



**DEVELOPING SERVICE ORIENTED GOVERNMENT
AGENCIES: OBSERVATIONS ON THE DIVISIONAL
SECRETARIATS IN GALLE, SRI LANKA**

BY

MRS. DON KUSALANI DE SILVA

**A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF SCIENCE
SERVICE INNOVATION
COLLEGE OF INNOVATION
THAMMASAT UNIVERSITY
ACADEMIC YEAR 2015
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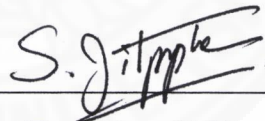
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IN GALLE, SRI LANKA

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the degree of Master of Science

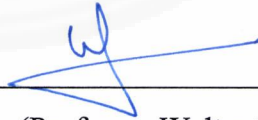
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Thesis Title	DEVELOPING SERVICE ORIENTED GOVERNMENT AGENCIES: OBSERVATIONS ON THE DIVISIONAL SECRETARIATS IN GALLE, SRI LANKA
Author	Mrs. Don Kusalani De Silva
Degree	Master of Science
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ABSTRACT

This paper aims to explore new concepts, new approaches and new methods to improve innovation and enhance service delivery methods to develop service oriented government agencies at the divisional level as well as to discover ways to accelerate the existing innovation and to seek opportunities to overcome challenges for new ways of doing things in a government agency at the divisional level. In order to accomplish the aforementioned objectives, the author observed Divisional Secretariats and conducted semi-structured in-depth interviews with all heads of all Divisional Secretaries in Galle district, Sri Lanka.

The basic concept of the research is the importance of innovation to a government agency at divisional level. The study shows that implementation of innovation has been catalyzed for a developing service oriented government agency. From this perspective, service innovation is the catalyst for maximizing customers' satisfaction. In the same way, the results of this research show that the most important factor for developing service oriented government agencies is the innovative and creative leadership of the organizations and optimum utilization of human resources, as well as application of

modern and advanced technology to sustain better public service delivery in an innovative way.

Keywords

Service Delivery, Innovation, Divisional Secretariat, Government Agency and Public Service



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CHAPTER 1

INTRODUCTION

1.1 Introduction

The service sector is a major contributor to the national incomes of developed and developing countries. Governments at all levels provide a significant number of services while at the same time regulating services provided by the private sector (Kayastha, 2011). Within the governmental sector “services are often highly tailored to customer needs” (Durst et al., 2014). “Highly productive public service delivery and high performing public organizations have become indispensable to any large or small territorial community striving for sustainable economic development and smart growth. Just like in the business world, success in public sectors is increasingly dependent on innovativeness and creativity and, thus, on public sector organizations’ transformative and innovative capability” (Anttiroiko et al., 2011, p.1). “Innovation in the public sector refers to significant improvements to public administration and/or services” (OECD, 2012, p.181). “At present many countries focus on how to encourage public sector innovation in order to increase the productivity of the public sector, the quality of public service delivery and the efficiency of service delivery due to growing policy interest and economic weight” (Arundel et al., 2015).

“Since the 1980s, a new philosophy or set of ideas known as new public management (NPM) has guided management in public administration” (Gonzalez et al., 2013, p.2024) to support organizational changes, reduce hierarchical structure, achieve targets, innovate within the organization and increase independence for senior management, as well as act as a solution to a lack of innovation in the public sector (Arundel, 2013). Modern governments need new public governance to implement public policies in various sectors of society and to deliver quality public services. “Innovation in public governance is a new mechanism or institutional arrangement which is successfully implemented to solve government problems or to gain better government outcomes. NPM has introduced innovation for the public sector to bring administration closer to the perspective of citizens” (Gonzalez et al., 2013). “The public sector is keen on innovation because of the endless need to improve productivity and effectiveness” (Anttiroiko et al., 2011, p.3). Therefore, governments have started to pursue innovations to overcome various domestic challenges such as

the need to improve responsiveness and citizen participation, reduce cost and provide high quality services (Alberti and Bertucci, 2006). Also, innovative public sector approaches are required to answer the new challenges of fiscal pressure and increasingly sophisticated public demand (OECD, 2012).

At present, countries all over the world are seeking ways to adopt public sector innovation, and each country tries to learn the lessons from the experiences of others. Some countries including the United States of America, United Kingdom, Denmark, France and Canada have initiated many innovation programs for public sector development (<https://innovation.govspace.gov.au/>, 2015). Moreover, many countries focus on public sector innovation to address current budgetary constraints and societal issues, to accomplish productivity, good governance, sustainable development and better public administration (OECD, 2015). Similarly, the development of new services through innovation is seen as an essential tool for sustainable organizational performance (Allen et al., 2015). Otherwise, organizations are unable to introduce innovation individually (Gonzalaz, 2013) because innovation is a process not an event. However, “innovation strategies can also be adopted in individual public sector organizations” (OECD, 2012, p.181). Therefore innovation can be applied to public sector organizations at local level to improve the quality of services and develop service oriented government agencies.

Some attempts at innovation in service delivery concentrate on carrying out the service closer to the customer by developing access conditions (OECD, 2012). The objective of measuring public sector innovation is to increase the capability of innovation, the outcomes for organizations, and how organizations innovate like the private sector (Arundel et al., 2015). “There is growing policy interest in how to measure and evaluate innovation in the public sector as part of a goal to improve the efficiency and quality of public sector services” (Arundel and Huber, 2013). “In addition, the current state of the field on the theory and practice of innovation offers the opportunity to suggest propositions for investigating how government policies impact two different types of innovation, namely incremental and radical innovations” (Patanakul and Pinto, 2014, p.97).

A small number of service organizations depend on research and development in accordance with their innovation activities, and researchers are interested in the existing body of empirical knowledge with respect to the impact of service innovation

(Durst et al., 2014). “An evaluation of differences in how agencies innovate depends on how innovation is defined” (Arundel et al., 2015). “The goal of many academic researches is to develop sufficient understanding of public sector innovation to produce a manual for measuring innovation in the public sector” (Arundel, 2013). Future research is required to understand how to support organizations to sustain innovation (OECD, 2015).

Given that the researcher has been involved in service delivery within the public sector for some time, the focus of the thesis will be on understanding what service innovation within the public sector entails. Since this is a relatively new area of inquiry, especially within emerging economies, the challenge will be to apply what has been learnt in other jurisdictions to a developing economy context. The research focuses on how to develop innovation within government agencies with the objective of maximizing customer satisfaction, reducing cost and saving money.

1.2 Rationale of the research

In the past few years, the government of Sri Lanka has been promoting innovation in the public sector, to increase the effectiveness and efficiency of government organizations and generate appropriate solutions, in innovative ways, to the overarching problems of the local community. The Divisional Secretariats of the entire country have been striving to find new ways of doing things, to deliver effective and efficient services to the citizens in recent years, faced with numerous challenges and obstacles.

The creation of the Chief Innovation Officer function and the development of Chief Innovation Officer staff have been pioneered by the Information Communication Technology Agency on behalf of the government (www.icta.gov.lk, 2015). Additionally, the National Productivity Award competition was introduced to honour the most productive organizations (Hettiarachchi, 2009). It is organized annually to diffuse and enhance innovation and creativity among not only governmental organizations but also private sector organizations (www.productivity.lk, 2015).

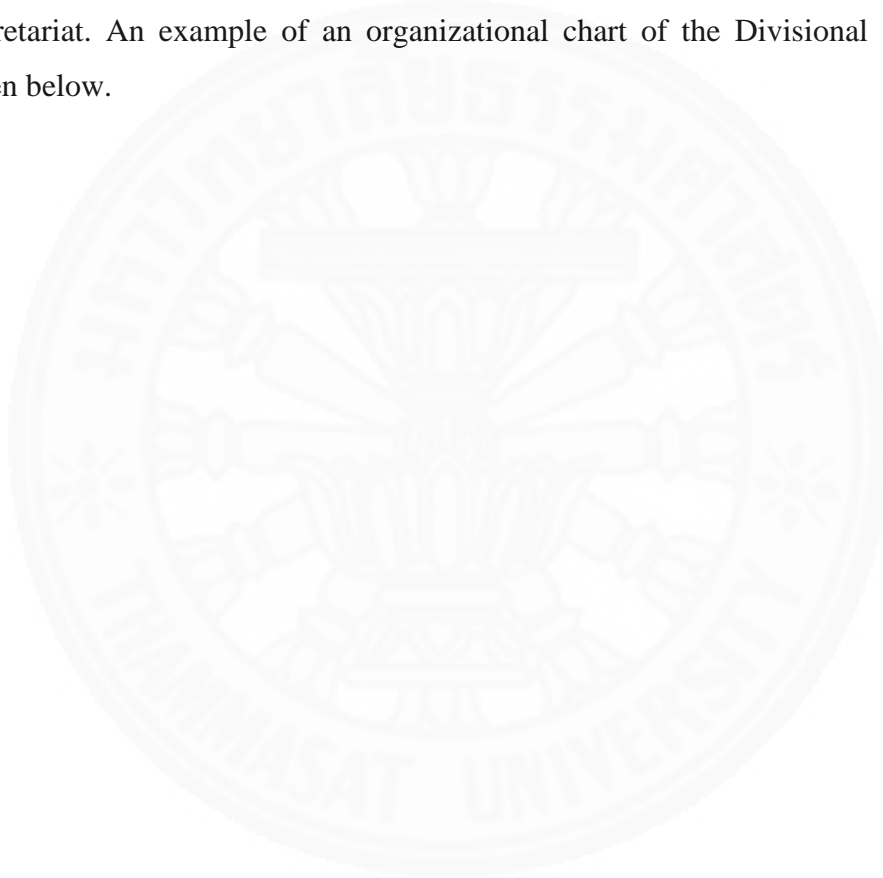
1.3 Divisional Secretariats in Sri Lanka

In 1939, the Divisional Revenue Officer (DRO) headed the Divisional Revenue Office, which was introduced by the British colonial government to strengthen the regional administration and collect revenue from the people. Later, the DRO was converted to the Assistant Government Agent (AGA) and DRO divisions became AGA divisions. The Divisional Secretary, the Divisional Secretariat, and the divisions are the evolution of the divisional administration at present.

The administrative structure of Sri Lanka consists basically of a central government and provincial councils. The policies, rules and regulations made by the central government or provincial council are implemented by the Divisional Secretary at divisional level and he or she is responsible to the central government and the respective provincial council. Additionally, the Divisional Secretary has to coordinate with the central government and the respective provincial council to enhance the living conditions of people in the region. Both administrative bodies provide financial allocations to the Divisional Secretariat in order to function and fulfil customers' requirements. There are 313 Divisional Secretariats and 18 Assistant Government Agent offices in Sri Lanka (www.pubad.gov.lk, 2015). All Divisional Secretariats belong to 25 administrative districts and 9 provincial councils. A Divisional Secretariat connects with the relevant district secretariat, provincial councils and central government.

The Divisional Secretary is empowered by the Transfer of Powers to Divisional Secretary Act 58 of 1992. Similarly, more than a hundred acts and ordinances authorize the Divisional Secretary to implement his or her duties and responsibilities. The Divisional Secretariat can be described as the most important administrative unit in Sri Lanka because it is the bridge between central government and grass-roots community. It is the main body of public service delivery to the community. The Divisional Secretary is the senior administrative officer of the division, enjoying the power and status of being in charge of the division (Slater, 1997). The division is administrated by the Divisional Secretary or an assistant government agent under the supervision of the Secretary of the Ministry of Home Affairs and the District Secretary. All decisions are finalized by the Divisional Secretary as the head of the department. Discussing with the community on behalf of the Divisional Secretariat are secondary level managers such as the Assistant

Divisional Secretary, Accountant, and Assistant Director (Planning), all of whom assist the head of the organization to fulfil customers' requirements. In addition, development officers are attached to the Divisional Secretary by most of the ministries, and the provincial council, to implement their subject matters at divisional level. Development officers and Grama Niladharies coordinate field activities with public management assistants and staff officers to achieve organizational objectives. Public management assistants carry out all clerical activities to support their superiors. It is important to be aware of the organizational structure of the Divisional Secretariat in order to understand the service delivery process and scope of the Divisional Secretariat. An example of an organizational chart of the Divisional Secretariat is given below.



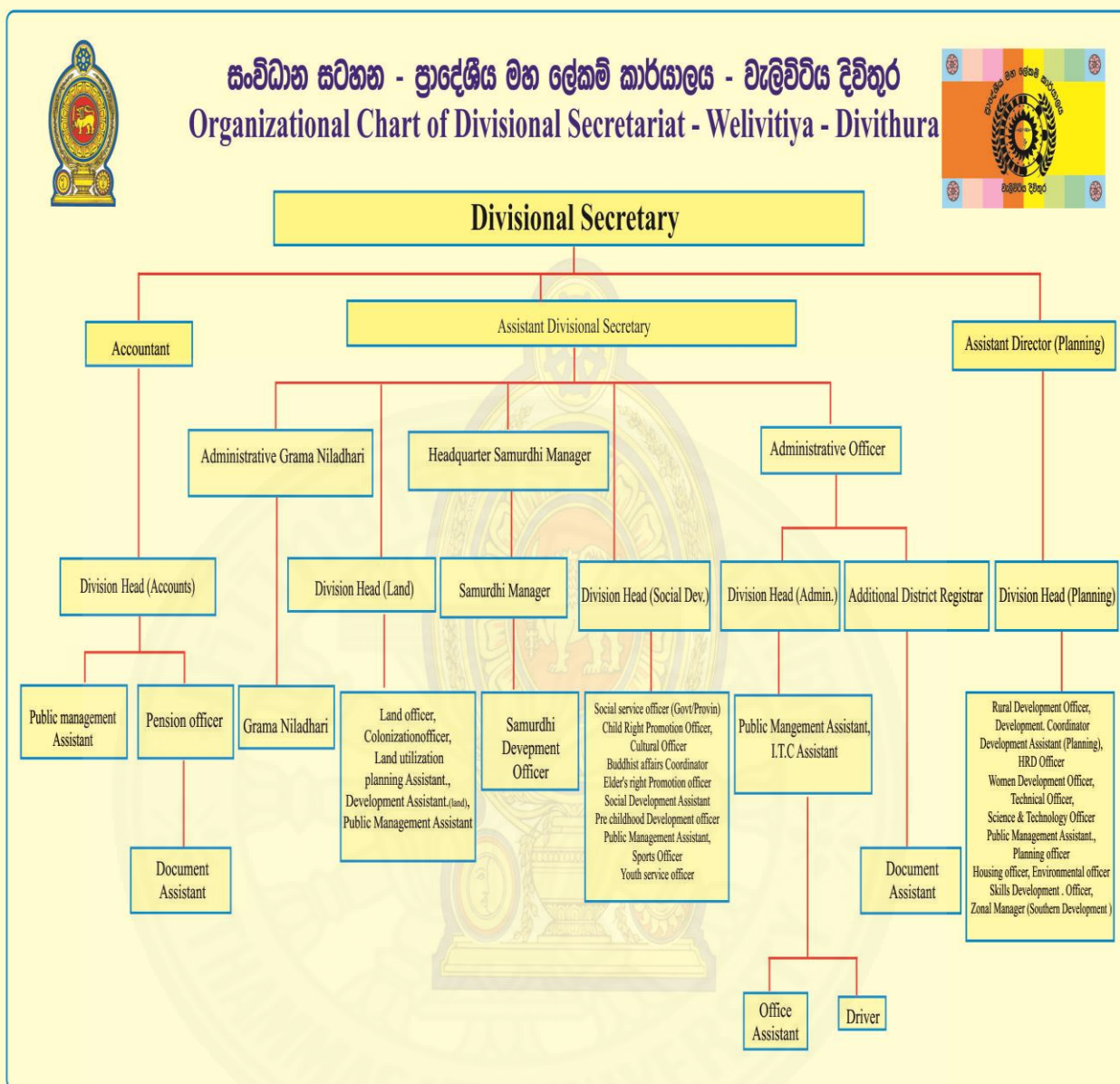


Figure 1.1 An organizational structure of a Divisional Secretariat
 Source: Field survey, 2016

The Early Innovation Office tends to unify all office activities under one broad mission (Black and Burstein, 2014). According to this concept, the Ministry of Home Affairs has provided a common mission for all Divisional Secretariats in the country.

The Mission of the Divisional Secretariat

“To provide services based on state policies, co-ordinate resources and promote public life-style through an efficient, well planned sustainable and participatory development process.”

However, most of the Divisional Secretariats have changed their missions in innovative ways without violating the concept of the ministry (www.ds.gov.lk, 2015) and try to perform according to the mission.

The scope of the Divisional Secretariat covers not only administration but also sustainable development. Some services of the Divisional Secretariat depend on geographical diversity and cultural differences. Basically, they provide every service from birth to death for citizens in the area. According to Public Administration Circular number 21/92, a Divisional Secretariat has to deliver numerous services to the people, however, the major duties and responsibilities of the Divisional Secretariat can be divided into five parts: 1. administrative activities, 2. development activities, 3. crown land management activities, 4. social security activities, and 5. poverty eradication activities.

The administrative activities consist of the authentication of people's identities, which is very basic requirement of citizens, civil registration (births, marriages and deaths), issuance of certified copies to customers, verification of those documents where necessary, issuance of licenses for using vehicles, selling foreign or local liquor, initiating a business and certificating the income of a person. The Divisional Secretary provides permits, with careful consideration, for some activities which affect the environment, such as prohibited tree cutting, timber transportation, sand mining and rock mining. The Divisional Secretary is responsible for implementing and managing the Pensioner's Act at divisional level and coordinating activities to issue national identity cards and passports.

The government expects the Divisional Secretary to plan, coordinate and monitor the development agenda within the division by coordinating the relevant agencies and people (www.books.google.com.au, 2015). Thus the development of infrastructure facilities in the division must be carried out by the Divisional Secretary. The Divisional Secretary is also accountable for making estimates, supervising projects and obtaining qualitative outcomes.

The Divisional Secretary manages crown land in the area. He must implement land development ordinance, crown land ordinance and land recovery act. In addition,

he is responsible for acquiring private land for common purposes under the Provision of Land Acquisition Act. The most sensitive subject for the Divisional Secretary is managing land, because the population is rapidly increasing and crown land is very limited in the country.

Interestingly, the Divisional Secretary handles social security programs which are public assistance for vulnerable people, aid for low income elders and aid for differently-abled people. The Divisional Secretariat also conducts disaster preparedness programs, disaster relief programs and rehabilitation programs in the region. Additionally, it coordinates all religious schools, cultural centres and indigenous medical centres. The most important social security activity is the prisoner's welfare program.

The Divisional Secretary should coordinate the government, social organizations, religious leaders, donors and the community as partners to reduce poverty (www.books.google.com.au, 2015).

“Our strategy therefore would be to strengthen the Divisional Secretariats as the coordination centre for overall administration relating to poverty reduction programs”

Dr. Sarath Amunugama, Minister of Finance and Planning, budget speech 2005

As a result, the Divisional Secretary has to take actions necessary to eradicate poverty and to conduct livelihood development programs in the division, and should empower poor people to enhance their lifestyle.

The Divisional Coordinating Committee is the platform where government officials discuss all subject matter related to the division with political authority at the divisional level. This committee was established in 1954 to facilitate the decentralized administrative system in order to implement central government functions (Uduporuwa, 2007). Officially, the Divisional Secretary is the secretary of the committee which is chaired by a member of parliament who belongs to the government party and lives in the district. All heads of government organizations in the Divisional Secretariat area are members of the committee. Development progress, problems and all matters related to the inhabitants of the Division are discussed and

necessary actions taken, at this committee meeting. Before finalizing all decisions, the chairman and the secretary always discuss matters, to obtain optimum solutions.

“Local governments are more apt to innovate than state and federal governments because of their capacity to make decisions quickly and decisively” (Gonzalez et al., p.2028). The Divisional Secretariat is very close to the general public in the country it is the local level administrative unit in Sri Lanka. As a result, it must be developed as a service oriented organization to create wellbeing in society.

1.4 Statement of the problem

All strata of government organizations in Sri Lanka have been striving to provide effective, efficient and high quality services to the nation for enhancing their lifestyle and developing the entire country (Slater, 1997; www.colombotelegraph.com, 2015). The government has tried to establish e-governance, productivity and innovation by creating new organizations, for example the Information Communication and Technology Agency (www.icta.gov.lk, 2015), the National Productivity Secretariat (www.productivity.lk, 2015) and the Coordinating Secretariat for Science, Technology and Innovation (www.costi.gov.lk, 2015). On the other hand, Sri Lanka ranks 85th out of 141 countries in the Global Innovation Index, as of 2015, with an efficiency ratio of 0.76. This situation is a very poor compared to other countries when it comes to applying innovation to the development process (Dutta et al., 2015).

The government is committed to deploying innovation and embedding modern technology into the public sector (www.presidentsoffice.gov.lk, 2013). The proper administrative system is available in the country (Kruse, 2007) and the mechanism to develop the country can be seen at present, with 6.31% of the population serving the country as public servants (www.treasury.gov.lk, 2012). However, the rural population of Sri Lanka is 16,857,935 (<http://data.worldbank.org>, 2015) almost 83% of the total population. There are 1,479,811 families who live under the poverty line and are included in the Divineguma Subsidiary Program (www.cbsl.gov.lk, 2015). In addition, GDP per capita is 3625US\$ (Annual Report, 2014) which is very low compared to other developing countries. Most government officials still depend on bureaucratic and extremely traditional service methods. They don't concentrate on

either innovation or creativity and have no willingness to change. As a result, most people in the country are not satisfied with public service delivery methods or public services (www.lankaweb.com, 2012). Citizens have negative perceptions of government organizations (www.gic.gov.lk, 2011). Some people, disappointed with public services, make complaints to the ministry to try to get solutions (www.ceylontoday.lk, 2014). The country is still developing and not developed at this moment (www.imf.org, 2015).

1.5 Research Questions

Related to the research title, the following major research question and sub questions are obtained. The central research question to lead the study is:

- What are the strategies for developing service oriented government agencies?
The study seeks to answer the following sub questions which are more specific than the major question.
- Which new methods, new approaches and new concepts have been developed to create service oriented government agencies?
- How have challenges been overcome to develop a service oriented government agencies?
- What ways have been explored to accelerate the existing innovation at Divisional Secretariats?

