

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)

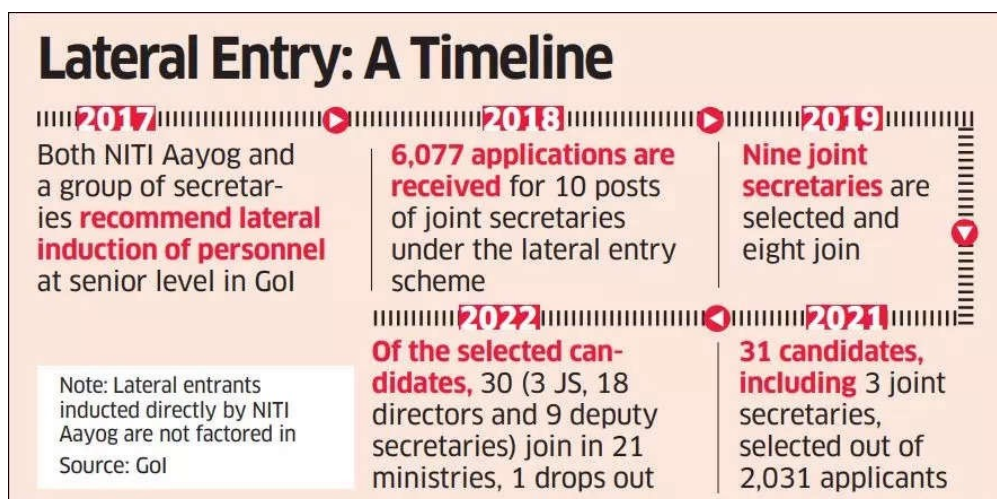
- **At secretary level** - In economics and finance-related ministries, secretaries' educational qualifications now *broadly align* with their ministerial roles.
- Of the six secretaries in the finance ministry, *four hold degrees in finance and economics*.
- Finance secretary T.V. Somanathan, who also 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 <u>imbalance between generalists and specialists</u>
Policy making	Introduces fresh perspectives & innovative approaches	<u>Potential clash</u> with existing bureaucratic culture
Efficiency	Can enhance efficiency in government functioning	<u>Possible resistance</u> from career bureaucrats

Meritocracy	Promotes merit-based selection, <i>attracting top talent</i>	May <i>undermine the traditional UPSC selection</i> process
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](#)