

Viewpoint

Lateral Entry Scheme in Civil Services of India: Lessons for Administrative Reforms in the Global South

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Abstract: This article is a SWOT analysis of the 'Lateral Entry Scheme'- a major administrative reform implemented by the current Government of India (GoI). The analysis reveals that lateral entry of professionals from outside to serve within the GoI is a significant step. The long-term success of the scheme depends on the four factors: (1) rigorous selection process of lateral entrants; (2) socialization of officers in civil service culture; (3) assessment of the success or failure of the scheme through a research intervention, and; (4) course correction moving forward. This study has implications for the countries in the global south like Bangladesh, Pakistan, Sri Lanka, and Afghanistan, which are seeking to implement administrative reforms to modernize their administrative systems.

Introduction

In the study of public administration, Woodrow Wilson (1887) noted: "Of ourselves, so long as we know only ourselves, we know nothing." Long ago, this idea emphasized the need for global studies in public administration. In the 21st century, unprecedented transformation and development in technology have created a global space for

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interactional communication and learning through comparative studies. Public administration is not insulated to this change. There is an increasing demand for cross-cultural research which can add to the global knowledge of public administration (Jreisat, 2011; Pollitt & Bouckaert, 2004; Heady, 1960). This is especially the case in developing countries in the global south like India, Bangladesh, Pakistan, and Sri Lanka, where the government systems are in a transformation mode, the civil service reform implementation process is challenging, and the road ahead is bumpy (Jain, 1991; Soni, 2008, Sabharwal & Berman, 2013). About 1/5th of the world's population is housed in South Asia. People from this region are globally connected and play a significant role in the global economy. Despite that, administrative modernization has been slow in this region. Countries are still caught up in the colonial mind-set of administration. They are at the cusp of transforming public administration. For example, India, an emerging and fastest growing economy with a billion plus population, administrative reform processes has been relatively slow against the demand and the rising needs of the citizens.

In a recent initiative, the Government of India proposed lateral entries of joint secretaries from outside to serve in ten different departments and ministries (GoI, Department of Personnel & Training, 2018). The proposal received diverse set of reactions from within and outside the government. Using SWOT analysis, this paper reflects on the lateral entry scheme. It adds to our knowledge in understanding how the lateral entry scheme is received by the Civil Servants within the Government of India and outside professionals, and what are the future implications concerning the scheme's success or failure in the long run? Broadly, this brief analysis adds to the knowledge of global public administration literature by

highlighting issues of administrative reforms in South Asian countries (Hou et al., 2011).

Brief Snapshot of the Lateral Entry Scheme

In the Central Government of India, generally, senior civil servants are inducted as joint secretaries from All India Services. This position is critical for making and implementing policies. The proposal to bring in expert professionals from outside through 'the lateral entry scheme' is aimed to increase the diversity of ideas and innovation in government and contribute to nation-building (Fadia, 2014). It has been a long-pending recommendation to strengthen domain specialization in government (Y.K. Alagh Committee, 2001, ARC 2008; NITI Aayog, 2017, p.114). Experts were invited as lateral entrants in the areas of revenue, environment and forest, road transport and highways, shipping, new and renewable energy, agriculture, economic affairs, financial services, civil aviation, and commerce. About 6500 applications were received against the 10 advertised posts. Finally, the induction of nine lateral entrants was announced in various Ministries and Departments of the Central Government of India (see table 1) (UPSC Lateral Entry April 12, 2019).