1.6 Objectives of the Research

An innovative public sector office focuses on its customers, better defines customers' needs, better targets customers' demands (www.oecd.org, 2012) and tries to improve service quality, effectiveness and efficiency to maximize customer satisfaction. It helps to enhance financial and human resources utilization in every organization. This research will support improvement, innovation and creativity at the office.

The general objective of the research is:

To identify innovation factors at the Divisional Secretariat to develop service delivery processes to maximize customer satisfaction.

The specific objectives of the study are:

1. To explore new concepts, new approaches and new methods to improve innovation and enhance service delivery methods.
2. To discover opportunities to overcome challenges to develop a service oriented government agencies.
3. To explore ways to accelerate the existing innovation at the office.

1.7 Significance of the Study

The significance of the research is as follows:

1. The information used to encourage innovation comes from various sources, including related organizations (OECD, 2015). Consultants, professional associations and related government and non-governmental sources provide relevant information to improve innovation (Arundel, Casali and Hollanders, 2015). The innovative activities of an organization partly depend on its links to sources of information, and each link connects innovative organizations to other actors in the innovation system; policy departments, government laboratories, regulators, suppliers and customers (OECD, 2005).

The general public receives services from birth to death from the Divisional Secretariat which acts as a bridge between central government and the community. The Divisional Secretariat coordinates all government institutions in the area including the respective provincial council, all line ministries and private sector organizations, and maintains strong and close relationships with them. Therefore, the Divisional Secretariat can directly and indirectly influence those organizations. Consequently, other connected organizations may spontaneously embrace innovation when the Divisional Secretariat applies the recommendations of the research to the system.

2. Applying the recommendations of the research to Divisional Secretariats will help them provide highly effective, efficient and quality services to customers, eliminating traditional thinking patterns.

3. This research will be useful for innovation in all governmental organizations in Sri Lanka and it will help to make new policies and regulations about service innovation for either governmental organizations or private sector institutions.

4. It may support future research about service innovation in not only the public sector but also the private sector.

1.8 Scope of the research

This research will focus only on 19 of the 331 Divisional Secretariats in Sri Lanka. Galle district has 19 Divisional Secretariats and all are included in the research sample.

The reasons for selecting Galle district as the research area are;

1. There is a secondary population centre in Galle district that represents 5.2% of the entire population, including all ethnic and religious groups and a variety of occupational groups (www.statistics.gov.lk, 2015), therefore different types of people receive services from Divisional Secretariats in Galle district. Geographically, up country and coastal areas are included in the district. The district is the most flood-prone district in Sri Lanka and is vulnerable to landslides, tsunamis and cyclones (Zubair et al. 2006). The duties and responsibilities of the Divisional Secretariats sometimes deviate from each other. As a result, Divisional Secretariats in Galle district represent every type of service provided by Divisional Secretariats.

2. The Divisional Secretariats of Galle district are trying to find new ways of doing things and sharing their experience of new methods, new approaches and new knowledge at monthly Divisional Secretaries' conferences. These conferences are chaired by the District Secretary and held at one of the Divisional Secretariats each month on a rotating basis.

3. There are 16 Divisional Secretariats in Galle district that have been certified by ISO9001:2008 certification and the number awarded secretariats at the National Productivity Awards competition has been increasing annually.

Table 1.1 Participation of Divisional Secretariats in Galle district in the National Productivity Competition

Year	Number awarded DS of the country	Number awarded DS in Galle district	Percentage
2008	38	6	31.57%
2009	102	16	84.21%
2010-2011	103	16	84.21%
2012-2013	133	15	78.94%
2014	150	14	73.68%

Source: National Productivity Secretariat – Sri Lanka

1.9 Limitations of the research

Some limitations predicted of the research are:

1. A Divisional Secretariat has five basic components of services, administration, development, social services, land management and poverty eradication. However only two components are selected for the study due to the time limitation. There are administration and social services.

2. The research focuses only one services provided by the Divisional Secretariat. The study does not consider services provided by other governmental institution at the divisional level such as local governance authorities and MOH.

3. It is rare to find written documents regarding the performance of Divisional Secretariats; hence it is very difficult to use written evidence to support what the researcher writes. A descriptive explanation of the Divisional Secretariat has been depicted by the researcher.

1.10 Conclusion

This chapter explains the general effect of innovation in public sector organizations, the administrative structure in Sri Lanka and the role and function of Divisional Secretariats for development of the country. A Divisional Secretariat has a monopoly over essential services for the general public; therefore the existing innovation at Divisional Secretariats should be intensified to provide effective and

efficient services to the citizens of Sri Lanka. The basic consideration is how to maximize customer satisfaction at Divisional Secretariats.

This chapter gives the introduction to the research, the research problem, research questions, research objectives, the scope of the research and the significance of the study.



CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter concentrates on revealing the theoretical background of the study by paying attention to various features which affect the innovation factors of Divisional Secretariats in Sri Lanka. Many books, academic journals, articles, websites, policy statements, bulletins, newsletters and control reports exist about public service delivery and innovation. The literature review will scrutinize the innovation factors that help to develop effectiveness and efficiency of services of a Divisional Secretariat to increase customer satisfaction. People need public services, and depend on them being delivered well. They interact with the state through their public services (www.opengovguide.com, 2013). Therefore public officials should focus on how to deliver their services so as to increase the wellbeing of society through innovating in the service process.

Having a full understanding of the types of innovation contributes to how innovation occurs, how to find the source of the ideas for innovation, how to promote innovation and how to overcome barriers to innovation in the public sector. Therefore much research tries to develop sufficient understanding of public sector innovation to create a manual for measuring innovation (Arundel and Huber, 2013).

2.2 What is innovation?

Innovation is a continuous process (OECD, 2005), not a single event, and needs to be managed as such (Bessant and Tidd, 2009). Innovation, which is driven by the ability to spot opportunities, to see connections and to take advantage, is the most important feature associated with success (Bessant and Tidd, 2008). It is related to creativity and new ideas. When new ideas are implemented, that is called innovation. The ideas for innovation are generated from multiple sources (Arundel and Huber, 2013). The phase of generating creative ideas and thinking outside the box are effectively combined in innovation with a structured and rational screening and implementation process, to bring successful and improved results (Bruce and Birchall, 2009). Innovation should be managed to survive and grow; the steps of the managing process are generating new ideas, selecting the good ones and implementing them

with strategic leadership, direction and deployment, to create an innovative organization (Bessant and Tidd, 2009).

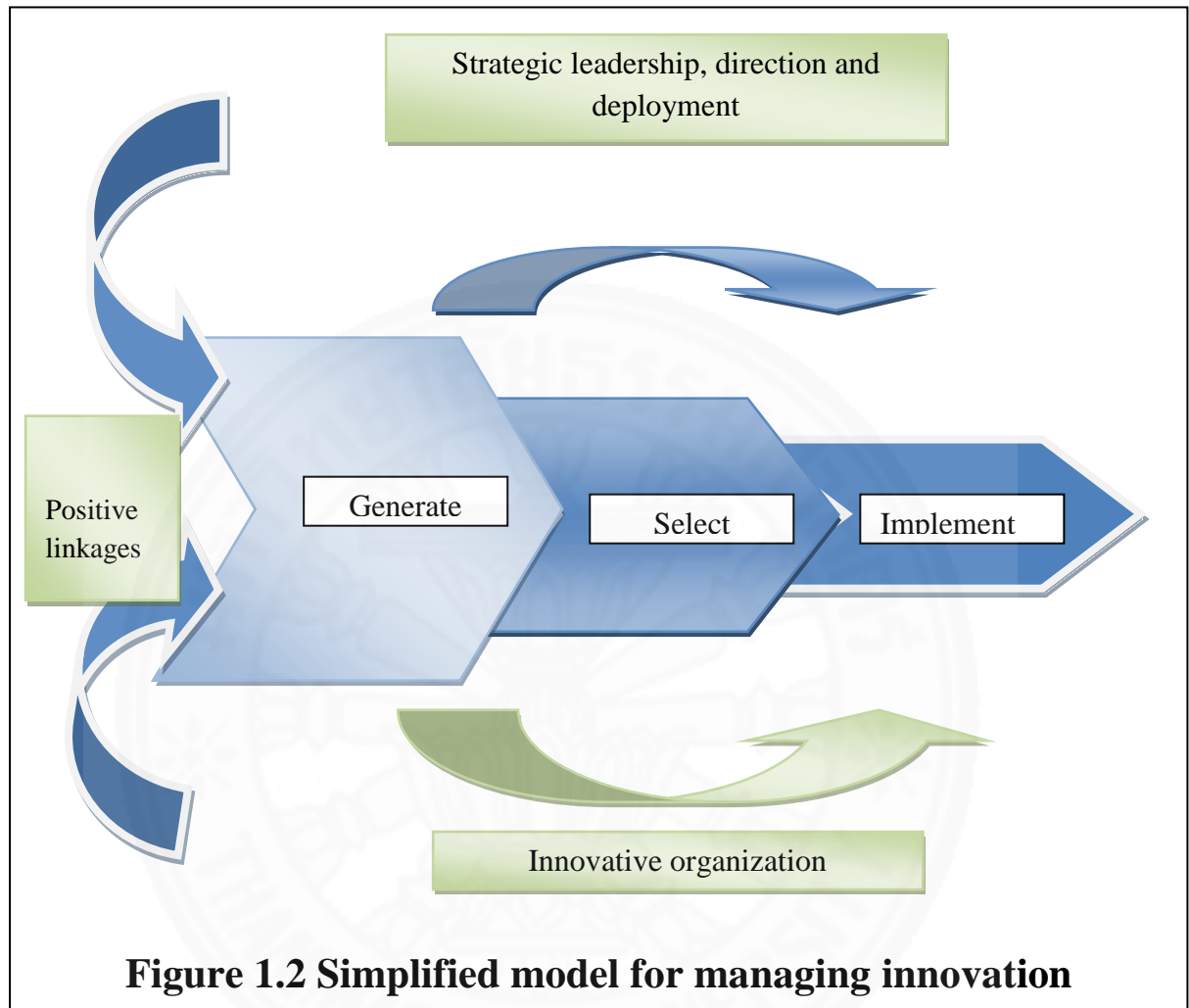


Figure 2.1 Simplified model for managing innovation

Source -: Bessant and Tidd, 2009

There are three contributors to innovation, the willingness to change, the capacity to change and the opportunity to the change (Patanakul and Pinto, 2014). These are the basis of an innovative culture in governmental organizations.

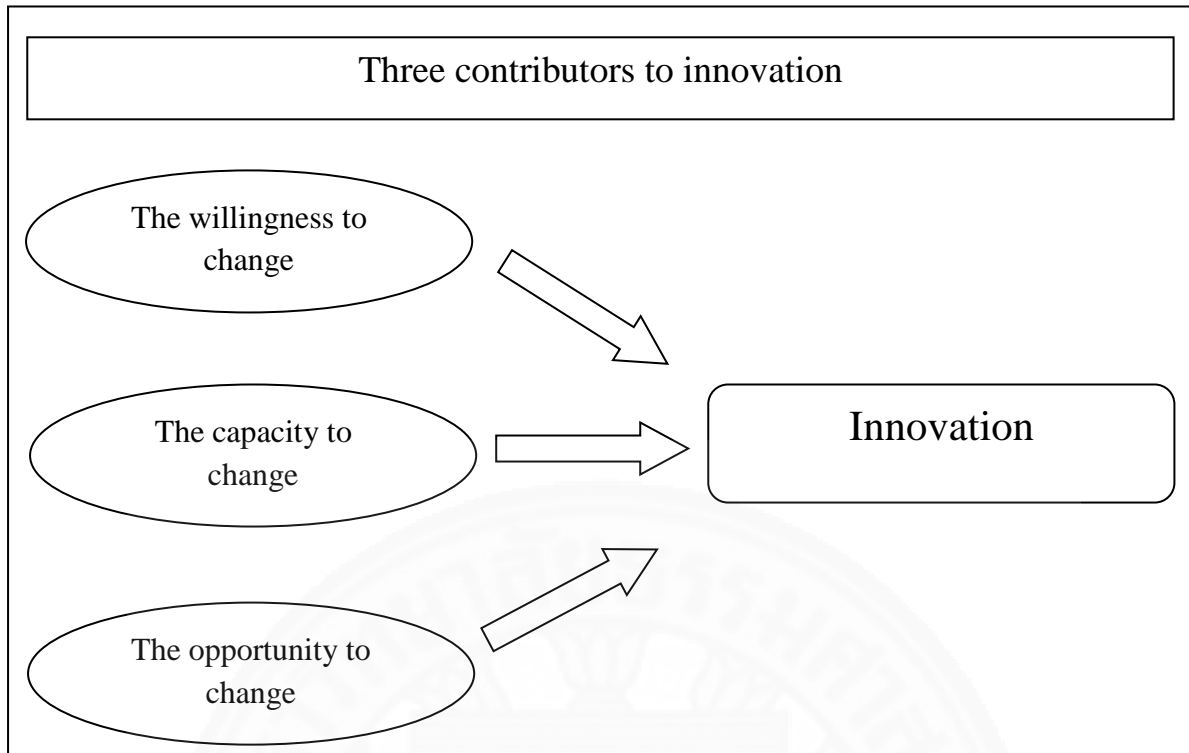


Figure 2.2 Contributors to innovation

Source -: Patanakul and Pinto, 2014

In addition, there are four dimensions of change in innovation, called the 4Ps of innovation: product innovation, process innovation, position innovation and paradigm innovation (Bessant and Tidd, 2008). Process innovation and position innovation usually have a very important role in the public sector. On the other hand, the most frequently evaluated innovation types in the public sector are service innovation and process innovation (Arundel and Huber, 2013). Strategic innovation is defined as changes to an organization's activities, for instance, building new capabilities within the organization or outsourcing services and processes (Hughes et al., 2011).

According to the Oslo Manual, four types of innovations are defined that encompass a wide range of changes in organizational activities; product innovation (this involves significant changes in the capacities of services), process innovation (this refers to significant changes in delivery methods), organizational innovation (this represents the implementation of new organizational methods and can change the organizational external relations) and marketing innovation (OECD, 2005).

Innovation can be incremental or it can occur as radical, disruptive or breakthrough innovation (APO, 2009). Radical innovation is about making major changes in something established and radical innovation can be viewed at a technological level. Incremental innovation consists of smaller endeavours, making smaller changes which organizations have to undertake to achieve the improvements necessary to survive (O'Sullivan and Dooley, 2009).

Innovation is crucial to successful performance results in organizations (Uslu, 2015). If it fulfils customer needs, customers are more likely to adopt it (O'Sullivan and Dooley, 2009). "Innovation can be defined at different levels and from different perspectives within its complex dynamics" (Etzkowitz and Leydesdorff, 2000, p.113). Management should ensure that innovation generates a shared value (Hartmann, 2006) and should be shared across governmental organizations to inspire each other with a better understanding of the innovation factors, in order to enable the country to modify ideas to make service oriented organizations (OECD, 2015).

Sri Lanka had been suffering from civil war for more than thirty years, which badly affects all sections of the country including the economy, development process, lifestyles of the citizens, poverty, infrastructure, and livelihood development. At present, the Sri Lankan government has been seeking new ways of doing things, to develop the wellbeing of society.

2.3 Innovation in the public sector

The public sector can be defined as the general government sector at local, regional and national levels, plus the central bank and all public corporations (OECD, 2012), thus the public sector should bear a considerable percentage of GDP (Arundel and Huber, 2013).

"Innovation in public governance represents newness" (Anttiroiko et al., 2011, p.4) and it has a very important role to deliver effective and efficient public services in new ways (Black and Burstein, 2014) to the community in any country. Research into innovation has focused on innovation in the industrial sector for many years, whereas innovation in the public sector has received less attention (Kinder, 2002). At present, innovation in the public sector, and research about it, can be seen as supporting the adoption of new public management, which causes major organizational changes to the perceived lack of innovation in the public sector (Arundel and Huber, 2013).

Innovation in the public sector connects with crucial improvements in public administration and public services. Public sector innovation can be described as the implementation of new improved processes and products in public sector organizations (www.keepeek.com, 2012). Innovation cannot be introduced to organizations in isolation (Gonzalez et al., 2013) as it comprises new technical ideas and new administrative ideas (Van de Ven, 1986). New technologies, new products and new services belong to technical innovation and new procedures, new policies and organizational reforms belong to administrative innovation (Patanakul and Pinto, 2014). Both technical and administrative innovation should be sought, to create innovation in the public sector. The three contributors to innovation are important to change organizational technology and culture. The willingness to change can be defined as the organizational attitude to change and its knowledge about what changes are possible. The capacity to change is determined by the organizational capabilities to change. The opportunity to change refers to the technology gap between the technology used in the organization and the technology adapted to the organization or available for adaption (Ashford, 2000).

Public sector innovation is new ideas that create value for society (Bason, 2010). New methods and approaches to delivering in the public sector embrace new models of customer engagement, accountability and public responsibility, however activity in accessing new ideas is of low priority in local government (Hughes et al., 2011). Innovative organizations are likely to have the organizational capacity and aptitude to perceive opportunities for pursuing innovative activities (Miller & Friesen, 1984). Likewise, the modification and adaptation of ideas which are developed elsewhere is common practice in innovation in the public sector (Arduini et al., 2010).

Most governmental organizations all over the world have introduced a CIO (Chief Innovative Officer) to convert their office to innovation offices, for example, the Chief Innovation Officer at the Department of Labour in the USA, the Governor's Innovation Office of the Commonwealth of Pennsylvania, and the Colorado Innovation Network (Black and Burstein, 2014).

In the past few years, public administrations have increasingly accepted that governments don't hold a monopoly on the delivery of public services; consequently, public private partnership has been introduced to the public service delivery system to achieve success with innovation (OECD, 2015). A lack of productivity in public

organizations or public service delivery is the innovation gap that should be filled by the commitment and creativity of the human resources in the public sector. The most important point is that the well defined need of the customer is one success factor of the collaborative approach to public sector innovation (Szkuta et al., 2014).

2.3.1 The framework for public sector innovation.

“The framework where innovation in the public sector can arise and be successful needs three factors: credible leadership, the need for a managerial team and the collaboration of the local government representatives” (Gonzalez et al., 2013, p.2026).

NESTA introduced a “Framework of innovation in public sector organizations” in 2011.

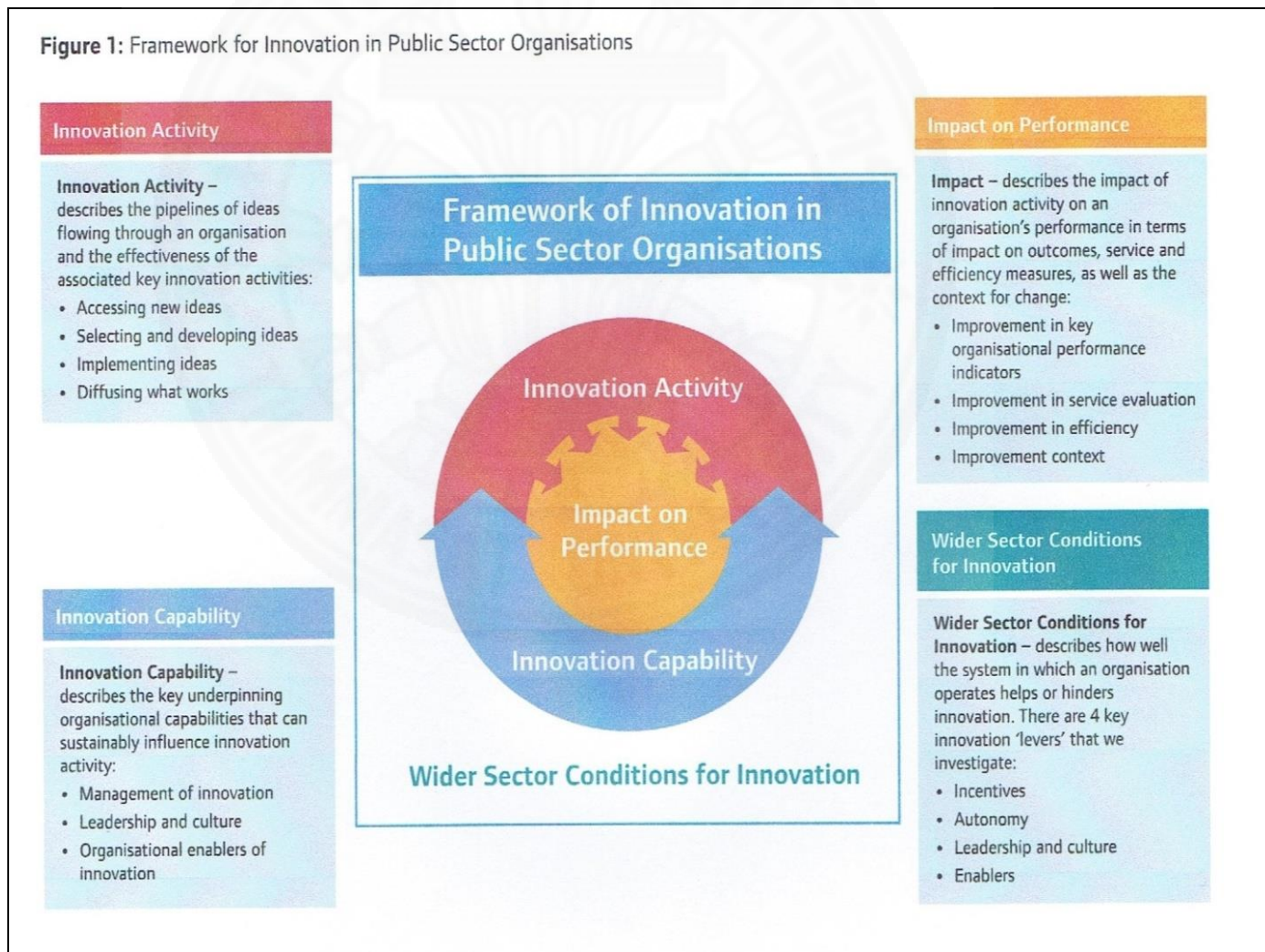


Figure 2.3 Framework for innovation in public sector organizations

Source -: Hughes, Moore and Kataria, 2011

According to this innovation framework, the administrators and policy makers easily understand the way to improve innovation capabilities and which factors should be stimulated to create an innovative public sector (Hughes et al, 2011). However, this framework does not consider individual capabilities or employees' willingness to change.

