Urban Governance and Development Management (UGHM)
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Lecture - 17
Urban Reforms and Managing Change - 2

Welcome to lecture 17. In this lecture we will continue the discussion on urban Reform and Managing Change. In the last lecture we introduced the discussion on the urban reform and we have seen that in last few decades starting from 1992 with 74th Constitutional Amendment Act and thereafter in 2004 with JNNURM and few other projects and programs and recently through the AMURT all the urban development organizations and local governments they are going through a changing process which we are calling as a Urban Reform.

So main objective of the Urban Reform is to bring changes for the better facility better service delivery for the common people. Now we have seen that some of the reforms are mandatory some of the reforms are optional at all level like state level and local government level. Now the question is how to bring those reform in place. Saying something giving mandate something but bringing and taking actual action and implementing those reforms are very much challenging in actual scenario.
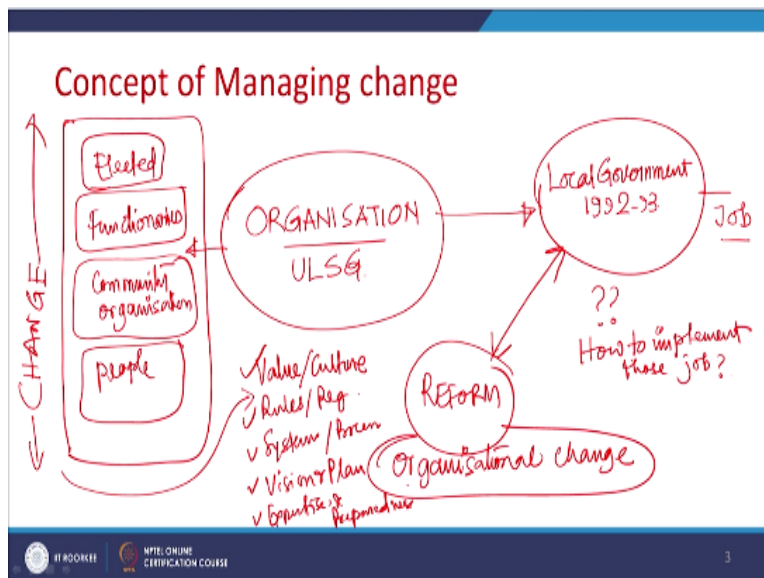
So let us see what are the process concepts and some examples related to the concept of the managing change. So today we will discuss three elements.
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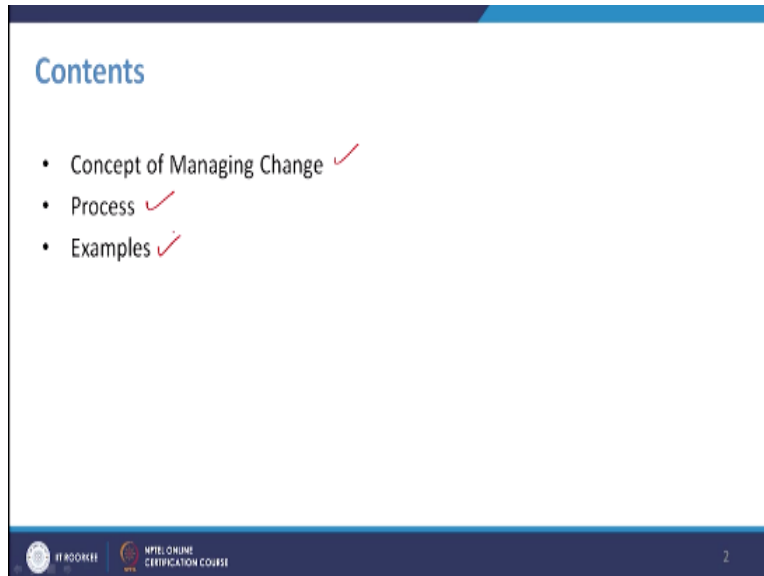
The concept of Managing change, its process and basic elements and also we will discuss few examples.