Table 1: Recent Lateral Entries in GoI

Name of the Lateral Entrant	Ministry in GoI
Amber Dubey	Ministry of Civil Aviation
Sujit Kumar Vajpayee	Ministry of Environment
Dinesh Dayanand Jagdale	Ministry of Renewable Energy
Kakoli Ghosh	Ministry of Agriculture

Saurabh Mishra	Department of Financial Services
Rajeev Saksena	Department of Economic Affairs
Arun Goel	Ministry of Commerce
Suman Prasad Singh	Ministry of Road Transport
Bhushan Kumar	Ministry of Shipping

There are two factions of people, supporting or opposing the decision. Some argue that the lateral entry scheme is not a new phenomenon. Earlier, experts were inducted as lateral entrants in important posts such as Bimal Jalan, Manmohan Singh, Vijay Kelkar, Arvind Panagariya, Montek Singh Ahluwalia, Arvind Subramanian, Raghuram Rajan. While the decision garnered widespread support, those in opposition say that private sector professionals will make the government function like a corporation and create opportunities for nepotism.

The other criticism is on the state-center coordination issues (Shetty, 2018). Experts say that the major issues will arise in the specialized fields of health and education which are mainly the State issues but need domain specialists. If the different approaches are adopted by the center and state, there will be coordination problems. It will undermine the transformational impact of the lateral entrants into the grassroots of India's public administration.

Brief History of Civil Service Reforms in India

The Indian Civil Service (ICS) transitioned into Indian Administrative Service (IAS) post-independence. Ever since, the IAS cadre dominated the administrative set up. Post-colonial India saw the role of an IAS officer as a revenue

collector and maintaining law and order. In modern and changing India, a vibrant democracy struggling to create an equitable economic environment, the traditional role of IAS isn't suitable (Vasihnav & Khosla, 2016; Maheshwari, 1996). Civil services at the time preferred job security and time-based rather than performance-based promotions. Sometimes tardy and delayed decisions took precedence without accountability which manifested an ineffective system of public service delivery (Hota, 2007; Trivedi, 2017).

To fix this, reforms were recommended by many commissions (see table 2). For example, the 2nd Administrative reforms Commission (2nd ARC) was set up in 2005. Its motive was to achieve proactive, responsive, accountable, sustainable, and efficient administration at all levels of government. Two major steps were suggested in the 2nd ARC 10th report: (1) integration with the private sector in the service delivery, and; (2) lateral entry of the professionals from specialist domains of interest to induce competition (p.67). Yet, for decades, implementing widespread reform remains a challenge due to lack of political will and vested interests (Singh & Ansari, 2007; Das, 1998).

Table 2: Administrative Reform Commission Recommendations

First Administrative Reforms Commission (1966)

Main Issues Addressed:

Recruitment/Selection of Civil Servants (Kothari Committee, 1977)

Civil Service Examination Review (Y.K. Alagh Committee 2001)

Review of Performance Appraisal System (Surendra Nath Committee Report, 2003)

Second Administrative Reforms

Commission (2005)

Main Issues Addressed:

Organizational Structure

Ethics in Governance

Refurbishing of Personnel Administration

Strengthening of the Financial Management System

Steps to Ensure Effective Administration at the State Level.

Steps to Ensure Effective District Administration.

Local Self-Government/Panchayati Raj Institutions.

Social Capital, Trust, and Participative Service Delivery.

Citizen-Centric Administration.

Promoting E-governance.

Issues of Federal Polity, Crisis Management, and Public Order

Every year, about hundred and eighty IAS officers are selected by the Union Public Service Commission (UPSC) through a multi-level examination from over a million applicants. While the selected IAS officers are the brightest of the young men and women, they become generalists and not specialists. With rapid and unprecedented changes in technology, the requirement of professionals with specialist skills has risen. The lateral movement of professionals from the private sector is necessary for a competitive, innovative, and efficient civil service that is efficient and responsive to the needs of its people (Kapoor, 2000).

A SWOT Analysis of the Lateral Entry Scheme

A SWOT Analysis of the lateral entry scheme lays out the following strengths, weaknesses, opportunities, and threats.

Strengths

Despite the widespread criticism of the lateral entry, the following factors are its strengths (Raina, 2018).