The OECD (Organization for Economic Co-operation and Development) has presented various innovation frameworks for the public sector.

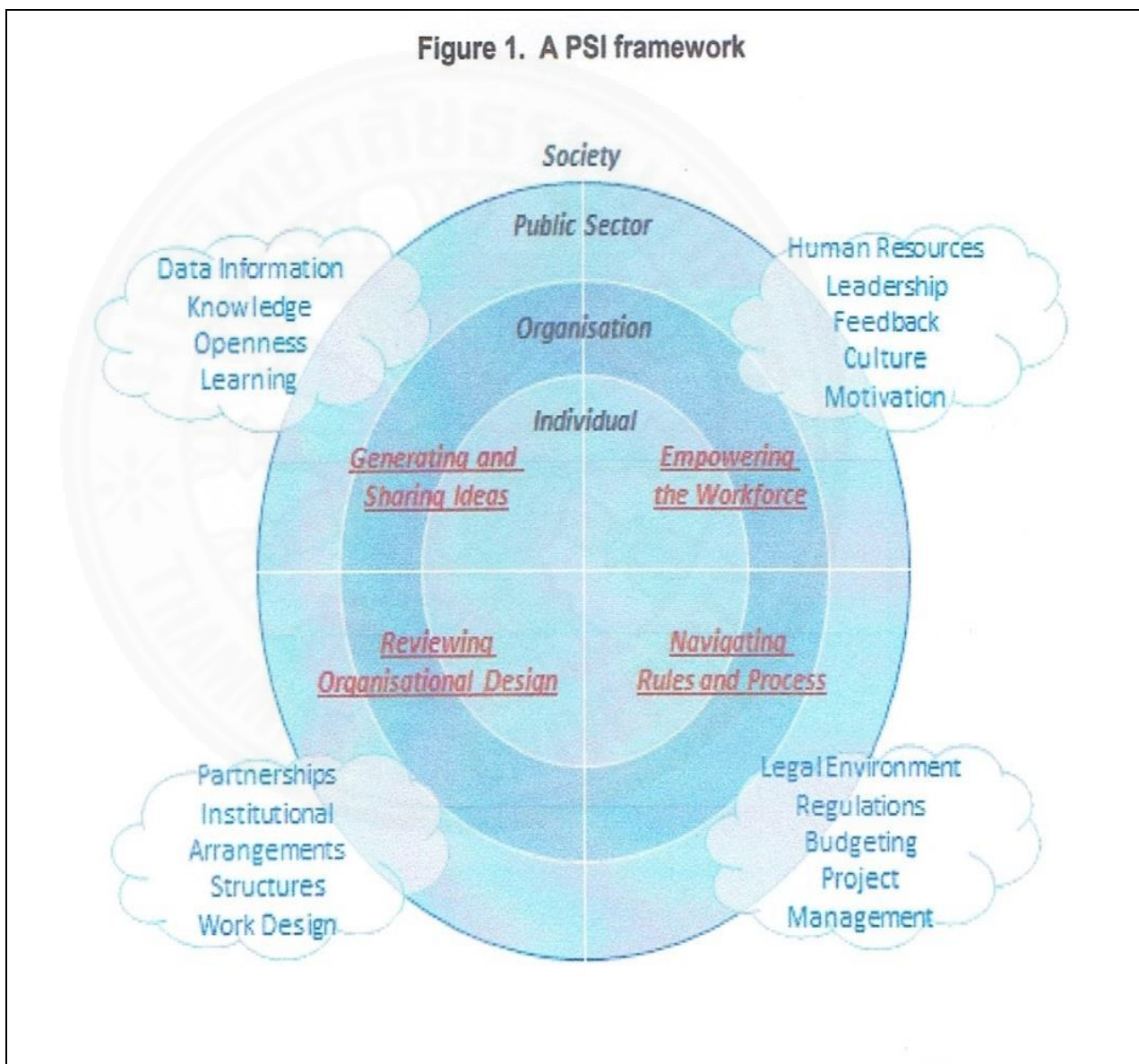


Figure 2.4 Public sector innovation framework

Source -: Daglio, Gerson and Kitchen, 2015

In accordance with this framework, the steps to implementing innovation for society can be clearly understood. It focuses on how the entire society can innovate

through individuals, organizations, and the public sector. The individual is the most important point for establishing innovation culture not only in the public sector but also in society. Similarly, this framework describes the connections between gathering and sharing ideas, reviewing organizational design, empowering the workforce and navigating rules and regulations (Daglio et al., 2015). The framework considers important dimensions and the connections between them. On the other hand, it is not concerned about barriers, challenges or obstacles to innovation in the public sector.

2.3.2 Innovation with the government policies

Updating rules and regulations is particularly important to strengthen government, and obtain new concepts, new ways and new approaches (OECD, 2015). Effective public policies have long been identified as a precondition for success in a competitive global arena, and well functioning public governance makes service delivery highly productive, regulatory frameworks highly responsive and public policy programs high performing. As a result, success in the public sector is increasingly dependent on innovativeness and creativity (Anttiroiko et al., 2011). In addition, innovation policy acts as a lever for promoting best practice for organizations to accomplish organizational success (Patanakul and Pinto, 2014). Many policies for supporting innovation would benefit from the identification of the main forces which drive organizations' innovation activity (OECD, 2005).

On the other hand, the impacts of regulations are barriers to innovation in local government (Hughes, Moore and Kataria, 2011) and the influence of regulations and policies on innovation is complex (Ashford, 2000). However, any government has to maintain a portfolio of innovation policies. These policies make organizational targets to enhance technological changes, support the development and improvement of technical capacity in the organization, stress developing and improving infrastructure capabilities, promote a quality workforce and create a customer friendly workplace.

2.3.3 Processes innovation in the public sector

Process can be defined as an interrelated set of activities designed to convert inputs into specified outcomes for customers, and process innovation can be described

as the introduction of new and improved methods for delivery of outcomes which add value to the organization (O'Sullivan and Dooley, 2009).

New managerial processes have been encouraged, to enhance innovation by introducing new governance structures in developed countries, from the 1980s (Hartley et al., 2013). The governance network method for public sector innovation makes experts of managers, front-line staff and users (Sorensen and Torfing, 2012), to reduce customers waiting time and improve service quality.

Managers can implement strategies to encourage in-house innovative capabilities under some contextual and governance conditions (Boyne et al., 2005). By empowering new public management strategies, a top-down approach was converted to a bottom-up approach, and consequently, front-line staff and middle management played an initiator role in innovation (Arundel and Huber, 2013).

Innovation processes differ from organizational structures and institutional factors, and some firms are characterized by rapid change and radical innovation; others by small incremental changes (OECD, 2005).

High commitment work systems are a new phenomenon that creates employee commitment including employee participation in the decision making process, internal promotion, training, team rewards and job security (Chang et al., 2014). Innovation teams are groups of people that share common goals and collectively engage in actions to represent the organization and sustain innovation (O'Sullivan and Dooley, 2009).

2.3.4 Innovation with financial resources in the public sector

Public sector organizations fundamentally rely on a source of state funds (Gonzalez et al., 2013, p.2025). Ministries and other governmental organizations' budgeting may vary in terms of human resources management and performance management and differ from one jurisdiction to the next. Budgeting rules may impact an organization's ability to innovate (OECD, 2015).

Financial allocation is very limited for governmental organizations in most countries. Therefore public servants are responsible for saving resources, minimizing wastage and reducing costs. Cost reduction is the most important point for managing financial resources. In recent years, many organizations have applied various innovative concepts to reducing costs such as 3R, 7R etc.

Partnership with several parties including suppliers, customers, employees and the private sector can reduce the cost of the organization and be mutually beneficial by maintaining continuous partnerships (Goetsch and Davis, 2010).

2. 3.5 Innovation with human resources in the public sector

“Human Resource Management (HRM) policies are one set of organizational levers that affect the behaviour of professional public servants. It could be hypothesized that HRM policies have an impact on the innovative capacity of an organization” (OECD, 2015).

The human resources in an organization are essential to generating and developing innovative actions (O’Sullivan and Dooley, 2009). A set of regulations and policies have been established by many governments to provide a national framework for human resource development and innovation (Cook, 2013). Also, an innovative culture has a positive impact on employees and good approaches to innovation in the system increase the importance of employees in the organization (Uslu, 2015). Innovation cannot be led by a single person; it requires a group of people who collaborate with each other as a team (Gonzalez et al., 2013, p.2025).

The role of human resources in innovation is important at both the organizational and aggregate level (OECD, 2005). The diffusion of innovation based human resources accelerates with the emergence of new knowledge, skills and the expansion of value additions; correspondingly, producing innovation. During the last few years, human resources have become invaluable for development. Moreover, the precondition for management success lies in recognizing the importance of human resources to public sector innovation (Bircan and Gencler, 2015). The competencies of employees originate from learning processes associated with the use of technology and interaction with external parties (Arduini et al., 2010).

Human resource development and innovation are significant for political, economic, technological, socio-cultural and environmental development (Cooke, 2013). The skills, mind sets and leadership at all levels of an organization are identified for building individual capabilities to innovate successfully (OECD, 2015).

Motivating public servants to be innovative requires that they have the skills to apply themselves to problems and obtain appropriate solutions. The quality of relationships among staff and management should be maintained for the motivation to

innovate in organizations and to achieve organizational success (OECD, 2015). According to the resource based-view, a quality workforce is an important foundation of innovation (Patanakul and Pinto, 2014) at government agencies.

The power distance negatively affects innovation (Arundel et al., 2015). Hence all employees and leaders or managers have to work together as a team to accomplish organizational targets and objectives. The availability of talented human resources, committed to making innovation in the organization, internal connectedness and rewards for staff are important to develop and diffuse innovation (Hughes et al., 2011, p.30). Furthermore, innovation is dependent on the ability of individuals to innovate within their organization. Skilful and capable employees improve the capacity of an organization and are the basis of improving the organization (Ashford, 2002). Innovators, as depositories of tacit knowledge, are incorporated in organizations (Arduini et al., 2010).

Additionally, the people in charge of innovation are enthusiastic and positive thinkers who don't need to see negative sides and each member of staff actively looks at new opportunities and better ways of doing things with a sustainable approach to innovation (Bruce and Birchall, 2009). Middle managers and front line staff tend to develop incremental innovation or less novel innovation than senior managers (Arundel and Huber, 2013).

Skilful and capable employees are the result of education and training (Ashford, 2002) and all human resources such as internal customers (the management and employees), external customers (citizens) and suppliers should be knowledgeable, because a knowledgeable society thrives on innovation (montrealgazette.com, 2015).

2.3.6 Innovative leadership in the public sector

Leadership is an important factor in all activities of an organization, not just innovation. It is critical to innovation success to motivate people and fulfil organizational goals (O'Sullivan and Dooley, 2009). Senior leaders are anticipated to drive innovation and managers pay attention to developing new ways of doing things and helping the trial and error method of generating new ideas. With leaders' commitment, staff is aware of the value of innovation (Hughes et al., 2011).

Moreover, building innovation capabilities at all strata of the organization and the development of improved leadership capacities (Bason, 2010) are crucial to

developing innovation at the organization. Leadership plays an important role in spurring talent development in the areas of science and technology, research and development and service improvement (APO, 2009).

Leaders in local government want to respond to challenges with a proactive strategy to foster an effective government culture and achieve innovation in work units for success. They have to know how leadership practices should be utilized to cultivate and foster an organizational culture of innovation (Kim and Yoon, 2015). Moreover, as change agents, organizational leaders should be transformational, initiating and implementing new directions within organizations to establish new practices based on innovative visions and ideas (Waldman & Bass, 1991). Leadership is capable of innovating in local government (Hughes et al., 2011, p.20).

2.3.7 Decision making processes with innovation in the public sector

Top-down governance structures are a common innovation method in several countries, but there can be staff resistance to change with this approach. The traditional decision making process in the public sector is top-down (Hartley, 2005; Walker, 2006). With the introduction of new public management to the world in the 1980s, public managers were granted the responsibility to implement and enhance innovation in decision making processes (Arundel et al., 2015). As a result, a bottom-up governance structure was introduced in Northern Europe to build pro-innovation culture and discretionary learning strategies (Arundel et al., 2015). This bottom-up process was encouraged by the government (Hartley, 2005) so members of teams could participate in the decision making process.

“Innovation allows organizations to react to internal weaknesses or external pressures and consequently becomes an important tool for decision-making agents all over the world” (Gonzalez et al., 2013, p.2025). “Participatory planning and budgeting is a technique that allows public managers to engage constructively with citizens or service users during the planning phase. It directly involves citizens in making decisions about how public money should be spent” (Tucker, 2014).

2.3.8 Characteristics of innovation in the public sector

Many points clearly show that the innovative process may have similarities in the public and private sectors, these characteristics exist in the public sector (Gonzalez et al., 2013, p.2025).

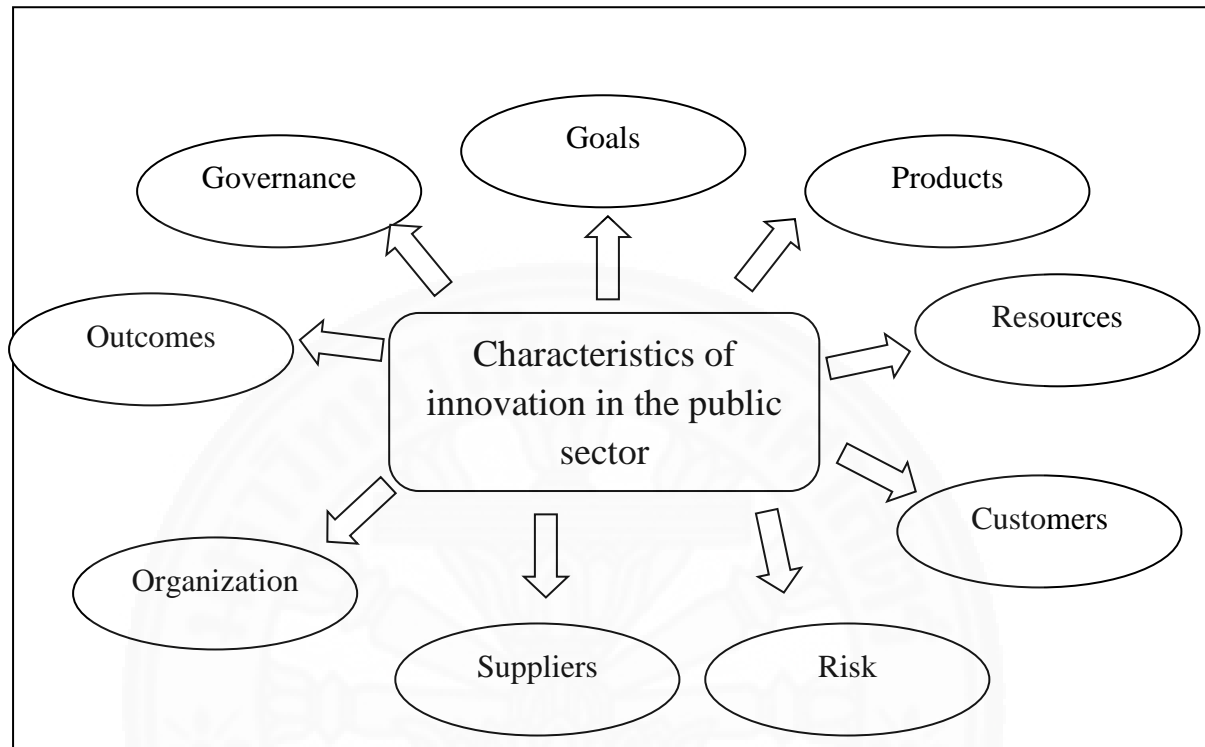


Figure 2.5 Characteristics of innovation in the public sector

Source :-Gonzalez, Llopis and Gasco, 2013

Future goals are set to define the direction in which the organization will proceed and the development of these goals must be coupled with an excellent communication structure (O'Sullivan and Dooley, 2009).

The innovative activities of an organization partly rely on human and financial resources and finance; skill shortages and problems of competence are relatively straightforward obstacles to innovation (OECD, 2005). Investigating, thinking, questioning, conducting innovation, qualified human resources and producing technology are the elementary resources for development and welfare improvement all over the world (Bircan and Gencler, 2009).

The perception of the public sector is non-innovative, because of risk aversion. There are high rates of innovation conflicts with risk averse attitudes among public sector managers (Arundel and Huber, 2013), therefore innovation should be

implemented mitigating risk. Reputational risk and technological risk are frequently cited impediments to successful public sector innovation, which shows reluctance to embrace new ways of doing things (Arundel et al., 2015). Management is resistant to risk (Arundel et al., 2015) in traditional culture.

Learning from others and sharing best practice with others in innovative ways reduces the risk associated with innovation by identifying some of the critical challenges and possible solutions (OECD, 2015).

The next important characteristic of innovation is the organization. Organizations with service-based strategy find it important to be able to assess the value of innovation that impacts organizational performance (Durst et al., 2015). Much incremental innovation, including the administrative process, efficiency improvements and service delivery can be implemented and developed at organizational level (Arundel et al., 2015). Sharing organizational best practices across the public sector supports the identification of useful practices with innovative ideas and innovative approaches that can be adapted to other organizations in their own context (OECD, 2015).

On the other hand, high levels of red tape and powerful bureaucratic systems can construct organizational cultures that negatively impact on innovation (Boyne, 2002). Innovation greatly benefits from the analysis of competences of organizations in an evolutionary approach and internal competencies are key drivers of innovation which enable organizations to introduce new processes for better service delivery (Arduini et al., 2010).

Moreover, customers always focus on the outcomes of service delivery, thus, obtaining service has been defined and mapped. Service providers should take steps to uncover outcomes to achieve success (Bettencourt, 2010), and similarly, the users' input has a big impact on service quality and outcomes (Szkuta et al., 2014).

2.3.9 Impact of innovation in the public sector

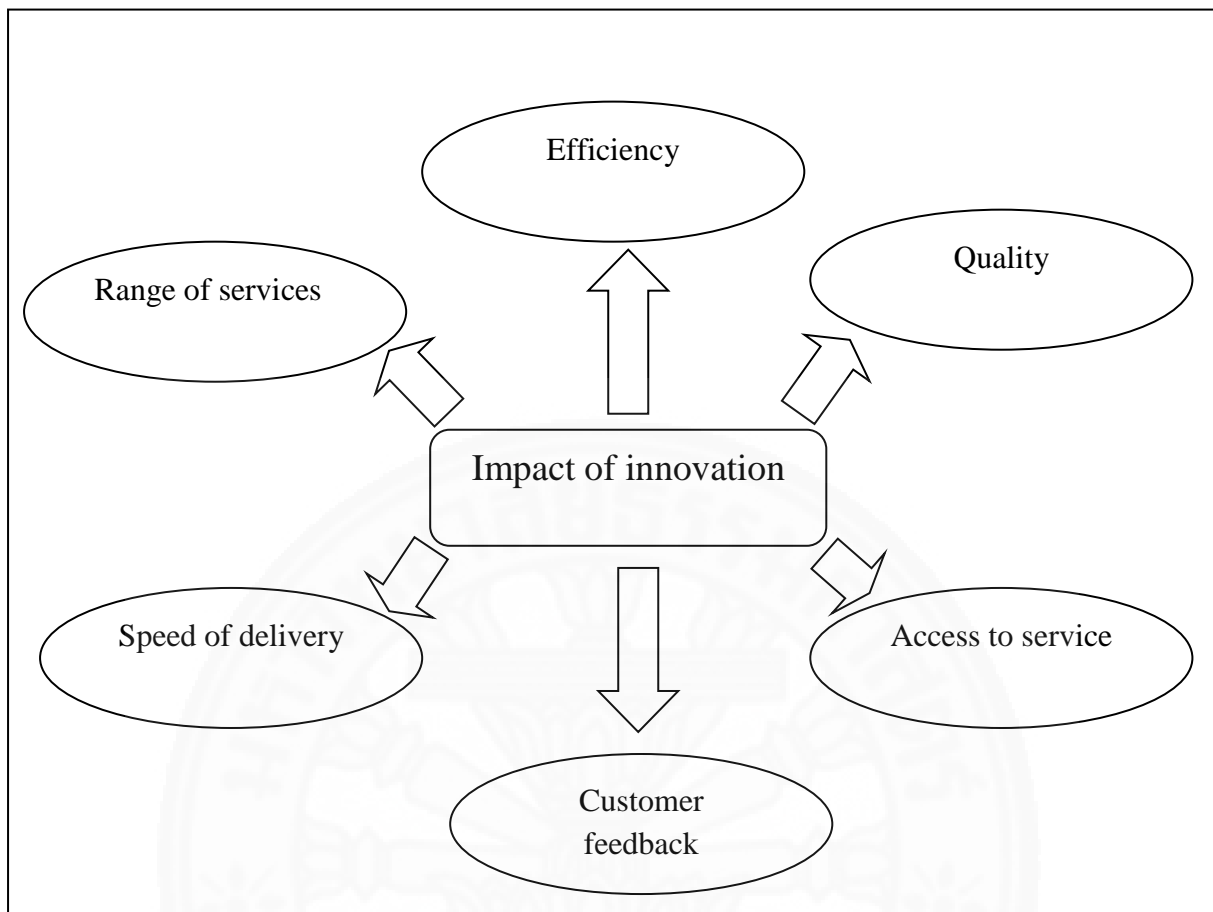


Figure 2.6 Impact of innovation in the public sector

Source -: Hughes, Moore and Kataria, 2011

Some factors, for example, efficiency, quality, customer feedback etc. directly impact on innovation in the organization by reducing cost, or improving staff and customer satisfaction (Hughes et al., 2011). Quality is very clearly defined using specifications, standards and other measures and it considers service, response time, environment or atmosphere, selection, etc. It does not have a universally accepted definition but involves meeting or exceeding customers' expectations and is an ever-changing state (Goetsch and Davis, 2010).