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Now in the concept the central theme here is basically an organization. And in our discussion an organization is basically urban local cell government. And in India this organization is acting as local government since 1992-93 from 74th Amendment. Now there were some objectives stated with this mandate, some jobs assigned to its which we discussed earlier in 12 schedules. Now the question was that, that how to implement those job.

Because organizational capacity was not match so they could not deliver. That is why some reform was mandated for this local government. So when you say reform it is the basically organizational change. And in earlier, when you talk about the organization we talk that in local governments there is a elected member then functionaries and then community organization and then we have people, so these are the vertical of the organization of Urban Local Bodies.

Now bringing change in all vertical it requires, bringing change in all verticals it requires change in value and culture of the organization, change in rules and regulation, change in systems and process and change in vision and plan and change in expertise and preparedness. Now you can see from this diagram that organization it is at the center; the organization is mandated for some particular job and for that job it needs a change from all vertical elected functionaries, community organization and the common people.

And change is required for changing of the values and culture of the organization, the systems and processes and the rules and regulation if it is required and most importantly the expertise and the knowledge base of the people who are working and also visioning and the planning mechanism of the organization. So this is the concept which we mean for the Urban Local Bodies or the Urban Local Government.

Now the question is let us see that how the people have tried to define it. So you just have a look of the definition then I will discuss.
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Definition

- *Change management is a **comprehensive**, **cyclic**, and **structured** approach for **transitioning** individuals, groups, and organizations from a **current state** to a future state with intended **business benefits**. (PMI, 2013)*

So in this definition I would like to mention few words like change management is a comprehensive, cyclic, and structured approach for transitioning individuals, groups and organizations from a current state to a future state with intended business benefits. So this is the formal definition of a change management given by one of the renowned institute I have just referred that. Sp please follow the term comprehensive, cyclic, structured, transitioning.

Comprehensive means the change will be comprehensive and it will encompass all the facets of the development and the growth. It is not a standalone exercise that is done for only particular one job or one function or one section of an organization. It is cyclic. It start somewhere and after sometime you have to assess the results whether it is aiming or it is targeting the objectives or the target.

And then you come back to your plan and programs and revise it and further improve for plan and vision. So it is a cyclic process and continues process. Then it is an structured approach. It cannot be happened in a very haphazard and peace mill approach; it has to be documented in a proper manner; it has to be documented systematically as per the norms and standards and has to be implemented.

And also there is a concept of transitioning from current situation to the future situation. And the objective it is clearly stating that from current state to a future state were the organization will get

some amount of benefit of the organization. Now here the business benefit for a local government does not means always financial benefit. Here the business is giving the public service delivery, public; urban development.

For the business benefit is can be like better citizens in; better citizen perception, better service delivery, more accountability, more transparency so those are the benefits which we basically seek for the urban local government. Now based on this definition and concept let us discuss what could be the changing process.

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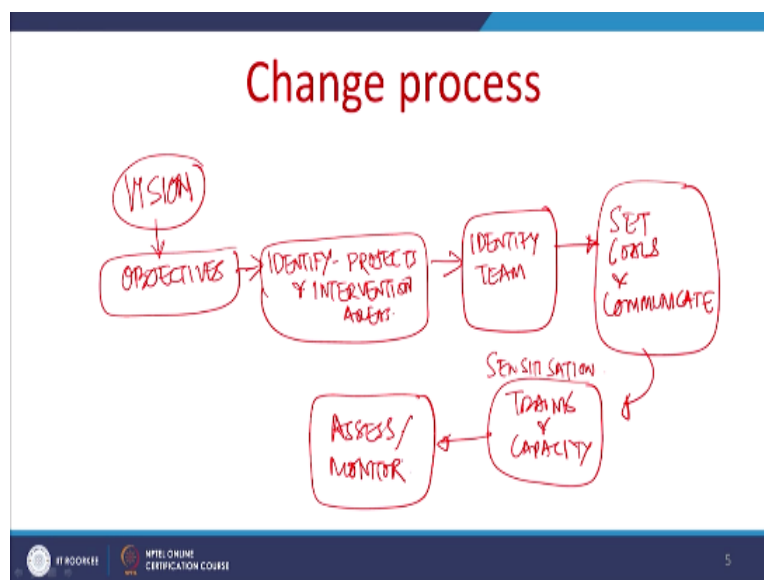
In this changing process, the first thing is what you should mention you should think about that is the; a vision which is required for the city and then with the vision you have to set few objectives and identify projects and intervention areas, right. And then you identify the dedicated team which will work. Now in this; it can be multifaceted various types of team and then you set goals and communicate, communicate organized training and capacity building.

