



Nomination Award Theme : Urban Governance

Nomination Entry Title : Cadre Management (Recruitment of Engineers in all the ULBs of M.P)

HUDCO BEST PRACTICES AWARDS - 2013-14

Submitted by: Urban Administration and Development Department, GoMP
&

City Managers Association Madhya Pradesh

Submitted to:

Ministry of Urban Development, GoI

11. SUMMARY

“Urbanization is a relentless process, which has come to stay and has to be factored into all our developmental thinking and development processes.”

- Dr. Manmohan Singh
(Hon'ble Prime Minister of India)

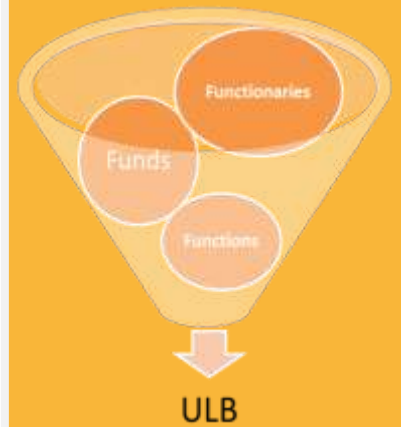
Purpose: One of the core problems of the ULBs in India has been lack of competent and appropriate functionaries. Strengthening the capacities of the municipal staff has been a long neglected area. Even though numerous steps were taken to improve the situation, **a comprehensive perspective to improve the situation was missing.** There was a need to bring in more uniformity in personnel structure, clarity of roles and regular skill up gradation of employees in the ULBs. The 12th Five Year Plan's working group on Urban Governance and many committees such as High Powered Expert Committee (HPEC) constituted by MoUD, GOI have further laid emphasis on this issue.

Initiative: Recognizing this urgent need, Urban Administration and Development Department (UADD), GoMP has initiated reform process for **“Comprehensive Capacity Development of ULBs”**. The major components of the initiative are: Cadre Reforms, Restructuring of ULBs, New Training policy, Implementation of Performance Management System.

Recruitments and **reforms in engineering cadre** have been given priority.

Achievement: The initiative has resulted in a more transparent and structured process of recruitment of technical staff in ULBs (377), through participative approach.

- 270 Engineers have been recruited in various ULBs of MP. Under this initiative every ULB now has at least one engineer.
- Timely promotion system is in place.
- Clear job descriptions for all employees have been drafted.
- The number of departments, cadres and designations has been made uniform across the ULBs.
- Provisions are in place for engaging experts from various fields (identified 38 sectors).
- The reform process has resulted into a structured recruitment framework which eventually has reduced average time for recruiting new engineers from 2 years to 3 months.



Recruitments for other cadres are under process. Moreover, the ULBs are able to attract better talent into the government service. The engagement process for hiring experts is made more flexible.

12. KEY DATES

S No.	Date	Task
1	16 th September 2010	Initiation of the project, Formation of Reform committee.
2	16 th September to October 2011	Assessment of ULBs in terms of manpower , function and framework
3	6 th January,2012 to 13 th January 2012	Stake holder (Mayors, President & Commissioners) Consultations.
4	February 2012	MIC approval from ULBs.
5	April 2012	Approval of the Department.
6	17 th July,2012	Cabinet approval
7	3 rd November,2012	Recruitment proposal sent to Madhya Pradesh Professional Examination Board.
8	18 th December ,2013	270 engineers recruited.



13. NARRATIVE

SITUATION BEFORE THE INITIATIVE BEGAN

Similar to many states of India personnel policy and service rules for personnel at ULB level in Madhya Pradesh were either anachronistic or absent. Functionaries at various levels were less than what was required. Most of the employees were at lower level. Recruitment process was difficult and there were no provisions to hire technical experts. Many departments, designations and posts were redundant. A structured cadre training program to upgrade skills and introduce new technologies was also lacking.