Furthermore, services are a growing and dominant activity in the advanced economies and innovative services may be highly tailored to customers' needs and wants (Durst et al., 2015). The unique characteristics of service are intangible, inhomogeneous, and perishable customer contacts which offer significant scope for innovation. The internet is a valuable resource in the new service

relationship between service providers and service receivers (O'Sullivan and Dooley, 2009). Customer feedback is the key incentive for organizations to innovate (Hughes et al., 2011). The majority of ideas are generated externally, thus external connectedness is important to develop innovation (Hughes et al., 2011, p.31). Continual communication with customers is essential (Goetsch and Davis, 2010) to create an innovative organization.

As a measure of innovation, digitalized front-office services for citizens have been introduced in Italy's public administration sector at municipal level, to speed up service delivery (Arduini et al., 2010). The new technology leads to improved efficiency in the existing service delivery, better quality and brand new services (Barras, 1986). A Divisional Secretariat has a large variety of services and it provides all services from birth to death for every person in the area, thus it should cover a huge area of service delivery.

2.4 Service innovation in the public sector

"Service is the fundamental basis of exchange" (Barial and Polese, 2010, p.23). Governments deal with services and treat exchanges for sale of services (Kayastha, 2011). Service based strategies help delivery systems, service offerings, cost structures and technology to excel (Grönroos, 2007). Additionally, service providers should deliver their services making heartfelt connections, building good customer experiences and increasing customer satisfaction, because empathy is the engine of innovation (<https://hbr.org>, 2015).

Service receivers want quick and complete resolution of problems or the achievement of goals when they get services from a firm and customers judge the success of the service experience in terms of outcomes (Bettencourt, 2010).

Service innovation is making changes to intangible products that cannot be seen or touched (O'Sullivan and Dooley, 2009). It is positively connected to non-financial and financial performance in service industries (Thakur and Hale, 2013). Service innovation that may simultaneously refer to innovation in service sectors provides an effective way to create competitive advantages for an organization in a sustainable manner and has come to mean innovation taking place from different perspectives of service, such as the introduction of new services or incremental

improvements of extant services (Durst et al., 2015). Likewise, innovation in services leads to an innovation gap and a productivity gap (Djellal and Gallouj, 2010).

Innovation in services is associated with improvements in the quality and efficiency of public service that help economic growth (Arduini et al., 2010). The analysis of innovation in services implies different phases such as technology adoption, innovation diffusion and generation (Arduini et al., 2010). Similarly, service innovations have certain unique characteristics which tend to be interactively and continually developed between service providers and service users (Quinn et al., 2002).

Service innovation has to begin with the recognition that services are solutions to customer needs. These types of customer needs guide service innovation to create innovative service concepts that provide distinguishing value to users. Also, service innovation is an improved process to fulfil customers' unmet needs, and the first step of the process is that those needs have to be discovered (Bettencourt, 2010).

Opportunities for innovation can be recognized by having an accurate understanding of the service delivery process at the public sector that contains customers' demands and expectations. Sensitivity to demand and opportunities in society is key to evolving an organization's innovative capability (OECD, 2015).

2.4.1 Information and Communication Technology in the public sector

"Innovation offices specifically tied to a technology function regard technology as both a tool for encouraging innovation as well as the innovation itself" (Burstein and Black, 2014, p.8).

The relevant technological, institutional and economical context is considered for innovation in the local level public organization (Arduini et al., 2010). At the current time, information is digitalized, and can be moved, stored, manipulated, recombined, relocated, transformed and take on new values (Zysman et al., 2011). Technology plays an essential role in the increase of the level of welfare and is an important factor in achieving success (Bircan and Gencler, 2015).

Technical resources are acquired and accumulated by successful innovators over time (Bessant and Tidd, 2009). The quality of ICT (information and communication technology) infrastructure is one of the critical organizational enablers of innovation (Hughes, Moore and Kataria, 2011, p.30). The online

collaborative public service delivery enhances quality more than offline service delivery (Szkuta et al., 2014). The development of ICT tools accelerates public service innovation in a new manner, and innovative developers have proficient IT skills (Szkuta et al., 2014).

Understanding and innovating citizen-centric government and service oriented public service delivery, the e-governance concept, has been introduced to the modern world. “E-government is the widely accepted term used to constitute the most representative example of the relevance of innovation in the public sector nowadays” (Gonzalez et al., 2013, p.2025). E-governance can be defined as the governmental use of ICT to improve the quality and effectiveness of service delivery for citizens (Chen and Hsieh, 2009) and it is a special case of innovation in services (Arduini et al., 2010). The set of factors associated with the intensity of e-government involvement in innovating in public administration, provide quality front-office services at local level (Arduini et al., 2010). Online service delivery is advantageous not only for government but also for the community and government agencies because it can considerably lower the cost and make services accessible to the general public (www.brookings.edu, 2009). As a result, citizens do not write letters, fill in application forms or visit government agencies to receive specific services from the government.

2.4.2 Responsiveness in the public sector

The responsiveness in the public sector can be described into two ways. Firstly, public to government, and secondly, government to public. These are interdependent. The success of public service delivery process depends on the awareness of citizens and their feedback. Community participation is a highly valuable activity, not only for improvement of the public service delivery process, but also for sustainable development of the country. Some citizens are very creative and can predict what will happen in the future. Their knowledge and experience can be used in the improvement process.

The success of the public service delivery system totally relies on the relationship between the government and the general public. The gap can be seen in public service delivery; there are services provided by government officers and citizens require improvements in service quality by applying service innovation. At

present, governments have started to pursue innovation to overcome various types of challenges including improvement of responsiveness and public participation (Alberti and Bertucci, 2006). Service providers should identify and define customers' unmet needs in order to discover innovation opportunities (Bettencourt, 2010). The role of human resources in the public sector serves the public interest and should balance visionary change and concrete implementation (OECD, 2015). Citizens who receive public service acquire direct benefits as a success factor of innovation (Szkuta et al., 2014).

Innovative service delivery enables citizens and government to communicate effectively with each other through well developed customer engagement. In a traditional system, users wait to receive the required services from the government. Auspiciously, some countries have automated their state services, for instance, the visa service process of the immigration department in Thailand. Some countries outsource many services from the private sector both locally and internationally, instead of services being delivered by government officials. For example, the immigration department of India assigns a private Thai company to administer the visa issuance process.

2.5 Some initiatives of public sector innovation in the global context

2.5.1 United States of America

The national initiative "Innovate America" was introduced by the U.S. Council on Competitiveness in 2003 with the statement "innovation will be the single most important factor in determining America's success through the 21st century". This U.S. national innovation agenda consists of three parts: talent (an innovative and technically trained workforce, catalyzing the next generation of American innovators and empowering workers to succeed in the global economy); investment (multidisciplinary research, energizing the entrepreneurial economy and reinforcing risk taking and long-term investment); and infrastructure (creating a national consensus for innovation growth strategies, creating a 21st century intellectual property regime, strengthening America's manufacturing capacity and building 21st century innovation infrastructure) (APO, 2009).

The innovation policy of the USA provides a basis for supporting and stimulating innovation. It is a strategy for American innovation that helps to improve information or knowledge and to enhance the technical capacity of firms to promote innovation (Whitehouse, 2011).

Pennsylvania is one state in the USA and its mayor's office practices innovation concepts. "The Office of Innovation and Technology (OIT) was established in August 2011 by the mayor's executive order" (Black and Burstein, 2014, p.22). It effectively provides advanced, optimized and responsive services to residents and visitors. Citizens can access and collect data and information under the provision of the open data policy, and the public can participate in the decision making process (Black and Burstein, 2014).

Employees of Pennsylvania's Office of Administration can work from remote locations (www.oe.pa.gov, 2015). This is an innovative approach to the public service delivery system.

2.5.2 United Kingdom

By introducing "digital era governance", the United Kingdom government has effectively and efficiently managed public service delivery with innovation. The one-stop shops were created as a way of joining up government services and allowing citizens to address all their needs and queries at once. Hence online services have changed dramatically. The results can be seen in citizens' increased take-up of services, the greater efficiency and ease of access and the transparency of government services. Costs were also reduced significantly by initiating online public service delivery (www.lse.ac.uk, 2015).

The ongoing work of the government's digital service is leading the digital transformation of the UK government (innovation.govspace.gov.au, 2015).

2.5.3 Australia

Commissioning a review of the National Innovation System in 2008 (<https://innovation.govspace.gov.au>, 2011), the Australia government took the necessary actions for the development of public sector innovation by maintaining its knowledge website, called "Public Sector Innovation", for public sector employees, stakeholders and leaders in public sector innovation. In addition, the government

publishes a weekly newsletter about public sector innovation (<http://govspace.us6.list-manage.com>, 2015).

The Australian government supports the public sector in accelerating innovative solutions, for instance, a new procurement panel for innovation was established to encourage the public sector's efforts to intensify innovative solutions such as prototyping digital solutions or service delivery design (www.ipaustralia.gov.au, 2015).

Social Enterprise Development and Investment Funds (SEDIF) in Australia seek to grow social enterprises through seed funding from government and the private sector. This is one example of innovative financing arrangements to support partnerships and collaborations with external partners and leverage their networks, expertise and ideas (OECD, 2015).

2.5.4 Thailand

Thailand's government has also initiated a lot of innovation programs in the public sector. Government universities introduced bachelor degrees and master's degrees about service innovation. The government implemented useful innovation programs for social wellbeing, for example, the "Child First - Work Together" (CF-WT) program which was carried out by the Rajanagarindra Institute of Child Development - Ministry of Health (United Nations, 2014).

2.5.5 India

India's government has improved public service delivery through a strengthening regulatory framework and grievance mechanism for citizens. Madhya Pradesh's Guarantee of Public Service Delivery Act has been passed to implement a better public service delivery system in India. This legislative act provides rights to eligible citizens to obtain services within an allocated timeframe from designated government servants. When a citizen comes to receive any service from a public office, he gets a receipt indicating the date by which the service will be delivered by the designated officer. A two-tier grievance redress mechanism was created as an appeal process. According to this innovative project, some benefits were gained were: 1) an increase in accountability of government officials in delivering the service to the citizens; 2) assured time bound delivery of the service; 3) increased transparency

through the use of ICT; and 4) an enhancement of government credibility and empowerment of citizens (UNO, 2014).

2.5.6 Singapore

The national innovation framework for action (NIFA) was launched by Singapore in 1998 to start innovation and develop an innovation roadmap. Eight key factors have been recognized as critical to the success of the innovation movement: education and training, government policies, government support, information, infrastructure, technology, markets and human resources (APO, 2009).

By establishing HELP (Helping to Empower Litigants-in-Person) Centers, Singaporean citizens receive services such as basic information on court processes, procedures and practices, basic information about the justice process and early advice on whether it is feasible to pursue or defend a case. These services are provided through computer terminals (UNO, 2014).

“The Human Experience Lab which applies design thinking to improve public service has worked with agencies to reframe existing problems, better understand the needs of customers and stakeholders, build capabilities in human-centred design techniques, and tell stories to inspire decision-makers in ways that will inform their policy design, implementation and communication” (innovation.govspace.gov.au, 2015).

2.6 Conclusion

Researchers have been exploring public service delivery with innovation in recent decades. The emerging public service delivery research on customer satisfaction is focused on innovative public service delivery rather than new public management. The literature review provided an overview of the intended research by exploring previous research in order to be aware of the core components related to the study.

This chapter emphasized the findings from the literature review and developed the conceptual framework for the research. The findings of the literature review demonstrate the results of previous research related to innovation in the public sector or public service delivery. This strong literature review supports, defines and explains

the main components related to innovative service delivery in the public sector at divisional level.

Moreover, the innovation factors and obstacles were analyzed to try to find the most significant opportunities, challenges and obstacles to developing service oriented public organizations at divisional level.

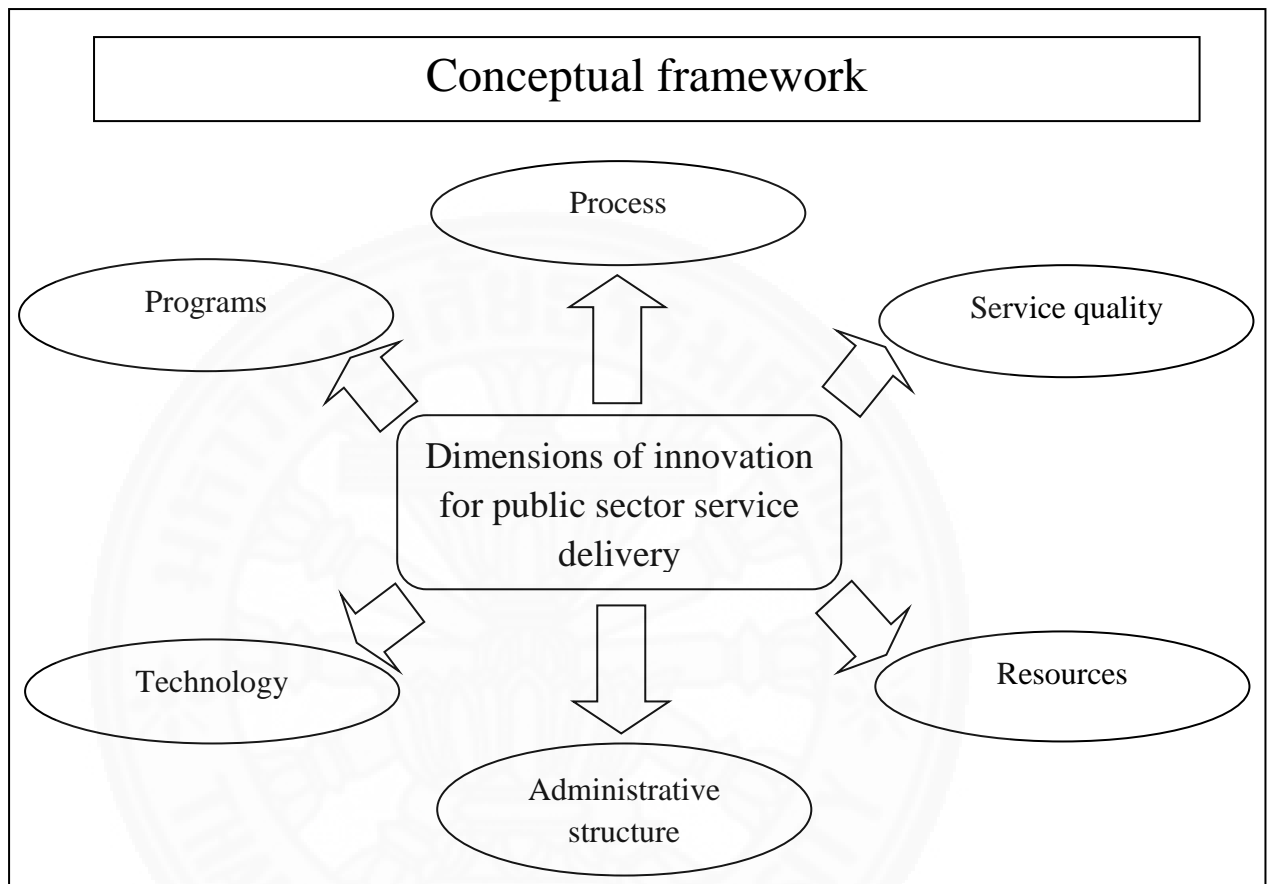


Figure 2.7 Conceptual framework of the study

Based on the literature search, there are several key elements that contribute to innovation for public sector service delivery. As can be seen, six elements that are relevant to the objectives of this research are: process, service quality, resources, administrative structures, technology and programs. A particular government unit has been assigned to deal with programs. Innovative processes increase the quality of public service delivery and human resources and financial resources directly influence and sustain innovation at any organization. Technology accelerates innovation not only in the private sector but also in the public sector. Innovative and creative programs applied by other countries can be used as benchmarks. In the public sector,

administrative structure is the most important component for implementing innovation.



CHAPTER 3 RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes all the steps undertaken during the research in order to achieve the research objectives. The research initially targets the innovation factors that help to develop a service oriented Divisional Secretariat and explore new concepts, new approaches and new methods to enhance service delivery in the public sector at divisional level. Expecting to achieve that target, this chapter will concentrate on the methods of data collection and the justification of using relevant methods.

Primary data and secondary data are analyzed for obtaining findings and recommendations of the research. Secondary data are already available (Johnson, 2010) and primary data should be collected using research methodologies. There are many possible research methodologies to apply to the data gathering process of research. It can be divided into two parts.

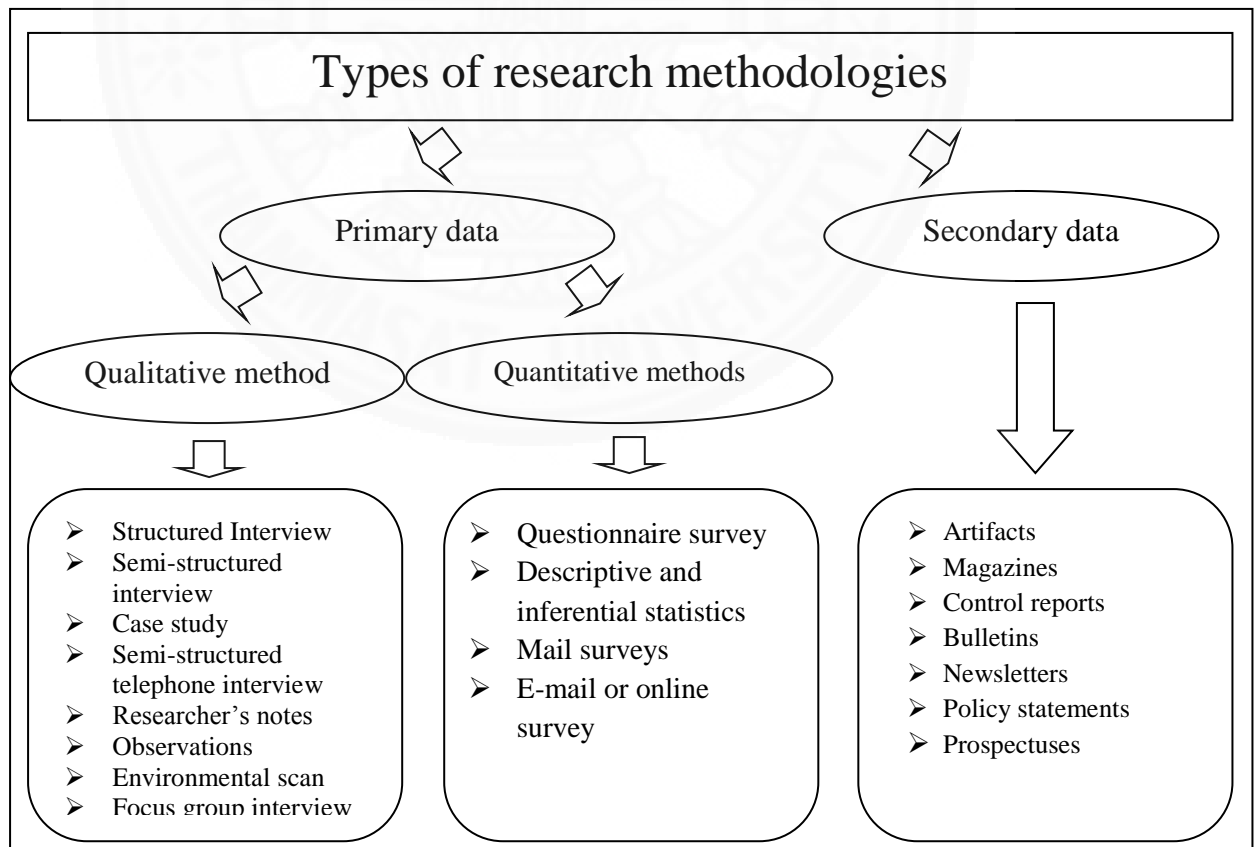


Figure 3.1 Types of research methodologies

Source: Research, 2016

In spite of the many research methodologies available, the researcher has selected only a few methods to gather data for this research.

In this study, primary data were collected by conducting semi-structured in-depth interviews and observation of the Divisional Secretariats. Secondary data is found in customer feedback forms from the Divisional Secretariats and analyzed. The research is focused on all Divisional Secretariats in Galle district in Sri Lanka and the administrative area of the Galle district.