And with that also it is required to make sensitization and assess result monitoring or monitor the progress, right. So this is a general change process what I showed, now let us see that how the change process is described in various referred literature. So this is a diagrammatic representation of a change management.

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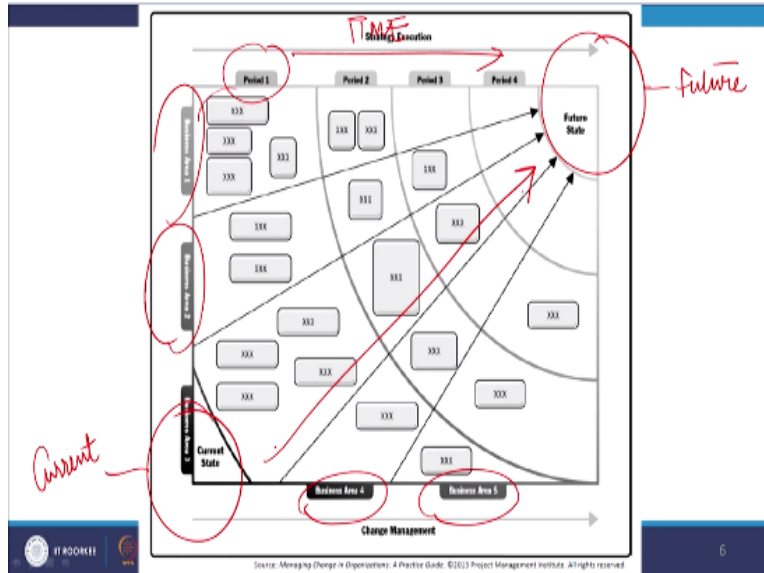
Now this is the current state of affairs for the organization. And this is the future state of affairs for the organization. And you can see that these are some of the business areas or the programs and projects identified. And from the; this is the time progression and how set of projects are identified in various quadrants the current state to the future state it is progressing. So this is a very schematic diagram of the change management.

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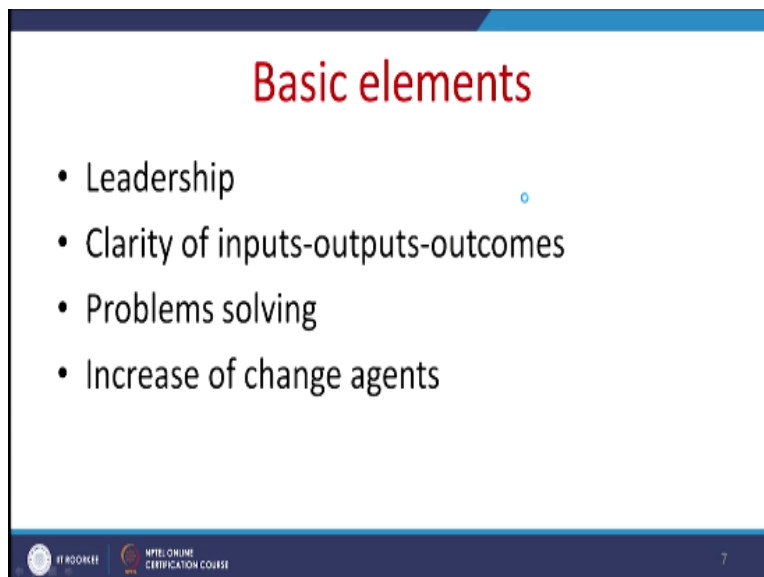
And in this change management the basic elements what are very much essential component is the leadership. Now for any visioning exercise without a robust leadership without a sensitized and really visionary leader a change management it is very difficult to implement any change management. So leadership is important, so leadership is required at the elected representative

level, at the functionaries level, at the technical or the professional level, at the community level also.