Prior to the initiative the scenario of engineers can be understood through the example of two ULBs in MP

ULB	Population	Engineer	Population served per municipal engineer
Kolar	87800	2	43900
Majholi(Sidhi)	11297	1	11297

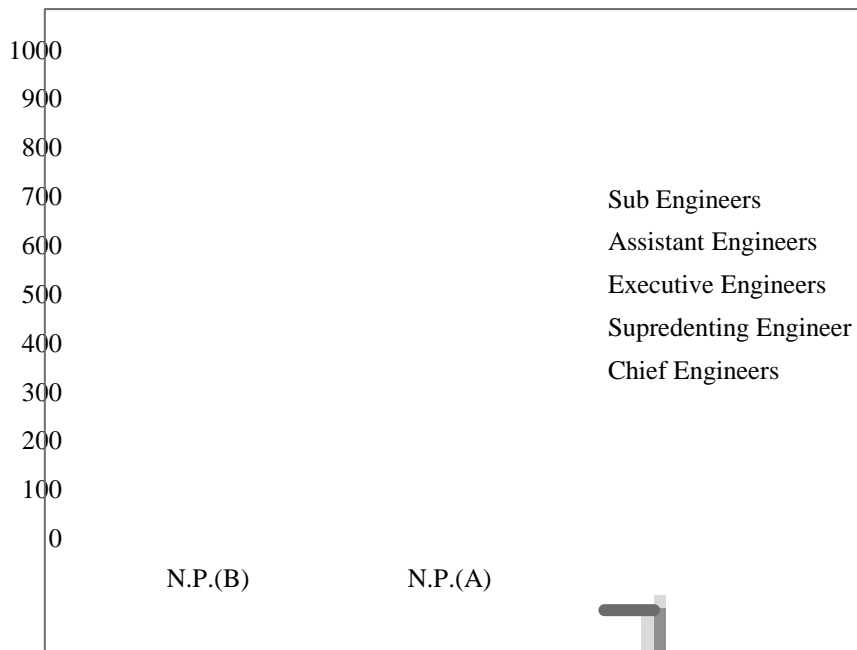
Existing employee structure in ULBs: **The bottom heavy structure**



There is deficiency of engineers, both at the level of decision making as well as implementation level. There is comparatively high number of



employees at the lower level in ULBs in Madhya Pradesh as depicted by the graphic above.



N.P. (B) - Nagar Palika and Parishad Engineers (Before)
 N.P. (A) - Nagar Palika and Parishad Engineers (After)



ESTABLISHMENT OF PRIORITIES

The priorities were established through comprehensive consultative processes between apex level officials of UADD and Municipal officers.

74th Constitutional Amendment Act, 1992 added 12th schedule to the constitution. The schedule listed various functions to ULBs to provide basic services to urban such as providing clean water supply, housing, solid waste management, safe transportation etc. In order to provide these services ULBs are provided with funds under various schemes. During the recent years the ULBs of Madhya Pradesh have received funds in a tune of Rs 5000 Crore for infrastructure development.

Head	Funds* (Rs Cr)
JNNURM	3300
UIDSSMT	916
IHSDP	350

*Approximately till 2012

In spite of adequate funding, many projects were delayed because of lack of technical staff.

Prior to the initiative, **almost 170 ULBs did not have any dedicated engineers**. The engineers serving were overloaded with work as they were given

charge of more than one ULB.

Example:

Before the initiative only one Sub Engineer was responsible for Panna, Amanganj, Ajaygarh, Devengdra Nagar, Pawai and Kakarhati. Due to the exceptionally over load of work many civil works either got delayed and were not properly supervised resulting in to inferior work quality.

Hence the priority was

1. Recruit new engineers for various vacant posts. (at least one sub engineer for every ULB).
2. Put in place proper promotion channel to motivate and attract good talent.
3. Provide flexibility and autonomy to ULBs to hire experts.
4. Create new cadres for administration, finance and revenue.

Similar scenario existed in other cadres like sanitation, finance, revenue etc. As per JNNURM guidelines, in order to avail funding ULBs have to carry out timely reforms in all cadres. Since infrastructure development was priority, reforms in engineering cadre were necessary. Hence recruitment of engineers and reforms in engineering cadre were undertaken on priority basis. And reforms in other cadres are being done subsequently.