3.2 Research Design

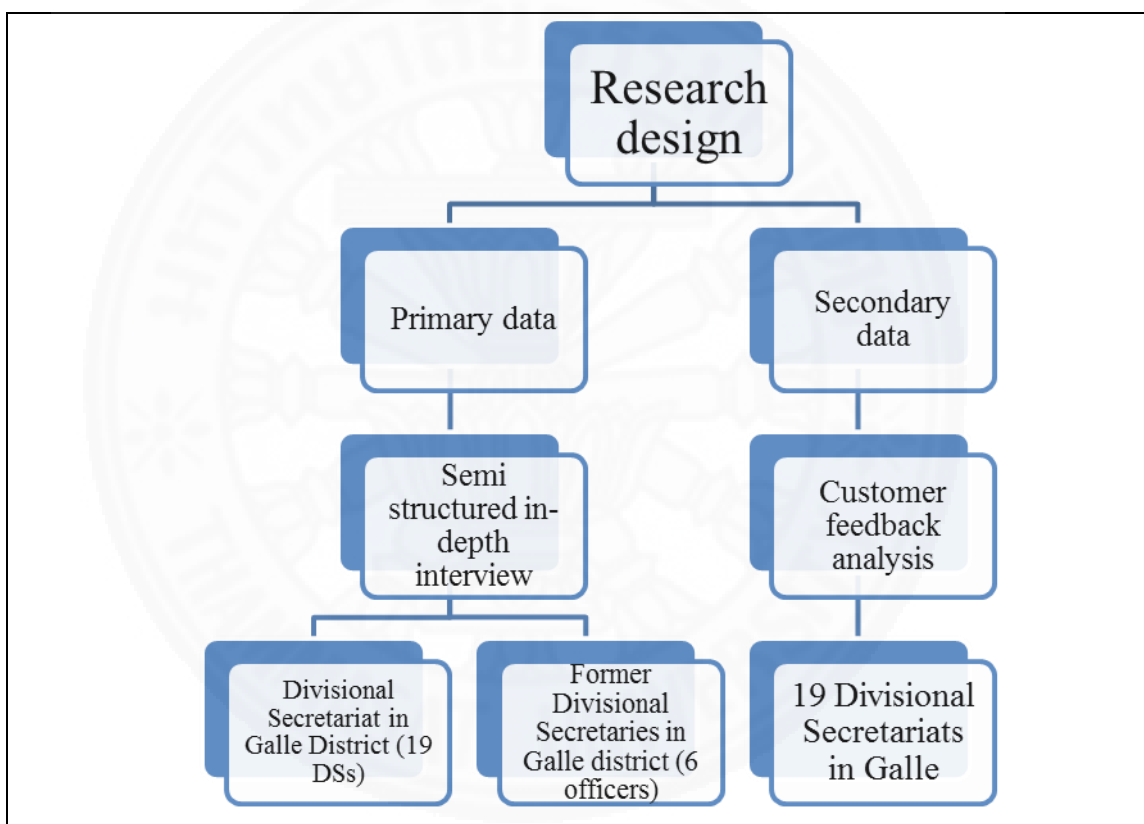


Figure 3.2 Research design

Based on an intensive literature review of the research, it was identified that a qualitative research methodology is the most appropriate methodology to conduct research into innovation in the public sector. “In general, there are two reasons why public administration researchers do qualitative research: (1) it helps us in our search for knowledge, and (2) it helps us engage personally and meaningfully with practitioners” (Luton, 2010, p.9). This research will use qualitative methods for the

entire research. Semi structured in-depth interviews will help to answer the research questions and achieve the research objectives in a better way.

“Managers are rarely able to provide financial data on the effects of innovation” (Arundel, 2015, p.1274), but on the other hand customer satisfaction, access to services, cost reduction and quality improvements are the most common outcome measures for surveys (Hughes et al., 2011). The research plans to find out what innovation factors at the Divisional Secretariat help to develop service orientation, and to explore the new concepts, new approaches and new methods to improve the innovation in service delivery methods. The purpose of this scrutiny is to account for the need for service innovation in the public sector at the divisional level in Sri Lanka. Both qualitative and quantitative data will be essential to fulfil the objectives of the research.

“Semi structured interviews are often utilized in public administration research because public administrators need to learn from the people they serve and from the people with whom they work in order to be effective” (Luton, 2010, p.23). The semi-structured in-depth interviews are anticipated to be a better approach for data gathering from top management at the Divisional Secretariats because they might find it difficult to answer a questionnaire due to their busy schedules. Also, the researcher can observe the facial expression of the respondent and build good rapport with the respondent in the interview, through a good two way communication channel. These will be mainly carried out with heads of organizations (Divisional Secretaries) or Productivity Promotion Officers at Divisional Secretariats in Galle district. The Productivity Promotion Officer who is assigned by the Divisional Secretary at the divisional level is responsible for promoting productivity in the Divisional Secretariat and he or she should be a managerial level officer (www.productivity.lk, 2014). They should additionally perform activities related to productivity promotion.

The major objectives of the interviews are:

1. To acquire good data about the perceptions of higher ranked officers about obstacles, challenges and issues around creating and maintaining an innovative office, and the new ways of doing things, by bending strong and traditional rules or regulations.

2. To analyze the variety of views and opinions about innovation factors that help to develop service oriented organizations from top level officers at the office.

In spite of having pre-planned interview questions, related questions will be added according to the interviewee's answers during the interview.

3.3 Population and sample

The in-depth semi-structured oral interviews (Appendix B) are the best approach to getting data from Divisional Secretaries as top level managers because they have not only a good knowledge about the organizational objectives, procedures and strategies but also an overall vision of the institute. Also, they are always very busy with their hectic work; therefore they may feel it inconvenient to provide answers to the questionnaire. Another important point is that they are well experienced and highly expert in their fields; as a result, more information can be acquired from their answers by the researcher. Furthermore, their perceptions and thinking patterns are different from each other according to their periods of service, experience, duties and responsibilities; hence the researcher can obtain more appropriate answers by questioning sequentially. Finally, their opinions, views, predictions and perceptions can be incorporated to sustain the innovative Divisional Secretariat.

The researcher expects to interview senior officers of Sri Lankan Administrative service who tenured over a Divisional Secretary post at any Divisional Secretariat in Galle district that attained an award from the National Productivity competition or Inter Divisional Secretariat management competition during his or her service period.

3.4 Justification of the distribution of interviewees

The sample will be twenty five managerial level officers, such as the Divisional Secretary, who acts as the head of the organization or former Divisional Secretaries. The Divisional Secretary is responsible for taking final decisions from any area or any subject at Divisional Secretariat. The assistant Divisional Secretary is second in command at the office, and both are from Sri Lanka's administrative service. The Productivity Promotion Officers were created in accordance with the National Productivity Award competition and are also managerial level officers at the Divisional Secretariat. Most of the time, the Assistant Divisional Secretary is

appointed as the Productivity Promotion Officer. At least one interviewee will be selected from each Divisional Secretariat in Galle district.

Table 3.1 Distribution of interview

	Interviewee's organization	Designation	Number of Interviewees
1	All Divisional Secretariats in Galle district	Divisional Secretary	19
2	Divisional Secretariat - Baddegama	Former Divisional Secretary	1
3	Divisional Secretariat - Balapitiya	Former Divisional Secretary	1
4	Divisional Secretariat – Bope-Poddadal	Former Divisional Secretary	1
5	Divisional Secretariat – Galle	Former Divisional Secretary	1
6	Divisional Secretariat – Hikkaduwa	Former Divisional Secretary	1
7	Divisional Secretariat - Nagoda	Former Divisional Secretary	1
Total respondents			25

3.5 Validity and reliability of the data

Validity and reliability are the most important factors to measure the quality of data empirically collected. “Measures should be valid, relevant and reliable” (Johnson, 2010, p.48).

The interviews will be conducted only with staff officers attached to the Divisional Secretariat in Galle district. They are responsible for the implementation of policies regulated by the Central Government and the respective Provincial Council,

by providing public service delivery at the Divisional level. Thus, the researcher believes that the validity and reliability of the data is to some extent fulfilled by the research conditions. Furthermore, all interviewees are directly connected with the public service delivery process and its issues; therefore their practical knowledge supports the consistency of the collected data. As a result, data are valid and reliable.

3.6 Limitation of the study

- (1) A Divisional Secretariat has five basic components of services, administration, development, social services, land management and poverty eradication, however only two components are selected for the study due to the time limitation, administration and social services.
- (2) The research has to be completed in an extremely limited time period and only one month will be allocated for the data collection process. It is a very difficult challenge to meet relevant respondents within this very short time.

3.7 Data collection and procedure

The data gathering process consists of semi-structured in-depth interviews and review of documents. The primary data will be collected using interviews and the secondary data from policy papers, magazines, bulletins, newsletters, prospectuses, control reports and related theses. Customer feedback forms in Divisional Secretariats and their summaries are considered secondary data sources. Interviews are direct interactions between the researcher and the respondent. The open ended questions will help to acquire information from the interviewees' knowledge, perspectives, understandings, experiences and expectations.

At the beginning, the researcher will approach 19 Divisional Secretariats and discuss with the Divisional Secretaries the selection of a person for the semi-structured interview. Then, the interview will be held at a convenient place for the informant. All interviews will be recorded using a digital recorder and recordings will be transcribed simultaneously.

The data analysis process will commence as soon as the interview is conducted and the data will be analyzed using MS Excel.

3.8 Conclusion

This methodology chapter provides details about the methodologies applied in this research. In conclusion, this chapter concentrates on the research methodologies, data collection process and limitations. The data processing and analysis is discussed in order to answer the research questions.



CHAPTER 4

FINDINGS AND DISCUSSION

4.1 Introduction

The objective of this chapter is to explain the findings of the study to observe Divisional Secretariats as developing service oriented government agencies in Galle district, Sri Lanka. This chapter firstly deals with the facts and figures from the collected data. Then the findings of the research are presented and the data is interpreted in detail in order to address the research objectives.

The questions were asked, through semi-structured in-depth interview, to all Divisional Secretaries who run Divisional Secretariats in Galle district, and all Divisional Secretariats were observed to collect primary data. Customer feedback details were gathered as a secondary source of data.

The study presents tables and graphs to support the conceptual understanding of service oriented Divisional Secretariats, as a way to maximize customer satisfaction and find new ideas, new methods and approaches to developing service oriented government agencies. This descriptive analysis is done using MS Excel analysis.

4.2 Process

The research is conducted to discover how to develop service oriented government agencies through six dimensions, process, service quality, resources, administrative structure, technology and programs, and the service delivery process is the most considered component of Divisional Secretariats. Firstly, critical issues and challenges to the existing public service delivery process are identified appropriately, in order to develop a service oriented government agency. Many opportunities and strategies were presented by the interviewees to support the research requirements.

4.2.1 Critical issues for the service delivery process

Seventeen important issues were identified through the twenty five Divisional Secretaries' experiences, thoughts and opinions. The critical issues identified are ranked using an Excel worksheet.

Table 4.1 Critical issues in the public service delivery process at the divisional level in Sri Lanka

		Galle	Welivitiya - Divithura	Neluwa	Thawalama	Nagoda	Niyagama	Habaraduwa	Imaduwa	Yakkalamulla	Akmeemana	Baddegama	Elpitiya	Karadeniya	Gonapinuwa	Bentota	Balapitiya	Ambalangoda	Bope - Poddala	Hikkaduwa	Former Ds - Nagoda	Former DS - Galle	Former DS - Balapitiya	Former DS - Baddegama	Former Ds - Hikkaduwa	Former DS - Bope-Poddala	Total	Percentage	
1	Deviation of the main objective to establish DS			1			1																				2	8%	
2	Lack of resources			1		1					1															1	4	16%	
2	Overlapping roles and functions	1						1				1							1		1						5	20%	
3	Poor communication	1					1							1							1	1					5	20%	
4	Lack of co-ordination of relevant institutions	1			1							1							1		1					1	6	24%	
5	Lack of awareness of roles and functions	1							1		1		1								1						7	28%	
6	Political influence		1		1	1	1	1		1	1	1		1	1	1	1	1		1		1	1	1	1	1	1	8	72%
7	Lack of independence to make decisions	1	1		1	1	1	1		1	1	1		1	1	1	1	1		1		1	1	1	1	1	1	8	72%
8	Lack of national policy with flexibility	1	1		1		1	1	1			1	1		1	1	1	1	1	1	1	1				1	1	8	72%
9	Attitudes of citizens	1	1	1			1	1	1		1	1	1		1	1	1	1	1	1	1	1				1	1	9	76%
10	Poor IT literacy of public servants	1		1	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1				1	1	9	76%
11	Lack of enthusiasm about customers' requirements	1	1				1	1		1	1	1		1	1	1	1	1	1	1		1	1	1	1	1	1	20	80%
12	Lack of awareness of about methodologies	1	1				1	1		1	1	1	1	1	1	1	1	1	1	1		1				1	1	20	80%
13	complicated rules and regulations	1	1				1	1	1		1	1	1	1	1	1	1	1	1	1	1	1	1			1	1	20	80%
14	Poor attention to new methods		1	1			1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			1	1	20	80%
15	Complicated service delivery methods		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	21	84%
#	Lack of commitment of the head of the organization	1	1	1	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	22	88%

Source: Field Survey, 2016

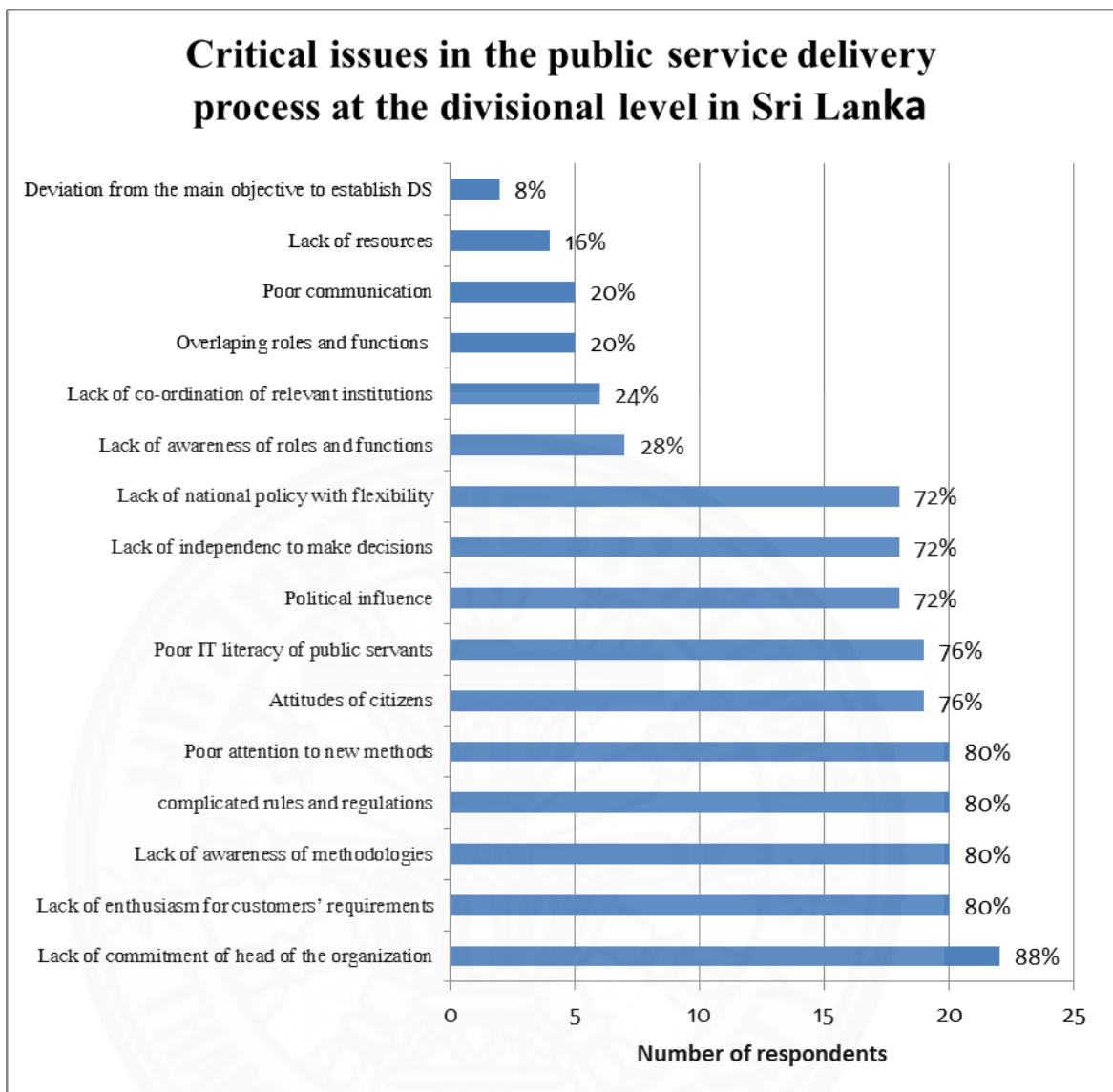


Figure 4.1 Critical issues in the public service delivery process at the divisional level in Sri Lanka

Source: Field Survey, 2016

The majority of the respondents (88%) said that poor delivery services can be seen in public sector organizations, due to the lack of commitment of the heads of public organizations to improving the service delivery process. All of them emphasized that the heads of departments should be a model, and perform well to achieve the success of the organizations.

Ten issues out of seventeen are directly related to human resources including managers, politicians, service providers and service seekers. 20 participants said that most officers do not have sufficient enthusiasm to identify and cater to customers'

requirements; also, they do not try to acquire the necessary knowledge of methodologies in the service delivery process or pay attention to new methods, new strategies or new approaches. The respondents suggested that the most important strategy is human resource development, from various perspectives, to overcome these issues.

84% of participants mentioned the second most dominant issue, service delivery methods with unnecessary work steps (complicated service delivery methods) in the public sector. They suggested that unnecessary approvals, useless recommendations and very poor power delegation can be seen in the service delivery channels. Therefore unnecessary work steps should be reduced to sustain effective, efficient and quality services. This may be a really problematic issue for applying innovation to improve service delivery systems and methods.

Most respondents (76%) mentioned the poor IT literacy of not only government servants but also the general public, as one of the crucial issues in applying modern technology to improve the public service delivery process. It is noteworthy that 72% of participants said that they could not take decisions independently due to negative political influences and lack of national policy with flexibility.

A few respondents (less than 28%) perceived other issues for the public delivery process at the divisional level, such as poor awareness of roles and functions of the government agencies, attenuated coordination of relevant institutions, overlapping roles and functions of the institutions and poor communication between government officials and the general public. Only 4 respondents opined that scarcity of resources badly affect the service delivery process at the divisional level.

4.2.2 Existing strategies for a better delivery process

In spite of many critical issues in the public delivery service at the divisional level, all Divisional Secretaries have undertaken strategies to enhance the living conditions of the community in the region through a better public service delivery process. As a result, the general public in the area cannot come to the office many times to acquire services which they want but they can receive high quality services, especially assistance to elderly and disabled people, supporting livelihood development, issuing licenses and permits.



Figure 4.2 Existing strategies for better service delivery.

Source: Field Survey, 2016

All Divisional Secretaries asserted that they have introduced new concepts, new methodologies and new strategies to maximize customer satisfaction.

“We have been trying to establish the front office system at our office for a few years. I have made a project proposal and submitted it to the Secretary to the Public Administration and Management to get the approval and financial allocations. I think if we implement the front office and back office, we can maximize customers’ satisfaction through the efficient public service delivery process” (Divisional Secretary – Galle).

“We have proposed the front office system for our office premises and we have already identified back office and front office and we are trying to rearrange the office layout to decrease customers’ waiting time and reduce workers’ stressful mindsets” (Divisional Secretary – Yakkalamulla).

Most Divisional Secretariats compete for the National Productivity Award as an opportunity to acquire more new things for the service delivery process, because improvements of the service delivery process, innovation and creativities are significant criteria for the National Productivity Competition (www.productivity.lk).

A major portion of participants (96%) said that they always try to use modern technology for all services at the Divisional Secretariat, thus some employees have created software packages and databases for some important service procedures. Also, training programs for all the staff is one important tactic to change employees' mindsets and behaviour to improve the public service delivery process.

The majority of respondents (96%) said that they had been conducting various awareness programs for the citizens through grass-root level officers such as Grama Niladharies, Divineguma Development Officers, Economic Development Officers and Field Officers, to make customers aware of what steps they should take to get their desired service.

A considerable proportion (84%) of the respondents indicated that regular staff meetings, quality circle meetings and steering committee discussions generate new ideas and new concepts from the staff for improvements.

“We were able to win second place at the National Productivity award among 102 Divisional Secretariats in 2009 and I accomplished that target with my staff. I really concentrated on new ideas and new concepts from the staff. New thoughts from the staff emerged through monthly staff meetings, quality circle meetings and steering committee discussions. I feel that most officers are highly creative and they don't have an opportunity to contribute to the decision making process. I always create opportunities for them to get the optimum ideas to improve the service delivery process as the head of the organization. I usually focus on the participatory approach because it is an advantage to eliminate obstacles and barriers to the development process and they would like to work as a team for obtaining great outcomes” (Former Divisional Secretary – Nagoda).

The Galle Divisional Secretary, along with 72% of respondents, has created shortcuts for some service processes without violating rules and regulations, in order to provide services effectively by reducing time, for example, providing permits for

prohibited timber transportation or supplying assistance to disabled and elderly people.

4.2.3 Challenges for the service delivery process in the public sector

It can be observed from the customer feedback analysis that all Divisional Secretaries in Galle district strive to increase the quality of their services, despite having many challenges, as presented in Figure 4.3. A descriptive explanation is provided under the figure. These challenges have been identified by employees attached to the Divisional Secretariats using their experience through brainstorming programs, and this was revealed at the interviews.