(1) Creating a Performance and Merit-Based System: Building a motivated and performance-oriented civil service needs an open and competitive culture. Inducting the lateral entrants will enhance meritocracy and eradicate monopolies. At present, the civil service culture is largely a monopoly of IAS cadre with very little scope for gaining outside knowledge. This creates narrowmindedness and a closed approach in the civil service system. Bringing experts in specialist domains from outside is a measure to enhance a performance-based culture in civil service.

(2) Enhancing Cross-Mobility and Domain Specialization: IAS is structured as a generalist's service. For the initial postings of IAS officers, the academic qualification is not considered. As a result, after about 10 years of service, IAS officers transform into generalists with almost no knowledge of academic specialization. Thus, the number of domain specialist's vis-a-vis the demand gets reduced. Resulting in the acute shortage at all levels of government (local, state, central). Having the lateral entrants with domain expertise is beneficial to fill the shortage of officers in specialized policy fields. This will also encourage cross-mobility and induction of new and fresh ideas in both civil service and private sector.

(3) Avoiding Complacency and Elitism: IAS officers after years of service become complacent due to a

sense of permanency. This breeds in a culture of elitism, lack of integrity, professionalism, and commitment. Over time, the sense of job security results in an unresponsive and underperforming government. Lateral entry is seen as a solution to this problem by bringing fresh thinking to enhance competitive spirit, innovative, and performance-oriented culture. The civil servants must know that seniority is not the only criterion for progress, and it is inevitable to enhance their utility and potential to create a productive and committed workforce, or otherwise, they will be weeded out.

(4) Innovative and Technology Intensive Service Delivery: Indian Civil Service is still running on the principles of traditional public administration. The core Civil Service challenge right now is having effective service delivery mechanisms at all levels of government. It needs a total cultural shift to make administration, citizen-centric, efficient, transparent, and accountable. The induction of lateral entrants will facilitate innovation in service delivery. Besides, the advent of information technology and the call for applying artificial intelligence in governance needs an aggressive approach. India, an emerging 21st-century economy cannot afford to lag. Without multisector collaboration and open engagement with outside professionals, academics, and technology experts, making India a trillion-dollar economy seems a far-fetched dream.

Weaknesses

There are four weaknesses in the scheme (Shetty, 2018; Mahaprashasta, 2018).

(1) Arbitrary Decision, Undermines Rigor, and Encourages Favoritism: Experts say that lateral entry is an arbitrary decision of the government without paying attention to details. Corporate experts have the profit-making mindset without any understanding of India's grassroots issues, and they

will jeopardize the public service purpose of the government. Running a company and running a nation are different things. Moreover, the decision will compromise fairness by giving way to political favoritism. In addition, the government is bypassing the rigorous three-tier UPSC selection process. The new lateral entry scheme has no written exam and the selection is entirely based on personal interviews which will encourage nepotism. UPSC is a very old constitutional institution and has maintained its credibility for all these years by staying autonomous. Therefore, why is there a need to bypass the UPSC selection system and constitute another committee for this purpose?

(2) No Mention of the Reservation Policy: The new lateral entry scheme does not include the reservation of any kind in the recruitment. The constitution of India indicates in article 15(4) that the State shall make special provisions for the socially and educationally backward people to protect the rights of the scheduled casts and tribes. Therefore, by inviting lateral entrants without any reservation for the underprivileged violates the constitutional provisions to protect the rights of people from all sections in society. The scheme, thus, needs to include these constitutional mandates.

(3) Private Sector Intervention: In the long run, rising private sector influence may end up controlling the government decision making process. Private sector companies will tend to push in their people and agenda in the key government departments. While there is a need for specialists and bringing new talent, the recruitment process for the lateral entrants needs deliberation to guard against business houses taking over government policies in their favor.

(4) Long-Term Success Questionable: The lateral entry professionals will have a fixed-term appointment

for five years with an extension of tenure based on performance. However, this may not turn out useful in the long run. At present, civil servants are long-term stakeholders that makes the system robust. They identify with the government service as their lifelong investment. On the other hand, private sector professionals joining on a contractual basis for three or five years will not have any long-term stake or interest to serve the government and public. Hence, the lateral entry system may not serve its purpose.