FORMULATION OF OBJECTIVES AND STRATEGIES

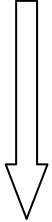
	Objective	Strategy
FIRST	To strengthen and restructure ULBs for professionalization of urban management.	<ul style="list-style-type: none"> a. Modify the municipal act for cadre reforms. b. Strengthen the existing Engineering and Executive cadre. c. Establish new cadres in emerging areas of Revenue, Health & Sanitation and Accounts.
SECOND	To enhance technical capacities of ULBs on priority to meet demands of rapid urbanisation.	<ul style="list-style-type: none"> a. Recruit new engineers. b. Ease staffing norms and provide flexibility to ULBs to engage various experts on a need basis.
THIRD	Ensure sustainability of the reforms and attract right talent in ULBs.	<ul style="list-style-type: none"> a. Framing and implementing promotion channel. b. Increase motivation through guaranteed and timely promotion. c. Phase wise recruitment so that promotions at top level are not blocked.
FOURTH	Strengthen UADD to provide strategic guidance to all cities	<ul style="list-style-type: none"> A. Ensure availability of expertise at the directorate level through proper restructuring and by engaging experts in various emerging urban fields like Urban Transport, Energy, Waste management, Environment



PROCESS

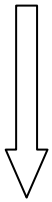


Reform Committee



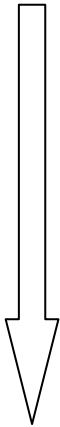
- Under leadership of Commissioner UADD, Madhya Pradesh
- Formulation of Objectives and Strategies
- Extensive Stakeholder Consultations
- Project plans, format of surveys, Terms of Reference.

Surveys and Study of best practices



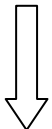
- Detailed Man Power Assessment across all ULB's
- Financial conditions of ULB's. Budgets, revenues and costs
- Study of best practices from Andhra Pradesh, Gujarat.
- Learning's from HPEC , 12th Plan and McKinsey Global Institute Report.

Formulation of Rules and Norms



- Model ULB structure.
- Standardization departments, posts and designations across ULB's.
- Staffing norms based on population.
- Provisions for dying cadres and redundant posts.
- Contract provisions for hiring experts.
- Annual training calendar.
- Proposals for changes in Acts and rules.
- Reform Cell(dedicated manpower to pursue implementation of reforms at UADD)

Approvals



- Departmental Approval
- Cabinet Approval

Recruitment

- Proposal sent to Madhya Pradesh Professional Examination Board
- Conduct of Examination
- Recruitment of 270 Engineers



Based on these consultations eight proposals were made.

Five proposals for new cadres -

- State Urban Administrative Service
- State Urban Engineering Service**
- State Urban Sanitation Service
- State Urban Revenue Service
- State Urban Finance Service

Three proposals for organizational restructuring -

- Restructure of ULB's
- Restructure of UADD.
- New training policy.

The above proposals have been approved by the state cabinet and the recruitment of personnel is under process except for Urban Revenue Service. Already 270 engineers have been recruited under the new process.

By forming these services, all the personnel will now form a common pool and can be promoted, transferred as per the new improved recruitment process. It has been further provisioned to recruit various experts especially in the field of E-Governance, Finance, Sanitation, Environment etc. to facilitate expert recruitment, the contract rules have been revamped including revising qualifications, experience, maximum salary etc.

As approval process for the reforms is being carried out, proposals for amendments in laws and changes in rules have been sent to government for approval.

Second Administrative Reforms Commission

“A pool of experts and specialists (e.g. engineers, planners etc.) could be maintained by a federation/consortium of local bodies. This common pool could be then accessed by the local bodies whenever required for specific

नगर निगमों में बढ़ेंगे अफसर-इंजीनियर
भोपाल-इंदौर नगर निगमों में होंगे 4-4 अपर आयुक्त
 ■ 294 अफसर और 695 इंजीनियर पदस्थ होंगे
 ■ 3300 करोड़ के प्रोजेक्टों को जल्द पूरा करने की तैयारी