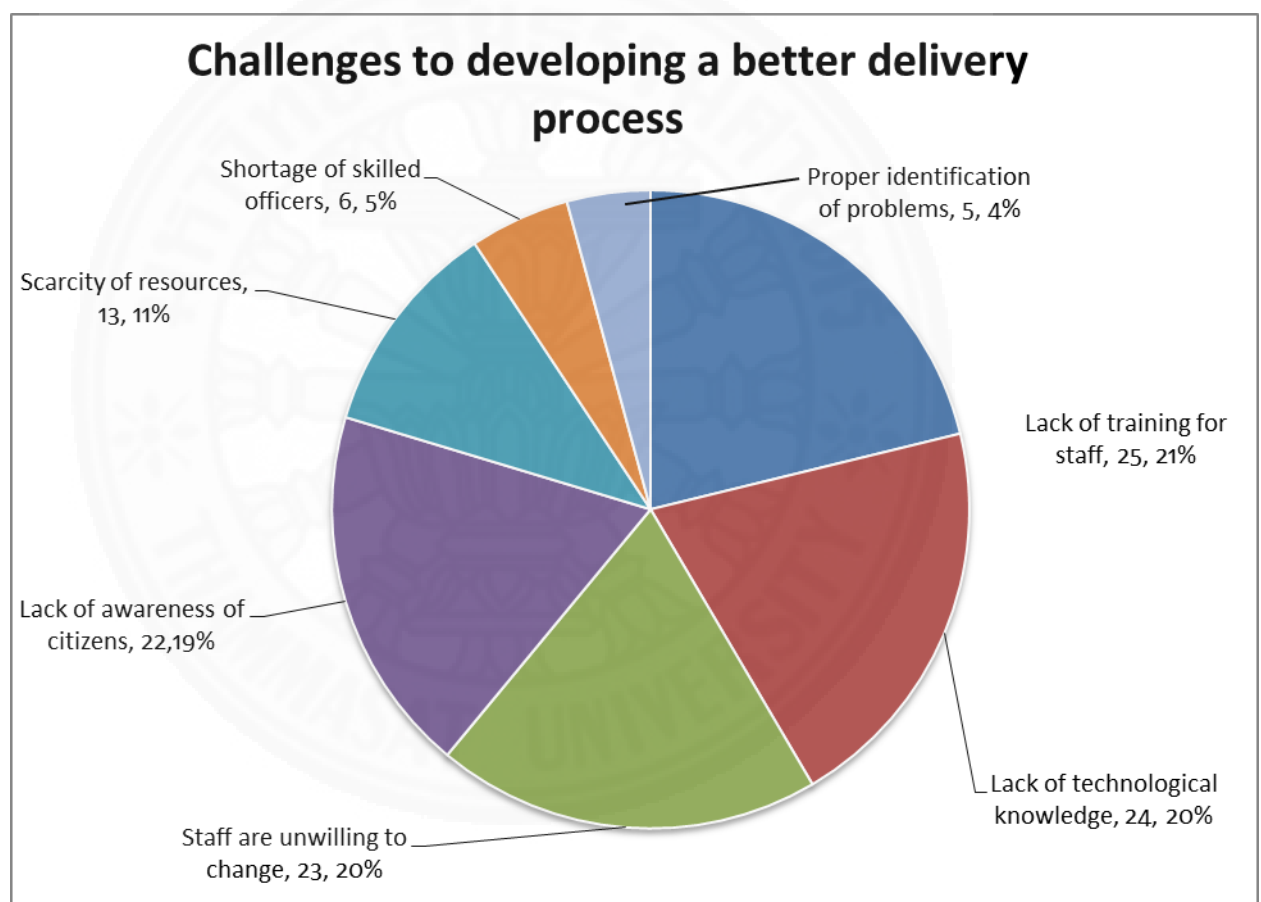


Figure 4.3 Challenges to developing a better delivery process

Source: Field Survey, 2016

According to Figure 4.2, all respondents perceived that the participation in the training programs is very low due to a lack of enthusiasm of employees for training programs out of office premises. However, sufficient training programs are available at the district level and the national level to make them capable of performing efficiently and effectively in the current service delivery process.

Most of the participants (96%) opined that poor technological knowledge of the entire society, including managers, subordinates and the general community, is the second biggest challenge to establishing a better service delivery system for the organization, whereas some officials have excellent knowledge of modern technology and IT literacy.

A considerable portion of the respondents (92%) emphasized that one of the dominant challenges is the unwillingness of staff to change, and their willingness to work manually. The respondents viewed that it is very difficult to convert employees' behaviour in an innovative way. Management should tune officials' mindsets by brainstorming, to generate creativity and innovation.

It was found that the unawareness of the citizens is a huge challenge to delivering services on time, which is the perception of a significant proportion of the respondents (88%). Service seekers must always provide the necessary documents to receive the desired service and sometimes have to pay some money as a service charge. If they do not know the essential documents and the required amount of finance, they cannot acquire the expected service quickly.

52% of informants opined that scarcity of resources is also a big challenge; however the majority of Divisional Secretaries are not extremely unsatisfactory because of their creativity and innovation in the good utilization of resources. It could be observed that they manage inadequate resources efficiently and effectively using modern productivity techniques such as 5S, 3R, Kaizen, quality circles and Total Quality Management for better service delivery.

Moreover, a few Divisional Secretaries (6 respondents) said that the shortage of skilled officers is a big challenge to developing the service delivery process, and 5 Divisional Secretaries indicated that error identification is another challenge they face.

4.2.4 Strategies to overcome challenges

Seven strategies were identified in the interviews with Divisional Secretaries in Galle district to overcome challenges to better service delivery.

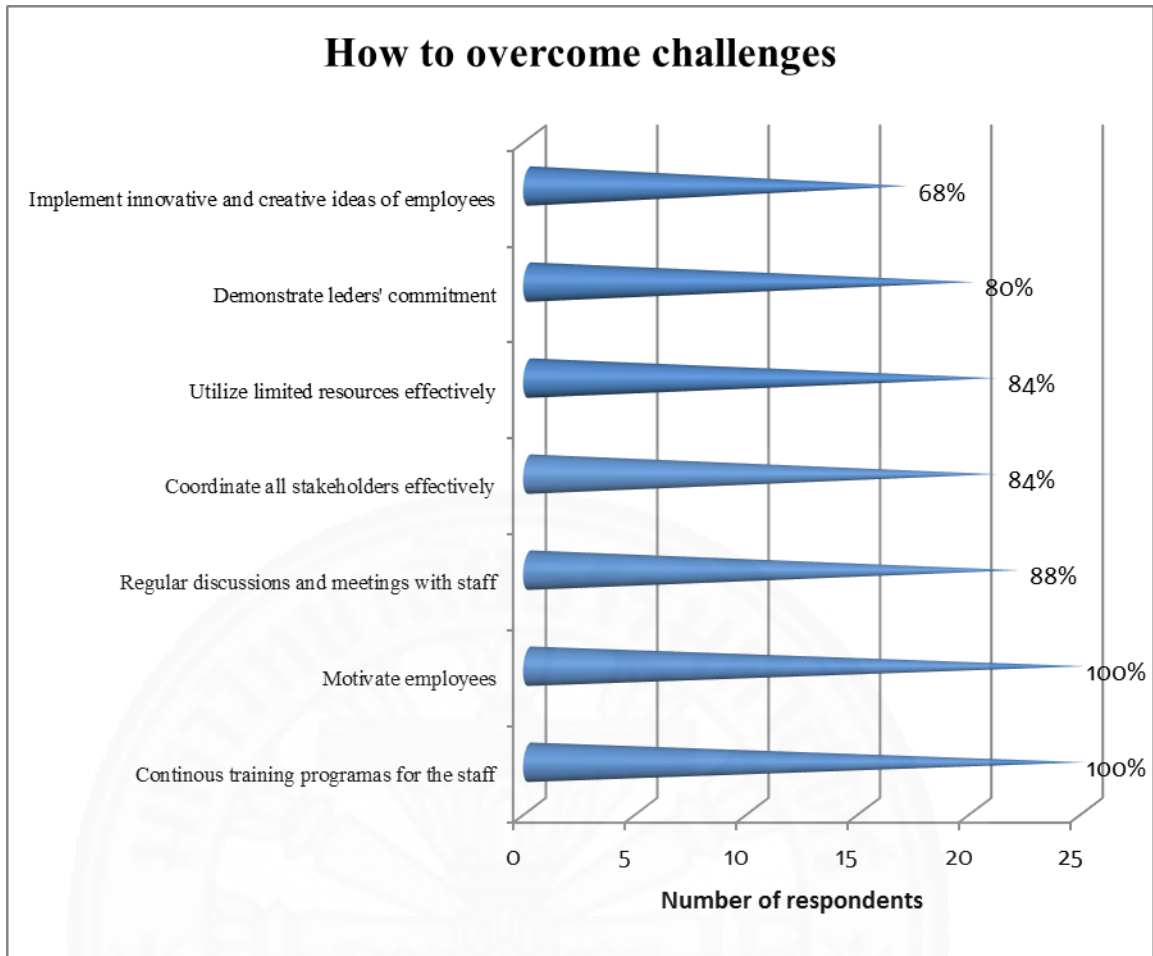


Figure 4.4 How to overcome challenges

Source: Field Survey, 2016

All respondents explained that the development of employees' capabilities through conducting continuous on the job training programs for the staff is the most important strategy to overcome the challenges for developing service oriented government agencies because they emphasized that resources are limited but creativity is unlimited. According to their point of view, training programs are the most significant tool to change employees' attitudes, to refresh their mindset and improve their knowledge and skills. All of them perceived that the motivation of employees is another important factor to sustain a better delivery process in the public sector. Appreciation from superior officers can generate self motivation of employees to perform better than usual, which is the idea of the respondents.

"I think that officers like to receive appreciation from their superiors and they are spontaneously motivated by positive words about their commitment enthusiasm and performance from the management. In my

experience, if superiors neglect the appreciation of subordinates, they are frustrated and disappointed” (Former Divisional Secretary – Balapitiya).

A major proportion of participants (88%) described regular meetings and discussions with staff as an effective strategy to convert challenges to opportunities. Quality circles can be defined as a group of employees who volunteer to meet regularly to discuss and propose solutions to problems (of quality or productivity) in the workplace (www.merriam-webster.com, 2016). Each branch actively functions to contribute new ideas, suggestions and proposals from the entire staff not only for decision making but also for improvement of the service delivery process in all Divisional Secretariats. Even a minor employee can donate his creativity to the decision making process through a quality circle. Consequently a bottom-up management approach is established in the organization. According to all Divisional Secretaries’ points of view, the majority of public servants, at all levels, work as a team and support each other to provide quality services to the community.

84% of respondents viewed effective coordination of all stakeholders including all levels of employees, relevant organizations, the general community, politicians and service providers to a Divisional Secretariat (cleaning services, security services, tenders, etc.) as one of the best strategies to sustain a better delivery process.

Extremely limited resources are effectively utilized by all Divisional Secretariats and 84% of participants perceived that effective utilization of resources is the best method to obtain better outcomes. For example:

“We have more than one hectare of office land, and the office building has been built using about 40 percent of the land. The other land had not been used for any effective purpose. We thought that we could generate an income for welfare facilities of the staff if we cultivated this land. Then all employees in the Divisional Secretariat started to cultivate the land and we got the harvest from the land. As a result, we serve a cup of tea to every customer when they come to receive any service from our office. Cultivation of the office land is not a compulsory requirement but we have done it to utilize the limited resources. Finally, we acquire either financial benefits or positive comments from the customers” (Divisional Secretary – Welivitiya-Divithure).

According to Galle Divisional Secretary's perception, leaders' commitment to the development of the service delivery process is the best strategy to overcome all challenges. If the leader is highly enthusiastic to accomplish organizational goals and objectives and to perform in accordance with the organizational vision and mission, all subordinates imitate and follow him without hesitation. 80% of respondents agreed with Galle Divisional Secretary.

A considerable number of respondents (68%) indicated that implementation of creative and innovative ideas are the most important method of converting challenges to opportunities. Officers' new concepts can be filtered through staff meetings, discussions, quality circle meetings and steering committee meetings. Most Divisional Secretaries usually implement new ideas and opinions from the staff.

4.3 Service quality

According to the participants' points of view, customer satisfaction relies totally on the quality of the service. As a result they often concentrate on how they fulfil customers' needs and wants for maximizing satisfaction. Nine strategies were identified through the study.



Figure4. 5 How to maximize customer satisfactions

Source: Field survey, 2016

All respondents opined that the most important strategy for maximizing customer satisfaction is the improvement of skills, attitudes and knowledge of all employees in the organization, and perceived that job related training programs are necessary for performing their duties and responsibilities correctly and smoothly. Moreover, 88% of participants noted that the effective listening skills of the employees had to be improved to sustain the quality of the service.

The majority of the respondents (96%) said that the introduction of new programs and methodologies according to customer feedback is the one dominant activity to maximize customer satisfaction and reduce the number of unsatisfied customers. All Divisional Secretariats collect and analyze customers' response forms which describe customers' opinions about the service quality. Also, 92% of respondents perceived that systems and procedures must be simplified by analyzing existing systems and procedures. Most Divisional Secretariats have been improving their citizen charter to simplify work processes.

According to 88% of respondents, usage of technological appliances and advanced technology positively affects service quality and customer satisfaction. As a result, they always try to apply technology to the service delivery process innovatively and creatively.

4.4 Resources

In this study, very important resources were identified according to the respondents, including human resources, infrastructure facilities, networking equipment, internet connection, furniture and financial allocation. All Divisional Secretaries said that they made good use of resources, especially human resources, because the most important resource is people.

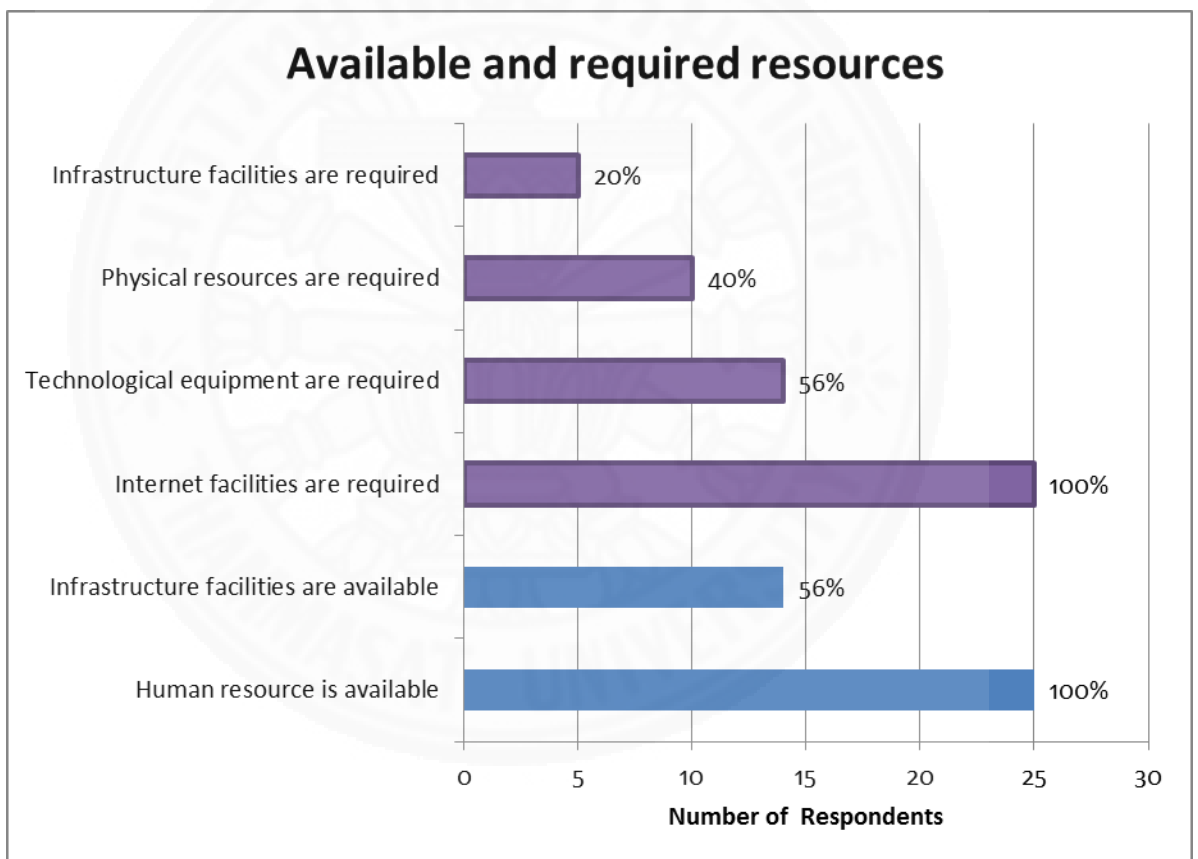


Figure 4.6 Available and required resources at the Divisional Secretariat

Source: Field survey, 2016

This figure shows the available resource and requisite resources at the Divisional Secretariat in Galle district. Only 20% of respondents said that infrastructure facilities are required to develop the service delivery process. On the other hand, 56% of respondents emphasized that they don't need any more infrastructure resources to develop the service delivery process.

22 respondents indicated that high speed internet facilities are required, and 14 informants said that technological equipment is essential to obtain quality service delivery. 9 Divisional Secretaries stressed that physical resources such as tables, chairs, cupboards, etc. are required to motivate the staff of the Divisional Secretariat. In addition:

“We have enough essential resources to provide effective, efficient and quality services to the general public. Therefore we don’t want any other resources from the government” (Divisional Secretary – Yakkalamulla).

According to all respondents (100%), the most significant resource to develop every section of the Divisional Secretariat is human resources, which should be managed properly to obtain better outcomes.

According to the survey results, on the job training programs are a key factor in developing the capabilities of the human resources of the organization. All respondents (100%) emphasized that all employees and managers should be trained to make them capable of performing effectively and efficiently in the customer-centric service delivery system. All of them opined that this strategy strongly supports applying innovation in the entire system at the Divisional Secretariat. It also helps to empower officials with positive attitudes, useful working skills and high recognition.

The former Divisional Secretary - Balapitiya, revealed that their commitment to developing the public service delivery system had not been evaluated or appreciated by their superiors, therefore most employees were disappointed and demotivated. His opinion was that subordinates should be appreciated by superiors when they make something ‘out of the box’. Consequently, most officers tend to do innovative and creative things to improve the whole process.

“Public sector organizations fundamentally rely on a source of state funds” (Gonzalez et al., 2013, p.2025) and financial allocation is very limited for governmental organizations. Annual budgets usually allocate financial resources to Divisional Secretariats through the Ministry of Home Affairs, the District Secretariat and the Provincial Council. Divisional Secretaries receive a small allocation to improve the service delivery process. On the other hand, all Divisional Secretariats perform in accordance with modern productivity concepts such as 3R, Kaizen, and green productivity, as innovative strategies to decrease costs and reduce wastage.

All Divisional Secretaries take creative action to save financial resources, for example,

“Some of my staff members do minor maintenance at the office. For instance electrical repairs, computer hardware repairs, etc. are done by employees at the office. The office also has a self created maintenance unit which is operated by office employees but they are not attached as technicians” (Divisional Secretary – Welivitiya-Divithura).

A Divisional Secretary must be responsible for various types of duties including social welfare activities. Many social welfare services can be launched by a Divisional Secretary using public private partnership methodology.

“We have launched many social activities to improve living conditions of the community in the division. We don’t receive financial allocation for these activities. Otherwise we invite the private sector to spend money for the activities. They positively contribute their effort to the society” (Divisional Secretary - Gonapinuwala).

Gonapinuwala Divisional Secretariat has paid attention to getting private sector participation to implement some projects successfully (public private participation). It is an optimum solution for addressing the lack of resources at Divisional Secretariats, and it supports many social welfare activities for the helpless community in the Divisional Secretariat area. For example, they have already initiated an insurance scheme for government officials to motivate them, and the Divisional Secretariat has exchange programs with the private sector to share knowledge and experience.

4.5 Administrative structure

4.5.1 Government policies

As shown in Figure 4.1, complicated rules and regulations are one of the most significant barriers to developing service delivery processes. However, new methods and strategies’ have been introduced by 24 Divisional Secretaries (95%) without violating any rules or regulations in order to minimize the critical issues as a manager and to maximize customer satisfaction. They demonstrate that rules and regulations

can be bent appropriately in innovative ways, but must not be broken for any reason. If someone bends a rule, he is considered a risk taker and a creative manager.

On the other hand, they know very well this is not the best way, and thus they suggest that laws and regulations should be updated and changed for the modern technological era.

4.5.2. Leadership

With leaders' commitment, staff are aware of the value of innovation (Hughes et al., 2011).

“In my experience, the leader of an organization is the secret of success of the organization; therefore the leader should have sufficient leadership qualities with skills, knowledge and a positive attitude. The absence of leadership causes the failure of an organization and is the key to efficient, effective and quality public service delivery” (Divisional Secretary – Imaduwa).

In her opinion, If the government wants to develop service oriented government organizations, capacity development of leaders is an essential requirement.

4.5.3 Decision making process

Top-down governance structures are a common decision-making method in several countries, but there can be staff resistance to change with this approach. The traditional decision making process in the public sector is top-down (Hartley, 2005; Walker, 2006). On the other hand, all Divisional Secretariats in Galle district work together as teams. Even minor employees can contribute their ideas and opinions to the decision making process through quality circle meetings, steering committee meetings and staff meetings, and top management usually approve their proposals for implementation in the organization. Consequently, bottom-up decision making processes can be seen in all Divisional Secretariats.

A considerable proportion of the respondents (72%) perceived that lack of independence to make decisions is one of the critical issues for the public service delivery process, because politicians negatively influence the decision making process

at the divisional administration level. However, the divisional administrators try to lessen negative political pressure by improving systems and methodologies.

4.5.4 Application of innovation

All respondents indicated that on the job training programs for the entire staff, along with introducing new methodologies and procedures, are the leading components of better employee satisfaction. Introducing service innovation to the process, modern and advanced technology must be used every time, which was the perception of 96 respondents.

Most participants (88%) suggested that as part of empowering human resources at the Divisional Secretariat, managing knowledge effectively is a compulsory requirement for all officials in the organization, in order to apply innovation and creativity.

The Citizens' Charter is a tool which helps service seekers to understand which section they should visit to get the required service and how long the respective service takes.



“Let's dedicate to service-Let's protect citizen's rights”



Citizen Charter

Divisional Secretariat - Welivitiya - Divithura

සේවාව / Services Provide / Nrit		Division	Duration	Services Provide		Division	Duration
01	Countersigning of residency Certificates	Administration	10 minutes	15	Recommending of Explosives license	Administration	10 minutes
02	Issuing of valuation Certificates	Administration	30 minutes	16	Approval to release of compulsory savings	Samurdhi	15 minutes
03	Issuing of income Certificates	Administration	15minutes	17	Issuing of Dry Rations cards	Samurdhi	10 minutes
04	Submitting of passport / Identity card	Administration	20 minutes	18	Payments of Samurdhi grants	Samurdhi	01 Week
05	Issuing of Assessment Certificates	Administration	20 minutes	19	Issuing of birth/death/marriage Certificates	Registration	10 minutes
06	Provision of solutions for electricity objection	Administration	03 weeks	20	Approval of Sick donations	Social Development	01 weeks
07	Registration of Business name	Administration	01 week	21	Payments of Miscellaneous subsidies donations	Social Development	01 weeks
08	Issuing of Sand mining license	Administration	03 weeks	22	Recommendation of Miscellaneous subsidies	Social Development	02 weeks
09	Recommending Electricity Applications	Administration	20 minutes	23	Approval of public donations	Social Development	02 weeks
10	Issuing of Animal transportation license	Administration	01 hour	24	Issuing of Revenue license	Accounts	10 minutes
11	Issuing of Timber transportation license	Administration	01 hour	25	Issuing Temporary License to renew Driving license	Accounts	10 minutes
12	Submitting of National Identity cards to RGD for one day service	Administration	20 minutes	26	Approval of loans mortgages on land title deed	Land	1/2 days
13	Issuing of Tree felling licence	Administration	15 minutes	27	Transferring of ownership of land	Land	02 Weeks
14	Issuing of Toddy license	Administration	01 hour	28	Issuing of land license after approval	Land	1/2 days

The provide above services within mentioned time all detail & documents should be submit correctly

Figure 4.7 Example of a Citizens' Charter

Source: Field survey 2016

Some Citizens' Charters of Divisional Secretariats describe the documents necessary for the customer to submit, and who the responsible officer to initiate and approve the

service is. 80% of respondents emphasized that the Citizens' Charter must be improved in an innovative way, and a few respondents said that a front office system should be created to obtain excellent outcomes.