So leadership is a culture a leader can encourage lot of other leadership in terms of the better work performance and effectiveness of the organization. And not only the leadership about the process absolute clarity is required for all the leaders and functionaries. Second is the leadership and the functionaries they will be ready for the problem solving for the issues because the moment a change is aimed from the current affairs to the future affairs.

You are going to disturb the current systems, current process, current comfort zones of the people so there will be conflict, there will be problems, there will be issues. So how to resolve those conflicts those issues that is a major challenge in a managing change. So clarity of the process and being clear about the process and informing the functionaries and the staffs and the people about the process and then solve the problems and the issues are very much important and increase of change agent.

So if a leader elected or functionaries they are the change agent. It is also required to create the professional or the trained person who will act on your behalf as a change agent on the ground. For example, if you think that accounting reform is a change in the municipal government then create professionals who can bring that accounting reform on a ground. If you consider that planning is a function which needs to be mandated as a reform, you create urban planners at the municipalities.

If you think that citizens interface or any other reform is important for the Urban Local Bodies create professional, create those change as agent and allow them to work at the ground level. So these are basic elements which are required for the change management.

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Now based on the process what we discussed, now let us see the steps what could be the steps in the reform implementation. Now first action what is required as the Apex management team. So Apex management team is basically is a team which will set goals as I discussed earlier goals and visions. Then Implantation support team. This Implementation support team they work to support the Apex management team for the implementation.

Identify the support departments for the reform. Earlier I discussed that identify few projects and programs; it is also important that in a larger umbrella in a larger canvas what are t he concern departments who will be subject to those change in the first phase; what are the departments who are subject to the change in the second phase or third phase. So those departments need to be identified along with the projects and the programs.

And identify the reform projects as well as I communicated. Communicate the reform objectives, set up set project teams. So this project team is specific to the project. I will give you example later on. And then training as I discussed and action plan and monitoring to assess the result. So this is the steps involved in the reform implementation.

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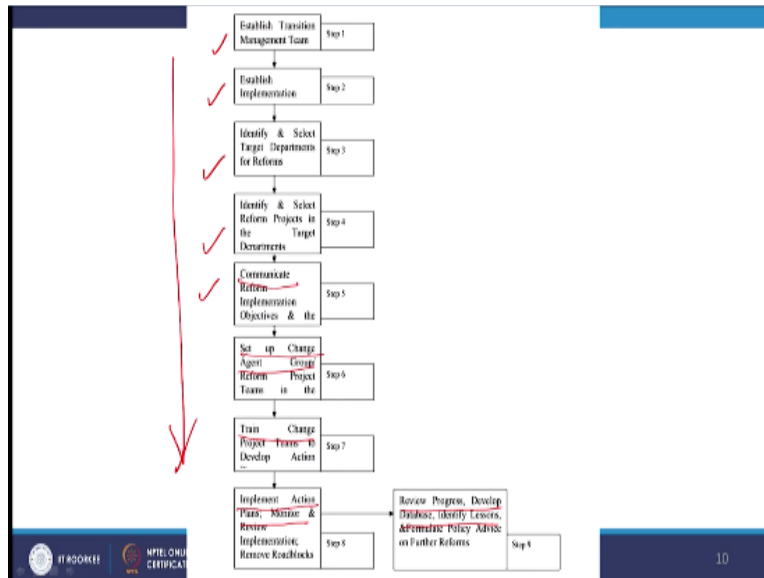
Just have a look that how it can be represented through a diagram. Now this representation I have taken this from the center for good governance. They have published good literature on the governance mechanism. You can see that whatever we discussed like Management team, Establish implementation, Target departments and Reforms and then Reform projects and the Target department, Communication.