कोशिल हर्ष | बhopal

काम ज्यादा समय कम
पांच निगमों में 3300 करोड़ के प्रोजेक्ट

भोपाल में भोपाल सहित पांच नगर निगमों में शिफ्ट व्यवस्थापक, सैलून सेक्टर, अर्थ डिविजन, सिविल (डिप्लोमा/एडवॉकेट) विभाग के पदों पर 3-3 को करीब 2000 के प्रोजेक्ट चल रहे हैं, सैलून अफसरों की कमी होने से इनका कैम्प्लाइंस काम पर नहीं हो पा रहा है। इन्हीं मंडलाय भोपाल और इंदौर नगर निगम में अपर आयुक्त का पद-पद पर बंद जालाना अभी तक दोनो निगम में अपर आयुक्त के 3-3 पद हैं, सैलून नई संरचना के बाद वहां 4-4 पद हो जाएंगे। अपर आयुक्त के 60 प्रतिशत पद राज्य प्रशासक सेवा (एनएनएस) के अधिकारियों और बाकी 40 प्रतिशत पद म्युनिसिपल एडमिनिस्ट्रेशन सर्विसेज तथा अन्य नगर निगमों से भी जाएंगे।

एसएस के पदों में कटौती

प्रत्येक के इन्फ्रस्ट्रक्चर काम प्रशासक सेवा (एनएनएस) के अफसरों की नगर निगमों में पदों में कटौती कर दी गई है। पांच बड़े नगर निगमों में अपर आयुक्त के कुल 18 पदों में से एनएनएस के पद मात्र 4 पद रहेंगे। अवधि वर्कमान में एनएनएस के 6 अफसर अपर आयुक्त के पद पर काम कर रहे हैं। इन्हीं तरह उच्चतर के पदों पर वर्कमान में इन सेवा का कोई अफसर पदस्थ नहीं है, सैलून 10 पद रिक्त काम प्रशासक हैं।

प्रतिनियुक्ति भी सीमित हो जाएगी

कारिगम में वरिष्ठ निगमों में प्रतिनियुक्ति पर पदस्थ अफसरों की संख्या है, सैलून नए प्रशासक पदों में प्रतिनियुक्ति पर आने वाले अफसरों की संख्या को सीमित किया गया है। नगर निगमों में वरिष्ठ अफसर रहे ऐसे हैं, जो अन्य निगमों में नियुक्त होने के बाद वे नगर निगम में जाने हुए हैं।

Dainik Bhaskar: Nगर निगमों में बढ़ाएंगे अफसर-इंजीनियर

Key features of the initiatives are:

1. **Recruitments of Class I & II by Madhya Pradesh Public Service Commission** – This will ensure that meritorious personnel will be given priority and a transparent process will be deployed.
2. **Recruitment of Class III & IV by Madhya Pradesh Professional Examination Board**
3. **Transparency in Promotions:** UADD has deployed robust mechanisms to ensure promotions on time. Steps initiated include:
 - Provisioned to generate promotion list based on seniority & applicable reservation
 - Department Promotion Committee (DPC) reviews the list.
 - Timely and minimum guaranteed promotions
4. **Training Policy:** A cadre specific training policy has been with a motto of training for all.



Urban bodies to have new set-up

By Our Staff Reporter
Bhopal, Mar 28

Work is in progress for preparing new set-up of urban bodies as per their specific requirements. Under the set-up, officers of urban administration service, engineering service, health service, revenue service and finance service will be appointed.

This information was given by Urban Administration and Development Minister. Shri Babulal Gaur at a meeting of departmental advisory committee here today. MLAs Sarvashri Brijendra Singh Rajput, Pradeep Laria, Narayan Prajapati and Lakhan Dhandhoria, Principal Secretary Shri S.P.S. Parihar and Commissioner Shri Sanjay Shukla were present on the occasion.

Minister Shri Gaur



said that efforts will be made to solve urban bodies' problems as early as possible. He instructed that senior officers should execute the works of beautification of Holy Town Orchha and proposed drinking water and sewage schemes of Jabalpur city. He also issued instructions for redressal of

drinking water problems of Banda and Shahgarh towns in Sagar district.

The meeting was informed that permission has been granted to Sagar Collector for preliminary publication about expansion of Sagar Municipal Corporation limits in the Gazette. Land has been

identified for setting up a joint treatment plant for drains and sewage for beautification of Sagar reservoir. The Sagar Municipal Corporation has undertaken procedure for taking advance possession of the land.