4.6 Technology

Ten important technology dimension proposals were identified from the interviews, to develop the service delivery process (Figure 4.7).

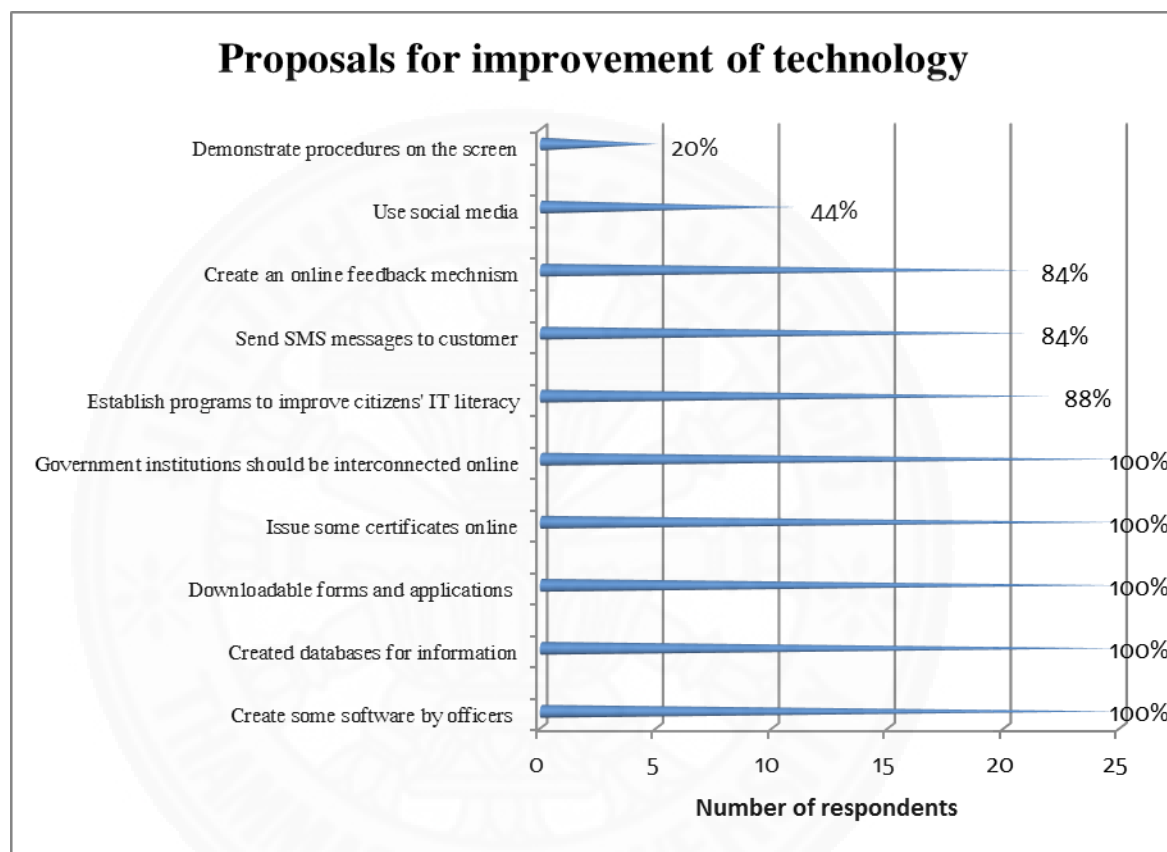


Figure 4.8 Proposals for improvements of technology

Source: Field survey 2016

4.6.1 Online services

A Divisional Secretariat consists of six sections based on different activities. Some functions link to the other Divisional Secretariats through the internet. For instance, a vehicle annual revenue license can be taken to any Divisional Secretariat in Southern Province not only the occupied Divisional Secretariat. Before an online delivery system is created, citizens must go to the registered Divisional Secretariat to get a birth, marriage or death certificate. At present, any person can receive their certificate at any convenient Divisional Secretariat in the country. Actually, all

Divisional Secretariats get relevant information through the internet to issues some licenses and certificates and maintain the pension payment system.

Additionally, 5 Divisional Secretariats inform customers completing the activity they requested, using SMS. Only Bentota Divisional Secretariat uses social media (Facebook) to keep them aware of the community, and they have uploaded some application forms and formats to the official website.

All Divisional Secretaries (100%) proposed five strategies regarding technology to increase the effectiveness of the service delivery process: 1. create software for all subjects, 2. create databases for basic information, 3. upload downloadable forms, applications and formats to the official websites, 4. increase the number of certificates and licenses which can be issued online, 5. relevant government institutions should be interconnected. Issuance of certificates electronically and interconnected government institutions are very new concepts to the public sector in Sri Lanka, because nobody can receive any service from the government at home. Also, people must physically visit different organizations to get only one service at present. Baddegama Divisional Secretary indicated that their Divisional Secretariat has started to provide business registration certificates electronically under the supervision of the Southern Provincial Council. On the other hand, the enthusiasm of the public is quite low for receiving services online and they like to visit the relevant institutions to get their desired services.

Most informants (96%) stressed that the e-governance program should be accelerated to increase the service quality of the public delivery process. 92% of respondents said that resistance to recognition of electronic copies should be eliminated and acceptance of soft copies should be established to increase services through the internet.

Lack of IT literacy is a problematic issue for implementing the e-government concept into the country. Therefore, 88% of respondents suggested IT literacy improvement programs should be conducted among the general public as much as possible. Vidatha resource centres which perform under Divisional Secretariats have launched many computer learning programs, however, most people don't know about the programs in order to participate.

4.6.2 Use of websites

All participants proposed that the official website must be user-friendly and easy to access anytime and anywhere, but official websites of Divisional Secretariats, provided by ICTA through the Ministry of Public Administration, are not updated due to internet failure, slow speed of the internet, mismanagement of IT resources and a lack of enthusiasm to update the websites. Another important point is that official websites do not host sufficient information, news or documents relating to services. On the other, hand all Divisional Secretariats have more than 12 computers with internet and LAN connection, and a trained IT administrator is available at all offices. All resources related to information technology have to be improved as soon as possible to obtain better outcomes.

84% of informants said that online feedback mechanisms and SMS services for customers are very significant to reduce customer waiting times and increase customer satisfaction. Customers must obtain recommendations from other organizations to receive the service from the Divisional Secretariat. For example, if a citizen wants to renew a foreign liquor license, he must get the recommendation from the Divisional Excise Office, Inland Revenue Department and respective Police Station. Habaraduwa Divisional Secretary emphasized that government institutions related to the Divisional Secretariats should be interconnected to approve where necessary through the internet, as customers do not want to visit other places to receive services.

All the respondents stressed that all the necessary information citizens and other stakeholders need to be aware of, such as the essential documents to receive services, declarations of meetings etc. should be kept on the website. However they are unable to update their websites regularly because of the low speed of the internet. They said they want internet facilities with high speed to update official websites day by day.

On the service seekers side, they don't have sufficient knowledge about use of websites, therefore service providers have to take the necessary action to distribute sufficient knowledge among the general public in an attractive and innovative way.

4. 6.3 Self created software

14 Divisional Secretariats out of 19 have created some software packages to provide services effectively and efficiently. The most important thing is that all software has been created by officers who have been attached to the Divisional Secretariat. For example, Nagoda, Baddegama and Welivitiya – Divithura Divisional Secretariats have produced very simple and efficient software packages for monitoring the daily mail. As a result, respective Divisional Secretaries can follow up what actions get taken for letters sent by customers.


All respondents (100%) proposed that software packages for the most sensitive subjects must be created to sustain effectiveness, efficiency and quality. Databases should be produced to manage data and information properly and to provide services in an easier way. Former divisional Secretary Bope –Poddala who works as District Secretary – Galle proposed a self created software competition among Divisional Secretariats to reward the most innovative software packages. After that, all Divisional Secretariats could use the appropriate software packages to upgrade the service delivery process.

4.7 Programs

4.7.1 Number of beneficiaries

Every Divisional Secretariat must provide many services from before birth to after death to each citizen in the Divisional Secretariat area, and every citizen in the area should receive the services of the Divisional Secretariat. Therefore, Divisional Secretariats strive to develop their service delivery process by evaluating customer feedback and responses. All Divisional Secretariats use methodologies to collect the reactions of the customers about the services they have received. However Divisional Secretariats use different types of data collection methodologies, questionnaires and analysis methods to measure customer satisfaction.

Two types of customer feedback collection methodologies and analysis methods are presented as examples. Baddegama Divisional Secretariat uses a questionnaire to gauge the responsiveness of customers, and this office analyzes the collected data to improve the service delivery process.


பூதேசிய மன லேகை கார்ட்டை - லீடீடீ
பிரதேச செயலகம் - பத்தேகம் - DIVISIONAL SECRETARIAT - BADDEGAMA

அடினஸ் னா லீடீடீ / கருத்துப்படிவம் / Comments and Suggestions

கேவா அலய / சேவைப் பிரிவு / Service Section (√ லீடீடீ, குறிப்பிடீ, mark)

<ul style="list-style-type: none"> ➤ அலயன அலய / தாபன பிரிவு / Administration Branch ➤ ஓடீ அலய / நிலம் பிரிவு / Land Branch ➤ ரேகிஸ்ட்ரார் அலய / பதிவாளப் பிரிவு / Registrar Branch ➤ கலர்வன அலய / அபிவித்திப் பிரிவு / Development Branch ➤ கீனூ அலய / கணக்குப் பிரிவு / Accounts Branch ➤ வீலா லீடீடீ அலய / ஓய்வுதியப் பிரிவு / Pension Branch ➤ கலாச கலர்வன அலய / சமூக அபிவிருத்திப் பிரிவு / Social Development Branch ➤ கலாடீ அலய / சமுர்தி பிரிவு / Samurdi Branch 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
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


	 லீடீடீ மிகச் சிறந்த Excellent	 லீடீ நல்லது Good	 காலாலை ஓரளவு Fair	 அகலுடீ மிகக்குறைந்த Poor
1. கீலீலீ கேவா - வரவேறுச் சேவை - Reception Service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. கார்டீ லீடீடீ அலய - ஊழியர்கள் மரியாதைப் பண்பு Staff Courteousness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. கீலீடீ கால - சுத்தம் - Cleanliness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. கலர் - சூழல் - Environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. கேவா ஓலீலீ - சேவை திருப்தி - Service Satisfaction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Figure 4. 9 Customer feedback form – front page

Source: Field survey 2016

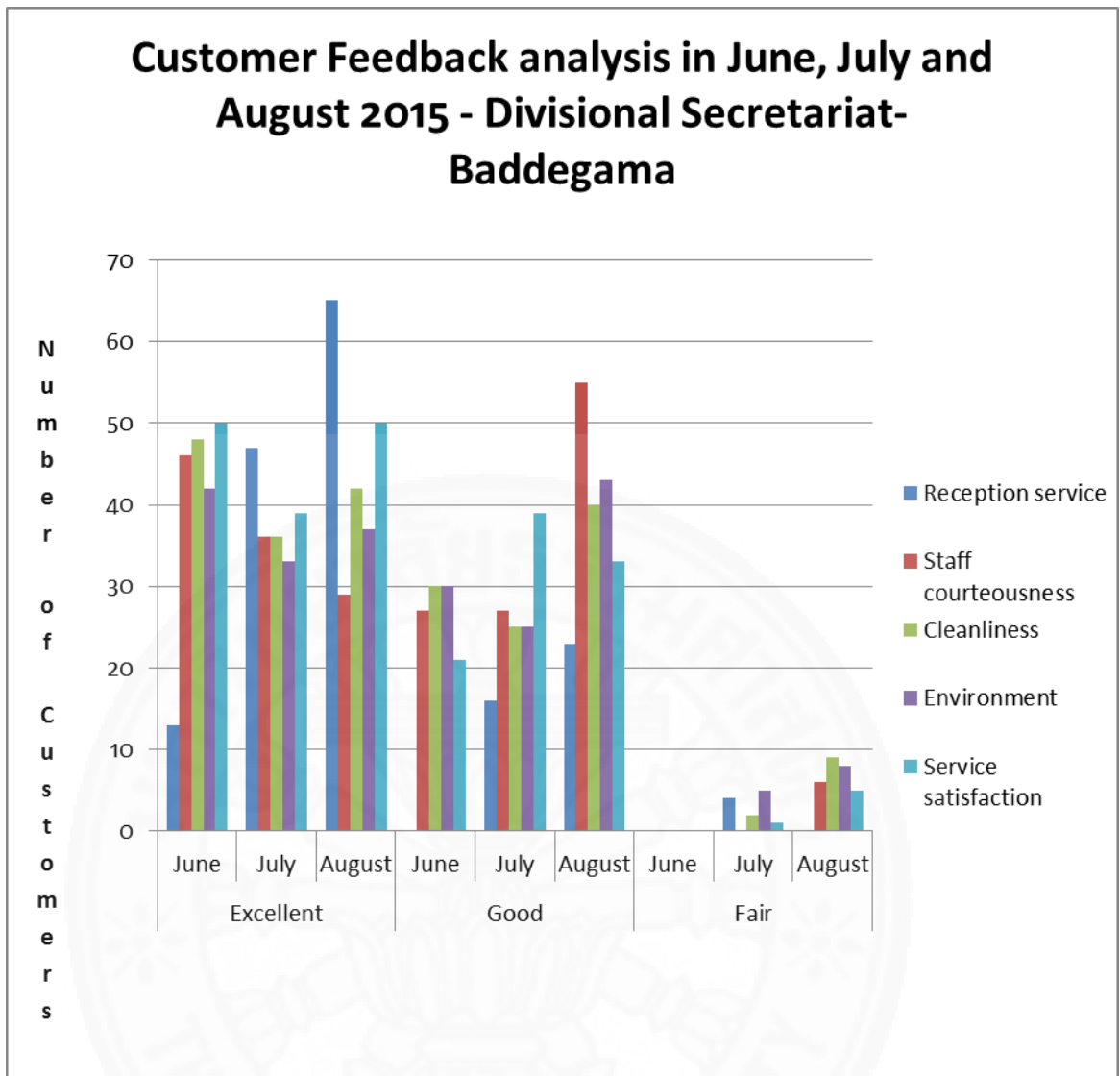


Figure 4.10 Customers' feedback analysis in June, July, August 2015 – Divisional Secretariat - Baddegama

Source: Field survey 2016

Ambalangoda Divisional Secretariat has a convenient and innovative method to measure customer satisfaction. The office uses different coloured cards and collecting cylinders to collect customer feedback.



Figure 4.11 Customer feedback cards

Source : Field survey 2016



Figure 4.12 Customer feedback collecting cylinders

Source: Field survey 2016

They analyze the data to enhance the quality of the service.

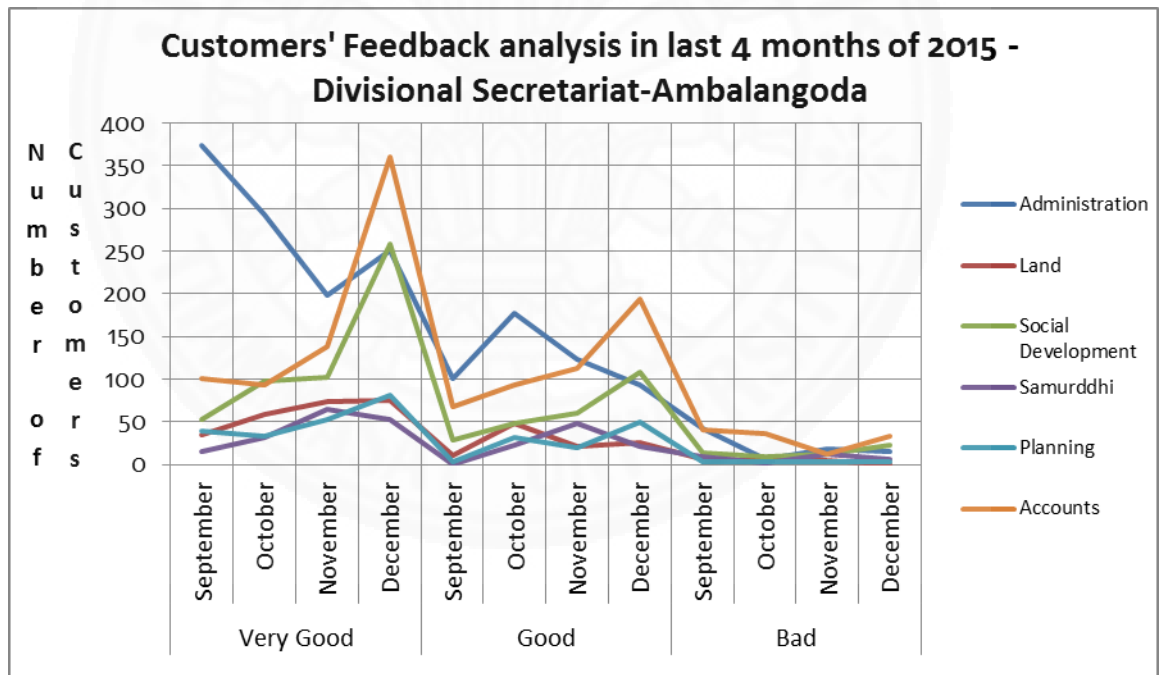


Figure 4.13 Customer feedback analysis in last 4 months of 2015 – Divisional Secretariat – Ambalangoda

Source : Field survey 2016

Only two Divisional Secretariats are included in the thesis, however customer feedback from all Divisional Secretariats has been considered in the research analysis,

to make recommendations. Customers usually give their feedback about the services they received. The feedback of the customers supports the improvement of the service delivery process. All Divisional Secretariats analyse collected customer feedback data monthly, and present the result of the analysis at monthly staff meetings, in order to be aware of customers' needs and wants. All of them try to improve the service delivery process to develop customer oriented services at the Divisional Secretariat by taking customer feedback into account.

4.8 Conclusion

According to the conceptual framework of the research, this chapter reveals the analyzed data and findings, supported by the research methodology, to reach the research objectives. The findings contain codes, categories, tables and graphs that come from the data related to the literature review. The data were collected in Galle district, Sri Lanka. All the interviews were carried out in the respondents' office premises. The data was collected from nineteen sources and twenty five respondents.

The research discovered that the existing human resources, and application of modern and advanced technology, are the most important components in developing a service oriented government agency. In spite of the availability of job oriented training programs, officials are not enthusiastic to participate in those training programs due to the difficult accessibility of the training locations. However, all Divisional Secretaries indicated that continuous on the job training programs are tremendously essential to change officials' mindsets and behaviour, in order to provide effective, efficient and quality services to service seekers, and they always encourage all employees to participate in the training programs to develop their capabilities, skills, knowledge and attitudes. Moreover, a proper appreciation system or an effective motivation system cannot be seen in every Divisional Secretariat, but depends on the Divisional Secretary.

At present, some services can be delivered by any Divisional Secretariat, receiving the relevant information from the respective Divisional Secretariat through the internet, a process totally operated by government officials. The government tries to provide services electronically as a door-step service, however, service seekers are not ready to get their services online through websites because of a lack of IT literacy.

Furthermore, most offices have created some software packages and databases for the most critical subjects and services.

All Divisional Secretariats perform within extremely limited budgets, however they utilize allocated resources including financial resources and human resources efficiently and effectively to continue the excellent public delivery service. The rules and regulations have not yet been updated with the flexibility to accommodate the increasing needs of the public service delivery process at divisional level in Sri Lanka.

Finally, the findings are discussed and interpreted in order to make recommendations, present conclusions, and suggest future research, in Chapter 5.



CHAPTER 5

RECOMMENDATIONS AND CONCLUSIONS

5.1 Introduction

The purpose of this chapter is to present conclusions based on the findings from Chapter 4 with reference of the research questions and the research objectives. Recommendations are provided for the service delivery process in the Divisional Secretariats. As the most sensitive government agency for the general public, Divisional Secretariats have to accelerate innovation in the service delivery process in a customer-centric and convenient manner. This research explores the strategies for developing service oriented government agencies.

5.2 Summary of the study

The purpose of the research is to identify concepts, approaches and strategies for developing a service oriented government agency in an innovative way. The following three objectives guide the research questions:

- To explore new concepts, new approaches and new methods to improve innovation and enhance service delivery methods.
- To discover opportunities to overcome challenges to developing a service oriented government agency.
- To explore ways to accelerate the existing innovation at the office.

The major research question is developed in order to lead the research and three basic sub questions evolved to support the main research question.

The main research question of this study is:

- What are the strategies for developing service oriented government agencies?

The three sub questions of the study are:

- What new concepts, approaches and methods have been developed to create service oriented government agencies?
- How have challenges been overcome to develop a service oriented government agency?
- What ways have been explored to accelerate the existing innovation at the office?

The research framework and research methodology have been created to find answers to the above questions through the qualitative data. The public service delivery process was scrutinized by gathering and analyzing data from observation on the Divisional Secretariats and the semi-structured in-depth interviews conducted among the Divisional Secretaries in Galle district, Sri Lanka. All Divisional Secretaries in Galle district were interviewed and Divisional Secretariats observed to collect primary data. Customer feedback forms were analyzed for the responsiveness of customers' opinion of the services provided by the Divisional Secretariat, and a summary was collected as a secondary source of data. The entire data collection period was less than one month between 11 January 2016 and 8 February 2016. Data was managed and analyzed using MS Excel. The primary and secondary data was analyzed for the findings, using various statistical tools such as tables, percentages and graphs. In this chapter, the findings are used to make recommendations and reach conclusions.