Set up change agents and group, Training and Capacity Building, Implement Action Plan and Monitoring and Review the progress and Develop Database and Identify the liaisons. So this is the process which is required step-by-step. So you should be clear, if you are a change agent in the Urban Local Bodies or local level organization you should be clear about this process and make your team clear how this change process will take place, right.

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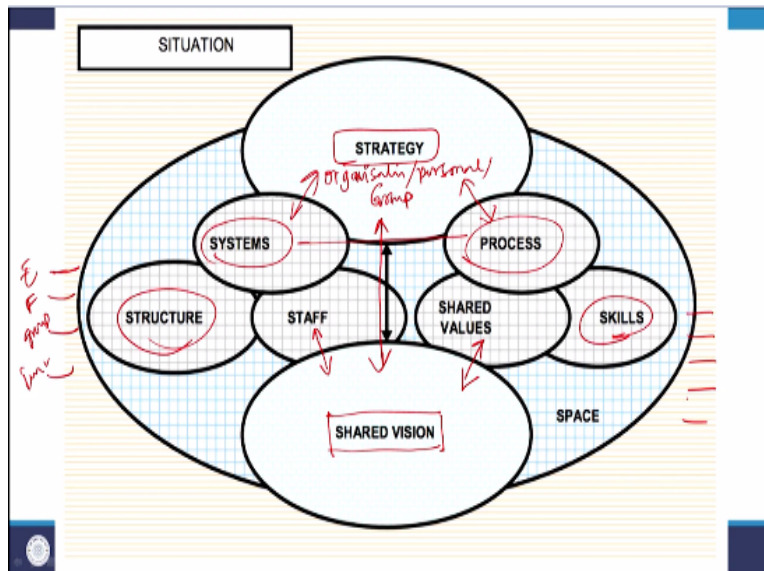
And this is the process and the elements club together just to remember the very important elements. Here you can see that the first thing the most important bigger thing which is required is shared vision which I mentioned in the beginning and the strategy which is required to make the shared vision successful. So strategy could be organizational level, at the personal level, at the group level. And to make it possible you need to improve the systems and process.

For example, for any particular service delivery you are in Urban Local Bodies you are giving a service for water supply. Now how much time a common citizen need to wait for getting a water supply after putting up an application to the Urban Local Bodies. So can this time period be minimized by using better systems like computerized system or online system or the process? Can you minimize the process or the stages in the approval process, which is involved?

Maybe right now there are number of process or stages or steps which may not be required if you change the system. So process need to be can be also improved. So systems and process both are dependent and these are part of related to the strategy which will work on your behave to bring the change process. And in the shared vision it is also connected with the shared values. And when you say values it is not the individual values.

In the beginning we described that in Urban Local Governance it is the organizational values or the culture which matters. And then the value cannot be abstract concept, value is always subject

to people who are working on the organization and when we talk about the staff it is the skills and the structure of the organization which matters. For our case, it is the like elected, functionaries, groups and individual. So these are the structures and skillset which is required to bring the change management. Now these are the elements in the change management process.

Now let us example, let us discuss few examples. Now this change management is not a very new concept. It can very early like 80s and 90s. In urban sector for example, not even it is not only applicable for Indian or similar context. In post 90s, in United States there are lot of deliberations and discussions to bring the change in the urban scenario to make the Urban Local Government more functional effective so that they can they can get more revenues. So after lot of deliberations they bring lot of changes like.

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For example, they brought in United States 1998 and then post 98' they brought reforms like Tax Reforms, Land Use Reforms and Metropolitan Governance Reforms. So there are many reforms I am just mentioning few reforms. The objective of the Tax Reform is to enhance the revenue. The objective of the Land Use Reform is to enhance the quality of built environment. Objective of the Metropolitan Governance Reform was to improve the service delivery like that.