A Rs. 80 crore 17 lakh plan has been chalked out and sent to the Union Government for approval under UDISMMT Scheme for Satna city. A project worth Rs. 3.72 crore for development and beautification of Jagatdev reservoir in Satna has also been forwarded to the Union Government for approval.

Water Resources Board, Sagar has made the recommendation for making drinking water available to Shahgarh town from Chandia dam. The construction work of waiting room at Banda bus stand is in progress.



Paper verification of Engineers during recruitment

PROBLEMS FACED

1. Improving service delivery urgently needed cadre reforms for ULB's. But this process is long and cumbersome and mostly proves unresulted. Hence it was not on priority. To make reforms a priority constant persuasion and lobbying was needed to initiate the project. This initial resistance faced had to be maneuvered.
2. Many changes required amendments in existing laws, drafting new laws and rules. Approvals for the same is a time consuming process, hence the whole reform process suffered delays.
3. Before proposing any new changes it was required to carry out extensive consultation process. This process required deliberations at all levels and forming due consensus. Hence the process was long and time consuming. But due to these consultations, once agreement was reached implementation was easily carried.
4. Reduction of departments, designations was opposed. Hence to accommodate the redundant cadres special provisions are introduced like retaining personnel by upgrading their skills and retaining them till retirement. But no new recruitments are to be made in redundant cadres now.
5. Changes in the recruitment process and reforms also involved agencies apart from UAD. Hence coordinating with them was difficult and time consuming process. For example the Government recruiting agency deployed for conducting examinations took almost one year to complete the task.



RESULTS ACHIEVED

The initiative has resulted in a more transparent and structured process of recruitment of technical staff in ULBs (377), through participative approach.

- 270 Engineers have been recruited in various ULBs of MP. Under this initiative every ULB now has at least one engineer.
- Timely promotion system is in place.
- Clear job descriptions for all employees have been drafted.
- The number of departments, cadres and designations has been made uniform across the ULBs.
- Provisions are in place for engaging experts from various fields (identified 38 sectors).
- The reform process has resulted into a structured recruitment framework which eventually has reduced average time for recruiting new engineers from 2 years to 3 months.

Number of Sub Engineers in Nagar Palika's and Parishads.



Number of Engineers present before the initiative:

PALIKA & PARISHADS	Chief Engineer	Superintending Engineer	Executive Engineer	Assistant Engineer	Sub Engineer
	3	1	35	26	184

Post implementation scenario

Cabinet has approved the proposal of recruitment of engineers and the present scenario of engineers in the ULBs is as below:

PALIKA & PARISHADS	Chief Engineer	Superintending Engineer	Executive Engineer	Assistant Engineer	Sub Engineer
	5	24	50	158	721



Newly recruited engineers during training

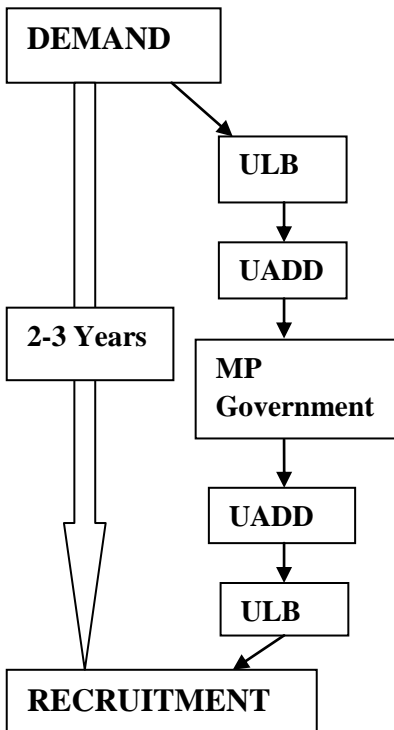
% of ULB wrt Engineers (2014)