The following mind map highlights the data and the important findings in Chapter 4. It demonstrates the key findings and their interconnectivity with innovation in the public service delivery process in Sri Lanka.

Important factors for developing service oriented government agencies.

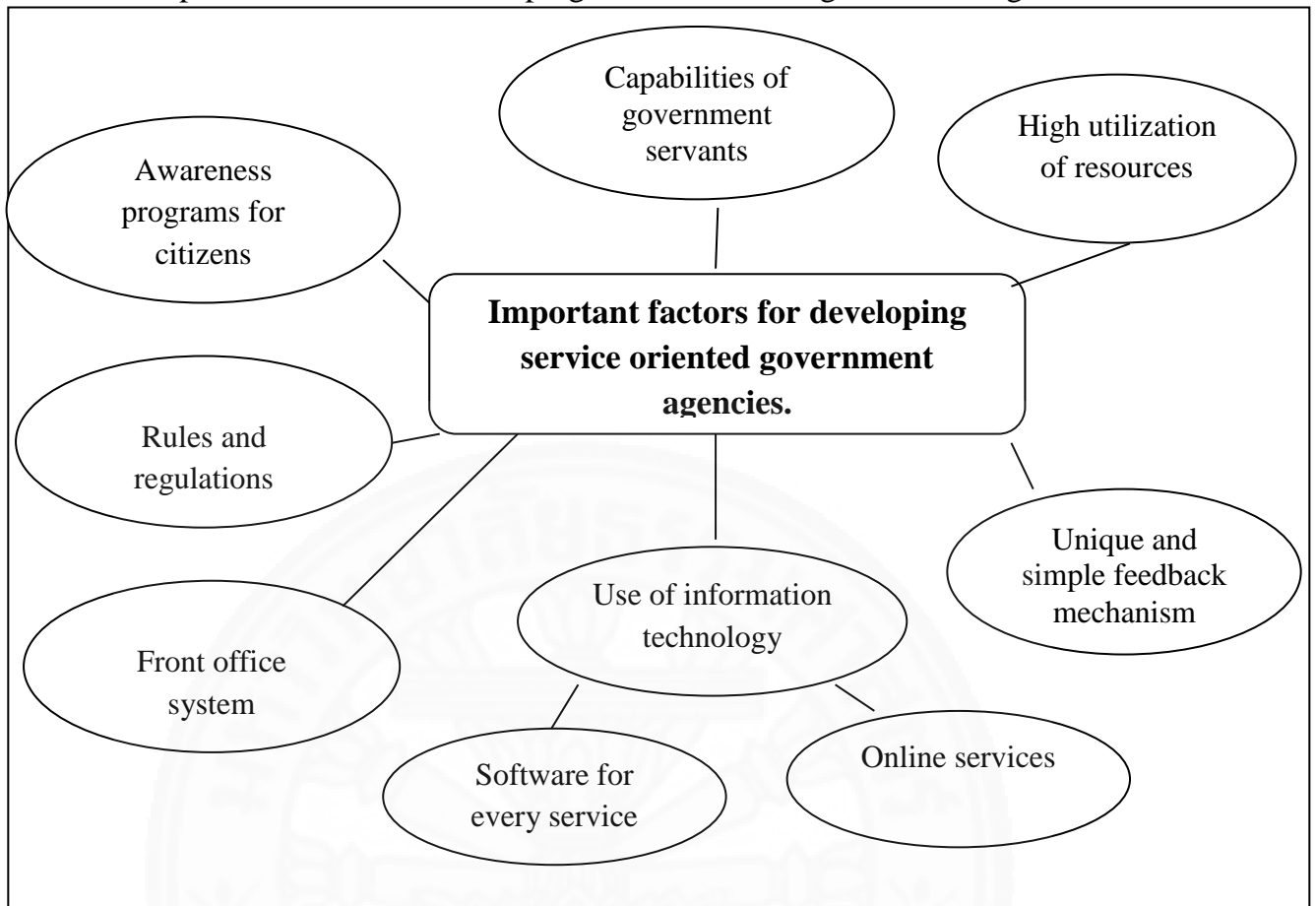


Figure 5.1 Mind map of the summary of important findings of the data in Chapter 4

The key findings included in the mind map (Figure 5.1) show how to overcome major challenges to developing a better delivery process (Figure 4.3), and these key findings are discussed below in order to formulate recommendations related to the research objectives.

5.3 Recommendations

Based on the research findings of both primary and secondary data, the conclusion of the research proposes seven recommendations. These recommendations are offered not only for all Divisional Secretaries in Galle district but also service seekers of Divisional Secretariats.

5.3.1 Improve the capabilities of government servants

Many challenges to the public service delivery process in Sri Lanka have been discovered in the course of the study, such as the lack of technological knowledge of

staff, the lack of awareness of citizens, the shortage of skilled officers, the proper identification of problems and the unwillingness of the staff to change. The research indicates that capacity development of human resources is the most important strategy to overcome these challenges in the public service delivery process in Sri Lanka. Knowledgeable people who pass at least the General Certificate of Education (Ordinary Level) examination are recruited for the government sector, however most people attached to the public sector do not have sufficient skills or positive attitudes to provide efficient and effective services to the general public, because they don't participate in the induction training or the on-the-job training programs.

To ensure customer-centric service delivery at the service oriented government agency, all the staff, including managers, officials and minor staff, should be trained according to their duties and responsibilities. Most employees have poor enthusiasm for identifying customers' requirements, providing quality services to the customers, using the internet and modern technical appliances, and listening to the customers effectively, because they don't have willingness to change their mindset or behaviour in accordance with their respective positions. Proper induction training is a compulsory requirement for all government servants, to change a person into a government officer. Consequently, they could gain much knowledge, sufficient skills and positive attitudes, thereby maximizing customer satisfaction.

In addition, on the job training is a very important requirement to update officers' skills and capacities for improving their behaviour to fulfil the needs of service seekers. The Sri Lankan government annually allocates a considerable amount of finance for the purpose of training government employees through the Ministry of Public Administration and Management and the Sri Lanka Institute of Development Administration, the provincial branches of which have been established to train managerial level and non-managerial government officers. This institute provides job oriented training programs to officers for short or long periods. At present, adequate training facilities are available in Sri Lanka, but participation in training programs is very low, because training opportunities are deliberately neglected by the officers. However, all respondents emphasized that continuous training programs for officers should be supported; to improve the service delivery process and develop service oriented government agencies.

A set of regulations and policies have been established by many governments to provide a national framework for human resource development and innovation (Cook, 2013). All officers are guided by respective service minutes, for example, a public management assistant should perform according to the minute of the public management assistant (www.pubad.gov.lk, 2013). A fixed number of training programs or training days should be included in all service minutes, as a compulsory requirement for every year. As a result, all government officers would have to participate in training programs as a compulsory requirement, to build their capabilities. Innovation cannot be led by a single person; it requires a group of people who collaborate with each other as a team (Gonzalez et al., 2013, p.2025) and no one can innovate alone. The mindsets of officers would be creatively adjusted to make changes, in order to sustain the public delivery process in an innovative way.

Furthermore, the majority of respondents suggested that lack of commitment to improving existing service delivery on the part of the head of the organization negatively influences the entire process. Leaders' commitment to the service strongly affects improvements in the public service delivery process for the reason that innovative leaders have introduced many new strategies to the process themselves or through their subordinates to upgrade the quality of the service. The development of leadership capabilities is the most important factor to manage everything else, including staff, service delivery and resources. Most respondents said that local and international training opportunities should be provided for leaders to motivate them. Galle Divisional Secretary stressed that international exposure to managerial officers is highly worthwhile, not only for their success but also for organizational success.

5.3.1.1 Sustain co-working society for co-creating society

Co-working society can be observed in the Divisional Secretariats, because quality circles have been implemented for a few years. All employees contribute their ideas, thoughts and opinions to achieve organizational goals and objectives according to the organizational vision and mission through the quality circles. The improvements that come from the quality circles are essential to create a co-creating culture.

The Divisional Secretary, as the head of the department, should always encourage the quality circles to obtain creative and innovative outcomes from the staff.

5.3.2 Enhance use of information technology

The Information and Communication Technology Agency has provided websites to all Divisional Secretariats through the Ministry of Public Administration, to provide online services to the public, in order to improve effectiveness, efficiency and customer satisfaction. However, updated effective websites that belong to Divisional Secretariats are rare at present. Moreover, information and communication technology literacy in the community and internet infrastructure facilities in the country are extremely low at present, therefore the government must take the necessary action to overcome these challenges.

Websites of Divisional Secretariats must be user-friendly and updated to provide every service, without delay, to the general public. The websites should be able to issue and renew licenses and to coordinate relevant government agencies, and to send out permits including prohibited timber transport permits and mineral mining permits.

5.3.2.1 Create software for the vital subjects or services.

The majority of divisional Secretariats in Galle District have created software packages for some subjects or services, to deliver their services in an easier way. The most significant factor is that all software packages are produced by officers attached to the Divisional Secretariat. A few employees at the Divisional Secretariat are capable of creating very useful software packages for essential subjects and services.

Government servants who create an innovative computer program or software package must be appreciated by their superiors. For example, commendation certificates could be offered to the respective officers. The Information and Technology Communication Agency should hold competitions to promote the use of IT technology among public servants, and as a result better outcomes could be obtained to improve the existing service delivery process. Also, incentive schemes for creative and innovative officers should be introduced to motivate them.

5.3.2.2 Ensure online services

All respondents stressed that many services should be delivered online and service seekers could receive services at their residence. Some licenses and certificates could be provided by any Divisional Secretariat, by taking the necessary information through the internet, for example, annual vehicle revenue licenses. The existing annual revenue licence process entails visits to three places. A customer must visit the Insurance Agency, the Emission Certifying Centre and the Divisional Secretariat to get an annual revenue license. Actually, this procedure can be improved in an innovative way. Every customer has to go to the Emission Certifying Centre with his vehicle, whereas the customer could get an insurance certificate and revenue licence through the internet if the process were to be improved. The government should also introduce an online payment system by credit card or ATM card, for services.

Government institutions relevant to the Divisional Secretariat should be interconnected, in order to exchange information through the internet for efficient and effective services. For example, if a customer wants to get an annual liquor permit at present, he must visit the Provincial Revenue Department, Department of Inland Revenue, Sri Lanka Tourist Board and Department of Excise to get clearance. These institutions should send their recommendations through the Internet to the Divisional Secretariat, then the Divisional Secretary could provide the permit online to the customer. Thus, anybody could monitor what happened to the service request. The current government has initiated a free Wi-Fi project for the general public, therefore, people can access the internet at many places in Sri Lanka. Most services can be improved with the use of the internet.

5.3.3 High utilization of resources

The majority of respondents suggested that a huge challenge that can be identified as having a negative impact on the public delivery process, is the scarcity of resources. It is the second most dominant issue they described, because the government, including central government and the respective provincial councils, annually provide limited financial allocation for Divisional Secretariats to spend on activities such as infrastructure development projects, service improvement projects,

officers' capacity building development projects etc. On the other hand, all Divisional Secretariats perform according to important productivity concepts such as 5S (seiri, seiton, seiso, seitetsu and shithsuke), 3R (reuse, reduce and recycle) and green productivity to reduce wastage and cut costs (Field survey, 2016; www.productivity.lk). They strive to implement Total Quality Management and Kaizen to utilize resources in an innovative way. Consequently, they have been able to minimize costs and customer waiting times.

5.3.4 Promoting awareness programs for citizens

Several types of awareness projects are organized by government officials, for their own awareness and that of the general community. However many people hesitate to accept changes in the service delivery process. For example, an electronic version of any document is recognized under the Electronic Transaction Act, No 19 of 2006, but most people, even senior government officials, are strongly disinclined to recognize an electronic version because of lack of awareness. The Southern Provincial Council and Divisional Secretariats in Southern Province are ready to provide business registration certificates electronically. Thus people can receive certificates at their residence. However people still go to the respective Divisional Secretariat to get the certificate because the general public do not know the about facility provided by the government.

To address these situations, a comprehensive awareness program about new strategies implemented by the government should be provided to the citizens, using media such as newspapers, radio and television to convey the benefits of new strategies to the people. Also, the government agencies at divisional level have to market and promote their services in collaboration with ground level officers including Grama Niladharies, Samurddhi Development Officers and Economic Development Officers, local political leaders, representatives of community based organizations and mobile operators.

5.3.5 Update rules and regulations

All respondents want updated rules and regulations as a way to sustain the quality of public service. In the case of Sri Lanka, it is very difficult to find equal standards of service providers at divisional level. All Divisional Secretariats try to

maintain standards in accordance with the Citizens' Charter and some Divisional Secretariats are qualified for ISO9001: 2008 certification by achieving service standards. On the other hand, qualified Divisional Secretariats are unable to continue ISO standards because of the scarcity of financial allocation. The Sri Lanka Standards Institute (SLSI), a government body, charges high prices to monitor standards, even for government organizations. There is no proper cost effective monitoring system for standards of the service delivery process. In this regard, respondents proposed that the SLSI should monitor standards of the service delivery process at a low price, or free of charge, and this must be a rule.

The National Productivity Award Competition annually refreshes organizations which participate in the competition; however participation in the competition depends totally on the head of the department. If an organization has a creative and innovative leader as the head, he refreshes his office by competing for the national productivity award. A policy should be initiated about participation in the productivity competition as an essential requirement to get financial allocation from the annual budget.

According to the respondents' points of view, political influences are very great in the service delivery process in Sri Lanka. The political parties have badly influenced the decision making process of divisional administrations. If a Divisional Secretariats had improved service delivery process standards, the political influence could be eliminated.

State policies, rules and regulations are always enacted at national level and they are extremely rigid. Some participants in the study suggested that the rules and regulations should be flexible to change where necessary, especially at the divisional level, because community requirements depend on cultural diversity, geographical variation and the means of earning money in order to live.

Consequently, the policy and legal framework must be updated to maximize customer satisfaction among service seekers.

5.3.6 Create front office system

Service organizations come in direct contact with service seekers and liaise with the administrative section (back office) to maintain a two-way flow of information (www.businessdictionary.com, 2016). As service providers, Divisional

Secretariats can be separated into back office and front office, but most Divisional Secretariats do not separate back office from front office. Some Divisional Secretaries have tried to establish this system to develop their service delivery process and rearranged the office layout according to the front office concept. After, establishing a front office system, service seekers are able to acquire their services without wasting their time or money.

5.3.7 Develop a unique and simple feedback mechanism

An effective and efficient customer feedback mechanism for the service delivery process should be implemented in order to accelerate innovation in quality public service. This would motivate the participation of the general public for either sustainable quality of service or the development process of the country.

Every Divisional Secretariat has a customer feedback mechanism, but all the mechanisms are different from each other. All feedback forms are created by the respective Divisional Secretariats. As a result, some feedback forms are highly complicated and very difficult to understand and some are very simple and very easy to understand. If it is highly confusing, citizens are reluctant to give their actual and honest feelings about the service to the service provider. Most service seekers are rural and uneducated; therefore feedback forms must be very simple and user-friendly. Ambalangoda Divisional Secretariat uses a very convenient customer feedback mechanism. Their customers do not need to write anything on the feedback forms and they are very convenient to use. They use a card system for measuring customer satisfaction. This should be adopted by other Divisional Secretariats to get customer feedback in a comfortable way.

5.4 Conclusion

This study identifies various types of issue in the service delivery process in Sri Lanka as a developing country. Lack of commitment of the heads of organizations to improve service delivery process in the public sector, lack of awareness of citizens about the service delivery process, unnecessary political influences on decision making process at divisional level, scarcity of essential resources and lack of coordination among institutions and stakeholders are identified as dominant issues for the public service delivery process at divisional level in Sri Lanka. Many types of

project such as the national productivity competition, e-governance project and new public management projects start with providing effective, efficient and quality public services to the community in Sri Lanka.

The research found that leaders' commitment, enthusiasm of subordinates, high utilization of resources, introducing new concepts and methodologies and use of technology, are the key factors in developing a service oriented government agency.

The results of the study present new approaches to improvement of services, new concepts for adding value to services and strategies for developing services. The results strongly suggest that new ways of doing things are essential to each procedure in government agencies at divisional level. Considering the overall research, innovation acts as a catalyst at every step in the Divisional Secretariat, and service innovation should be applied to the public service delivery process at divisional level to obtain better outcomes and maximize customer satisfaction.

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The image features a large, faint watermark of the Thammasat University seal in the background. The seal is circular and contains the university's name in Thai script at the top and "THAMMASAT UNIVERSITY" in English at the bottom. The central emblem depicts a traditional Thai crown (mudrak) resting on a lotus flower, with two hands holding a sword and a mace, symbolizing justice and wisdom.

APPENDICES

Appendix A

Interview sheet for divisional secretaries

Date_____ Respondent

Number_____

Name or

Pseudonyms_____

Introduction

- Discuss the purpose of the research
- Provide informed consent
- Provide respondent's demographic information sheet
- Provide structure of the interview
- Answer any question about the research before starting the interview
- Test audio recording equipment

Ground rules

- The respondent will be sent an informed consent form before the interview. The interviewee will ask that the respondent has any question about the consent form and the interview at the start of the interview. If the respondent agrees to be interviewed and audio recorded, interviewer will start to do the interview.
- All information you tell me will be confidential to protect your privacy.
- I will not connect your name with any information you provided.
- You can stop the interview at any time for any reason.
- If you have any questions, please feel free to let me know at any time during the interview.
- My objective in talking with you is to learn about your opinions, thoughts, feelings and experiences related to innovation in public service delivery at divisional level in Sri Lanka.
- Have you read the consent form I sent to you? Do you have any question regarding the consent form or the interview?

- Do you agree with everything? I will start to record the interview today.
- Do you have any question before we start?

Understanding the public service delivery at divisional level in Sri Lanka

(Start at _____ 60 minutes end at _____)

Process

1. What are the critical issues you feel in the existing public service delivery system at divisional level in Sri Lanka?
 - a. How do you define the issues?
 - b. How do you minimize the issues as a manager?
 - c. How would you describe the impact of these problems on the service process?
 - d. How are you going to minimize these issues?
2. How do you contribute to develop a better service delivery process?
3. How do you motivate your staff to develop a better service delivery process?
4. How do you explain innovation in service delivery process at the divisional secretariat?
5. How do you apply innovation to improve the existing service delivery process at the divisional secretariat?
6. What are your suggestions and proposals about the important activities to be undertaken in order to improve innovation in the public sector in Sri Lanka?
7. Do you agree that innovation is the best strategy to improve the public service delivery at this present?
8. What challenges have you seen to develop a better service delivery process?
9. How have you overcome challenges you mentioned?

Service Quality

10. In your experience, what are the general expectations of your customers?
11. How do you make a better customers' experience?
12. How does innovative service support to maximize customers' satisfaction?

Resources

13. What resources does the divisional secretariat have to develop innovative service delivery process?
14. What assistance do you need to develop a service oriented divisional secretariat?

Administrative Structure

15. What do you think about importance of innovation at the divisional secretariat?
16. How do you use innovation to reduce customers' waiting time?
17. What are your suggestions to develop innovation at divisional secretariat?

Technology

18. How did you use technology to develop the service delivery process?
19. Which types of technologies did you use for developing service delivery?

Programs

20. How do you explain the current situation of the service innovation at divisional secretariat?
21. What opportunities have you identified to develop a better service experience using innovation?
22. Is there anything else you like to tell about service delivery process at the divisional secretariat?

Appendix B

Informed Consent to Participate in a Research Study

January, 2016

Dear Sir/Madam,

You have been invited to participate in a research project titled: *Identification of innovation factors that help to develop a service oriented divisional secretariat*. The purpose of this research is to identify innovation factors at divisional secretariat to develop service delivery process to maximize customers' satisfaction. This research has been approved by College of Innovation, Thammasat University, Thailand as a partial fulfillment of the requirements for my Degree of Master of Science in Service Innovation. As a top level manager in the divisional administration, you are in an ideal position to give me valuable information from your own experiences and knowledge. Participation in this research is completely voluntary, and you can withdraw from the research at any time. The approved time frame for the data gathering is between January 2016 and February 2016. The interview will be conducted in the sinhala language and take approximately 60 minutes to complete at a time and place is convenient to you. You will not receive any remuneration for participating in the survey study.

Before you agree to the interview I need to confirm that:

- The College of Innovation, Thammasat University has given permission for this research to be carried out.
- To ensure safe and proper research procedures, with your permission the interview will be audio recorded.
- A transcript of the interview will be sent to you after the interview.
- Your anonymity will be maintained at all times and no comments will be ascribed to you by name in any written document or oral presentation. This data will be used for only academic purpose and not be given to third party.
- You will be free to withdraw from the research at any given time and/or request that your transcript not be used.
- A copy of the interview questions will be sent to you prior to the interview.

I will write to you on completion of the research and a copy of my final research report will be made available to you upon request.

I sincerely hope that you will be able to help me with my research. If you have any queries concerning the nature of the research or are unclear about the extent of your involvement in it please contact me at kusalanidesilva@yahoo.com or mobile: +94711616522.

Thank you for your consideration. Your help is greatly appreciated.

CONSENT: Your signature below indicates that you have read the above information and agree to participate in the research, and you are at least 18 years of age.

Name of Informant

Signature of Informant

Date:- _____

Signature of Investigator

Date:- _____

BIOGRAPHY

Name	Mrs. D. Kusalani de Silva
Date of birth	07 October 1974
Educational attainment	BSc in Physical Science (University of Peradeniya) MA in Sociology University of Kelaniya
Work Position	Senior Assistant Secretary (Teacher Establishment) Ministry of Education
Scholarship	2014 Thailand International cooperation Agency (TICA)
Work Experiences	Government clerk. 2000-2001 Labour officer 2001-2003 Assistant Divisional Secretary-Bentota 2004-2007 Assistant Divisional Secretary – Ambalangoda Divisional Secretary – Welivitiya Divithura 2009-2014