in economics.
- **At Ministerial level** - It is for the *first time in almost three decades* that Finance Ministry is being headed by a minister who has an *educational background in economics*.
 - Nirmala Sitharaman, who has been the finance minister since 2019, has an MPhil in economics.
- A similar trend is visible in a few other ministries, too.
- **Educational background** - Broadly speaking, a majority of the IAS secretaries serving in the government of India have related education background.
- Of 63 analysed
 - 19 have a background in economics or finance
 - 17 are engineers
 - 12 have degrees in management, including MBA.
- Some of these are overlapping, for example, an engineering background as well as an MBA.
- There are at least *eight IAS secretaries who hold a PhD*, of whom six have done PhDs in economics.
- "Both in terms of your academic training, as well as spending more and more time in the same ministry, there is a focus on ensuring that officials know their domain areas very well."
- Concerns - The secretary-level data is too vague to indicate a significant shift.
- The educational background of joint secretary-level officers matters far more because they are the ones to actually implement policy.

The last time the country had a full-time finance minister with an educational

background in economics was in 1991-1996, when Manmohan Singh held the charge of the ministry.

What is lateral entry initiative in government jobs?

- **Background**- The need for specialization was initially recommended by the *first Administrative Reforms Commission* (ARC) as far back as in 1965.
- It was again recommended by the *Surinder Nath Committee and the Hota Committee* in 2003 and 2004, respectively.
- **Launch**- Lateral entry scheme was launched in **2018**.
- **Lateral entry appointment** - It is the appointment of private sector specialists in government departments who become part and parcel of the government system.
- **Aim**- It is aimed at bringing fresh talent and perspective into the government.
- **Recruitment**- They are made against the posts requiring domain specialisations either *from the private sector or from the state* government/ autonomous bodies/public sector undertakings etc.
- **Appointment**- It is done through the *Appointments Committee of the Cabinet (ACC)* headed by the Prime Minister.
- **Role**- Recruitments are made at the *level of joint secretary, director and deputy secretary*.
- **Current status** - At present, there are **33 such specialists**, including eight joint secretaries, 16 directors and nine deputy secretaries, working in key government departments.



What are the pros and cons of lateral entry?

| Aspect | Pros | Cons |
|----------------------|---|--|
| Expertise | Brings in domain-specific expertise from the private sector | Risk of <i>imbalance between generalists and specialists</i> |
| Policy making | Introduces fresh perspectives & innovative approaches | <i>Potential clash</i> with existing bureaucratic culture |
| Efficiency | Can enhance efficiency in government functioning | <i>Possible resistance</i> from career bureaucrats |

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|---------------------------------|---|--|
| Meritocracy | Promotes merit-based selection, <i>attracting top talent</i> | May <i>undermine the traditional UPSC selection process</i> |
| Flexibility | Allows for <i>flexibility in hiring</i> skilled professionals | Could lead to <i>short-term focus</i> rather than long-term planning |
| Accountability | Professionals from outside may bring a higher degree of accountability | Accountability mechanisms for lateral entrants might be less stringent |
| Resource Utilization | Better utilization of human resources by <i>integrating private sector skills</i> | Could lead to <i>issues in coordination</i> and integration with the existing system |
| Public Perception | Can improve public perception by demonstrating a commitment to modernization | Public skepticism regarding the fairness and transparency of the selection process |
| Training and Development | Injects experienced professionals who may need less training | Lateral entrants might lack understanding of government processes and protocols |

What lies ahead?

- **For Specialist** - Ensure the lateral entry candidates bring expertise not readily available within the existing system.
- Focus on *familiarizing lateral entrants with government protocols* and processes and ensure legal provisions support and protect the integration of lateral entrants.
- **For Generalists** - Promote *training and orientation* of generalists with specific domains.
- Foster a *culture of acceptance and collaboration* within government offices.

References

1. [The Print | Domain Expertise in Governance](#)
2. [The Economic Times | Lateral entry](#)
3. [The Secretariat | Challenges in Lateral entry](#)