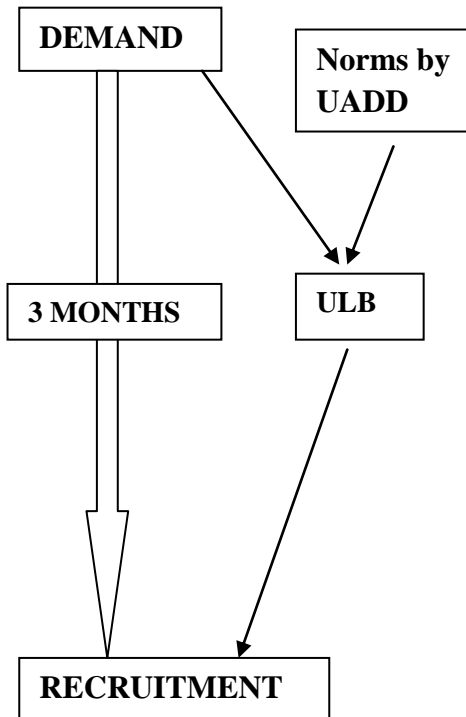
% of ULBs wrt Engineers (2010)



Recruitment Process for a Sub Engineer BEFORE



Recruitment Process for a Sub Engineer AFTER reforms-



Any change in the number of posts, or creating new posts requires state government's approval which is quite cumbersome. Every time, there is a change to the posts, the state government approval was necessary which may generally take 6 months to 3 years at times. In order to address this, UADD has prepared staffing norms which are based on population of the city. The model structures proposed is directly proportionate to the population of ULB's and any increase or decrease in the population will result in increase or decrease in the number of posts.

S. No	Key Result Area/ Key Performance Indicator	Before Implementation	After Implementation/Results
1.	Number of Designation	<ul style="list-style-type: none"> 429 different kinds of designation which were recruited on adhoc basis. 	<ul style="list-style-type: none"> Standardized to 83 posts in Municipal Corporations; 44 in Municipal councils Dying cadres declared New designations added
2.	Number of Departments	<ul style="list-style-type: none"> Number varied from each ULBs from atleast 10 - 25 	<ul style="list-style-type: none"> Standardized 10 departments in Municipal Corporations; 8 in all Municipal Council
3.	Municipal Cadres	<ul style="list-style-type: none"> 3 Services existed Executive Service Engineering service Health service 	<ul style="list-style-type: none"> 5 Services (2 new and 3 improved) constituted. State Urban Administrative Service. State Urban Engineering Service. State Urban Sanitation Service. State Urban Finance Service. State Urban Revenue Service.
4.	Training and Capacity Building	<ul style="list-style-type: none"> Unplanned No training policy 	<ul style="list-style-type: none"> Urban Training policy prepared Annual training calendar published Training for all mandated. 47 trainings held
5.	Promotion Channel & Tenure	<ul style="list-style-type: none"> Promotion channel / Feeder channel was not clear Minimum number of years for promotion was 8 years. 	<ul style="list-style-type: none"> Promotion channel clearly defined for each post. Minimum years for promotion reduced to 5 years Many pending promotion posts filled by conducting DPC.
6.	Contract Rules	<ul style="list-style-type: none"> ULBs unable to recruit experts due to lack of proper contract rules 	<ul style="list-style-type: none"> Contract rules redefined to accommodate new and emerging areas Provision to engage 38 various experts & 18 different support positions.

SUSTAINABILITY

ADMINISTRATIVE SUSTAINABILITY

The sustainability of the reform process has been ensured by changing necessary sections of the municipal act which will then become legally binding for implementation.

UADD has established reform cell with a budget provision with an objective to support implementation of such reforms. The members of the reform committee are part of the reform cell and have a mandate to implement the above initiatives along with other state priorities.

Standard norms or criteria have been made for creation of specific posts in municipal bodies. This ensures continuity in recruitment.

Fixed and timely promotion is ensured in the system to improve work performance and motivation of the employees.

Promotion Channel for Engineering Cadre.

Name of the post or service from which promotion is to be made	Name of the post on which promotion is to be made	Number of years of service in present post
Chief Engineer	Engineer-N-Chief	5
Superintendent Engineer	Chief Engineer	5
Executive Engineer	Superintendent Engineer	5
Assistant Engineer	Executive Engineer	8
Sub Engineer	Assistant Engineer	12



FINANCIAL SUSTAINABILITY

The reforms are being carried out by the state government with an objective to enhance the capacity of the ULBs. The financial liability of additional personnel being recruited in the ULBs lies with ULB and therefore no financial burden will be on the state government.