Threats

The lack of sufficient institutionalization of the lateral entry process will remain a major threat for its long-term success. Although the scheme will be implemented while taking care of the regulatory issues, nepotism, false equivalence of expertise between public and private sectors, and most importantly, the undermining of affirmative action policies will remain a threat.

Earlier lateral recruitments were done at the very senior management level of secretaries, with 30 or more years of experience working in a specific field. They were recruited mainly in the academic advisory posts to provide consulting to the concerned ministry in the policymaking process. Assessment of the knowledge and expertise of such professionals was easy and self-explanatory. Additionally, biases of the senior secretary-level professionals towards a certain group or a political party were easily identified as they were few and that avoided nepotism to creep in. While the same is not the case at the joint secretary-level since they are junior level posts. Furthermore, senior secretary-level professionals can strongly influence policies, which is not the case with the joint secretaries.

The question is: is the lateral entry a major step towards long-pending demand for broad-based Civil Service reform or merely an old wine in a new bottle?

The current lateral entry reform is new to the extent that: (a) it reflects a formal acknowledgment of the Indian government that private sector expertise is needed in more central government ministries; (b) it creates a formal (if still imperfect) administrative procedure, which is a small step towards institutionalization of lateral entry at all levels of the government; and (c) it raises larger questions about not just lateral recruitment, but also the stalled reforms towards performance measurement (Trivedi, 2017).

Opportunities: The Road Ahead

The four factors can be considered as opportunities to facilitate the assimilation of the lateral entrants in Indian Civil Service:

(a) Rigorous selection process; (b) socialization and assimilation of officers within the civil service culture; (c) assessment of the success or failure of the scheme through a research intervention, and; (d) course correction moving forward.

As per the government sources (Dhingra, 2019), the lateral entry selection process is a multidimensional and multi-level comprehensive

screening procedure that tests all aspects of domain knowledge, functional, and leadership qualities of the candidates. It includes the testing of aptitude, personality, psychological testing, and behavioral competencies. As it appears, the lateral entry of the initial ten joint secretaries is an important step forward to implement a long-pending recommendation in the Second Administrative Reforms Commission (2005). There are reports that GoI will announce additional lateral entry of the professionals soon (Dhingra, 2020).

The lateral entry scheme opens a door for many outstanding professionals outside the government to get involved in the nation-building process and provides a large pool of talented people to choose from. The government is determined to make this move forward as a long-term and permanent central reform to institutionalize the lateral entry system in the civil services. However, it is yet to be seen how this process will pan out in the long run. Moreover, it is unclear that if the scheme will be applied to pan India or not. Thus, it is too early to comment on whether the lateral entry process will emerge as a major administrative reform initiative to reinvent and restructure the Indian Civil Service system. The toughest challenge going forward, therefore, will be the acceptance and assimilation of the outsiders within the Civil Service culture.

Private sectors generally pursue a horizontal authority structure with almost zero to minimal red tape. That is not the case in the Civil Service, which still functions like a colonial bureaucracy with hierarchical structures, providing less room for the crossflow of learning and ideas. Lateral entrants having no experience of working in any government organization will experience difficulty in understanding and working in a relatively closed work culture than in the private sector. Implementation of lateral entry is a major

challenge in its long-term institutionalization within the Civil Service that is not so open to change yet.

In summary, the Indian case of the lateral entry provides a lesson for modernizing administrative reforms in the global south, especially, in countries such as Bangladesh, Sri Lanka, Pakistan, and Afghanistan with a somewhat similar governance structure. However, at this point, the lateral entry is a pilot, limited to only 10 positions in the Central Government of India. Therefore, its long-term success and sustainability are yet to emerge. Nonetheless, it is a step forward in the right direction.

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