So this kind of changes took place in United States. For Indian case, in 2004-11 there was a program called Kolkata Urban Services for Poor, in short it is; in this program what they

followed, they created a Apex team in the name of Change Management Unit, in short CMU. Then they identified the reforms like three reforms they identified, the first reform is DDP in short Draft Development Plan, second is the Accounting Reforms and third is the Citizen Charter.

Now objective of the DDP or the Draft Development Plan was to improve the quality of the physical quality and social quality of the city as a whole. Accounting; objective of the Accounting Reform was to improve the tax base and accounting system which is transparence. Objective of the improvement of the Citizens Charter was to improve the interface with the citizens and improve the service delivery.

So after identifying the Apex team as a Change Management Unit they identified the functionaries or the change agent who are going to bring this change. So they identified the team in terms of Urban Planner, they identified the team like Finance Expert and IT Expert. So this kind of manpower upgradation was provided in the Urban Local Bodies and then they provided training sensitization all happen.

And during this 5 to 7 years of period they after following up all these projects there was significant improvement in terms of service delivery, the planning function, accounting scenario, the augmentation services and the revenues etcetera. Not only that, in during that time when JNNURM came, JNNURM also followed the reform agenda for all the local bodies and all the cities in India.

They provided the mandates to bring change in the Urban Local Bodies, two types of change one is the Mandatory change and Optional change. Some of the mandatory changes will be done at the state level some will be done at the Urban Local Bodies level. Similarly, optional reforms will be done at the both level.
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Agenda of Reforms

- To achieve the objectives the State Governments and ULBs will be required to accept implementation of an agenda of reforms:

1. Mandatory Reforms ✓
2. Optional Reforms ✓

Both Reforms will be in two level
1. Urban local body level ✓
2. State level

So this we discussed earlier, the mandatory reforms and the optional reforms and at both level. So this also so this reform also has been successful at least to bring some amount of change in the Urban Local Bodies. So if you are working in some Urban Local Bodies or you are going to work in Urban Local Bodies your job is to assess the change process, the result of the change and then monitor the change process and then upgrade the changing process so that it does not become one-time exercise, it is a continuous exercise.

So this example, in the current times there are many examples similar examples are there, we will share some of the reference material please go though the reference material and try to understand that what are the critical factors in change management, and how to solve the critical factors. Whatever we discussed it is very general conceptual and theoretical but your job will be to study the cases which we will be providing and study the examples in more details.

So that really you can identify the critical factors and so that you can master process of the change whenever you are working in such organization.

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So as a summary just have a look of the steps what we discussed earlier. So basically in this steps some of the steps are related to manpower you can see; so these are related to manpower; some of the steps are related to projects and department; some of the stages are related to training and monitoring. So one is related to manpower, one it is related to projects and programs and the departments another is a continuous process of training, upgradation, monitoring and check and balance.

So with this I would like to conclude today's lecture. In today's lecture we discussed the concept of the change management, we told you that the change management is a planned process, is a structured process, is a cyclic process and it is a comprehensive process which brings particular change in an organization for the current state to the future state to bring some business benefit. For our case it is the benefit in terms of the better service delivery, competent and accountable service delivery in the urban governance.

And in this concept the basic stages involved are setting vision and objectives, creating the project teams and the apex team; giving them sensitization and training; identify the pilot projects or the target projects; make the communication to all levels of your organization for our case it is the elected functionaries, community and the people and communicate the change process; make the change agents.

So give the create the manpower which will who will bring the change on part of the organization and give them training and sensitization so that they can do and then assess the result and keep a monitoring, check and balance. And after that we mention just mention briefly about the examples in the United States, the Urban Reform Agenda the reform came in the JNNURM and also reform happen during the DFI (()) (27:50).

And then also we encourage you to see the actual cases of the change management so that you can master the change management and the change process in your organization.

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Next day, we will discuss another very important aspect the Visioning for the City, because in this discussion we have identified the visioning is important for bringing change and reform. Now how to make the visioning and how to place a visioning in overall Urban Governance, that will be subject matter for the next lecture. So with this I thank you very much for attending this lecture.