For the ULBs It is pertinent to mention that additional financial costs shall be compensated by improved resource mobilization through improved governance. The total percentage of establishment costs for the ULBs will in fact decrease.

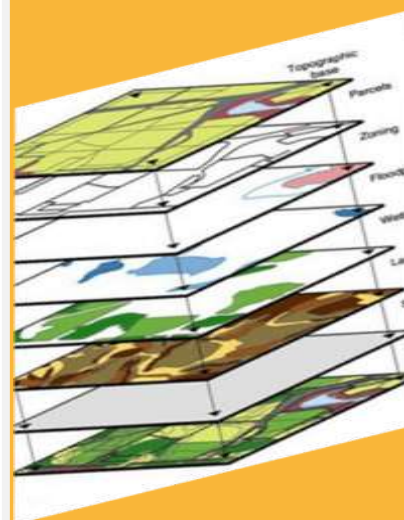
The reforms are holistic administrative reforms which include accrual based accounting, GIS based property tax assessment etc. The additional financial burden due to new recruitments will be partly fulfilled by increased revenue through better property tax collection.

While, the ULBs can increase the number of posts based on population, enough checks and balances have been built to ensure that the administrative expenses of a particular city will not cross the provisions as mandated by Gol.

An example:

*Impact of GIS based property estimation to boost revenue of ULBs.
Personnel trained in GIS use will boost revenue of ULBs.*

.No.	Name of Town	No of Existing Property in 2013-2014	No of Existing Property in 2010-2011	No, of Property increase	Total %
1	Bhopal	286000	214200	71800	25
2	Jabalpur	180791	164000	16791	9
3	Indore	400998	381159	19839	5
4	Gwalior	190218	172136	18082	10
5	Singrauli	39698	13739	25959	65
6	Burnanpur	33883	24235	9648	28
7	Khandwa	36503	28549	7954	22



LESSONS LEARNED

Lesson learned during the reform process.

1. Data availability at ULB level is a big hurdle in implementation of any reforms. Hence it is urgent need to digitise data and provide channels for regular update of the data. Through the initiative employee data at ULB level is digitised and organised now. This would be helpful for future reference.
2. If consultation process is comprehensive and through wide stakeholder participation, the acceptance and implementation of final decision is ensured. Also reform process gains political and administrative will readily if the procedures are well formulated and are based on actual demands.
3. Hence in the initial stages of the project a considerable amount of energy and resources were spent in consultations with all stakeholders.
4. The Laws, Acts and rules need constant updating .The acts should have adequate flexibility so that any need to revise rules can be done in lesser time.
5. Reasons for low productivity are better understood through this exercise. Motivation factors such as promotion and skill up gradation have been addressed comprehensively in the reform process.



TRANSFERABILITY

Good practices that can be replicated by other State Governments

1. State government can adopt the model prepared in the reform process. Depending on the city population and the staffing norms proposed, the state government can finalize the numbers and the posts easily for any city. The model is built on easy excel sheet based on which all the ULBs can automatically calculate the posts and positions applicable to their respective ULB.
2. Many sectors which are crucial for urbanisation and which in future will be important are considered. Hence other state governments can learn from this exercise.
3. Many State governments face the problem of bottom heavy employee structure. To improve work quality and rectify this problem, provisions for recruitment at top level which are involved in decision making and outsourcing at bottom level is made.

What can be done differently –

1. A dedicated group can be formed at apex level which constantly monitors the progress of the reform.
2. The data at ULB level can be streamlined before hand. This data collection is long process hence if data is properly organised and digitised the reform process will be less time consuming.
3. Amendments in acts, rules should be done simultaneously to save valuable time in final implementation of the reforms.

Best practices from which valuable lessons were taken-

1. **Andhra Pradesh** – Population and revenue based formula for manpower requirement. We incorporated population based criteria in it.
2. **Gujarat** - Manpower requirements for Municipal Solid waste management.
3. **Karnataka** – Revenue criteria for municipals.

