

try of Housing and Urban Affairs is ranking 500 cities to pick the cleanest and dirtiest cities. The Railways is ranking not just railway stations and premier trains but also the zones. The Ministry of Rural Development wants to rank all panchayats. "This idea of competitive federalism is a good thing. This name-shame-and-fame and putting things in public domain infuse a huge sense of competition. People can now see who is performing well, why and who isn't," says Amitabh Kant, CEO, NITI Aayog.

The Centre's quest to identify the top 100 cities for its smart city projects has states vying for maximum entries. Department of Telecommunication (DoT) is going a step further – it wants a ranking system for telecom operators to improve service quality.

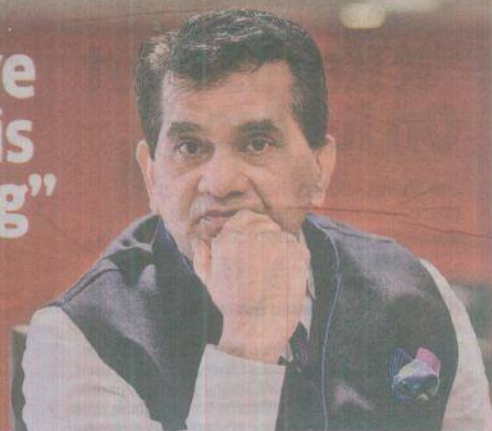
The laggards want to get better. And the toppers want to hold on to their positions. Says Sanjay Shukla, principal secretary (energy department), Madhya Pradesh: "There is constant pressure to be among the first three or five in all the rankings. And not to slip once you make it." MP is among the top five states in the ease of doing business. Its city, Indore, is ranked the cleanest under the Swachh Survekshan 2017. "Once you do well there is constant monitoring right from the CM's Office to ensure that the state continues to improve," says Shukla.

The Madhya Pradesh government has been putting together five-year vision documents – for 2013, 2018 and now 2023. The documents are getting sharper, specific and outcome-oriented rather than vague in their tone and tenor. For example, by 2023, the state wants to have all the households in its town to have piped gas and water supply. "All this outside appreciation (good rankings) is helping us work harder and get better," says Shukla.

States are getting consultants on board to improve their rankings. Telangana has engaged Price-waterhouseCoopers for the ease of doing business (EODB) ranking. "States want to improve. Nobody

"Competitive Federalism is a Good Thing"

Amitabh Kant, CEO, NITI Aayog, speaks about the power of ranking, what it does to infuse competitive spirit and the logistical challenges it throws up for the government. Edited excerpts.



wants to be at the bottom. With transparent, live data, investors look at rankings. Politicians too now have to answer to informed electorates," says Gaurav Taneja, partner (government and public sector), EY India. In 2016, of the top 10 EODB states, Taneja says EY supported six in the preparations.

Power of Nudge

Human beings are programmed to be competitive. Wanting to be No. 1 is a universal motivator, which is why ranking is often deployed to boost performance in classrooms and sports fields, companies and countries. Rankings inform the world who is the biggest, the richest, the happiest, the saddest, the most powerful or the most successful. In the 1990s, Stephen Nickell at the Centre for Economic Performance in the London School of Economics and Political Sci-

On the power of grading, especially the statewise Ease of Doing Business ranking

The intention was to build a huge sense of competition. We were measuring states based on their performance on 100 parameters. They were available live on the portal, showing where states were going up and down on a regular basis. We got chief secretaries to agree on outcome measures. The ranking is being done with the help of KPMG, the World Bank and third-party audit.

In the first year, Gujarat was No 1. In the second year Andhra Pradesh and Telangana worked hard, beating Gujarat. States like Chhattisgarh and Jharkhand did fairly well.

This idea of a competitive federalism is a good thing. This naming and shaming and putting things in public domain infuses a huge sense of competition. People can now see who is performing well, why and who isn't.

I am now doing the same in the areas of health, education and water management. We are now focusing attention on 115 aspirational districts (which are among the most backward) and ranking them.

On the logistical hurdles

The challenge in such rankings is to do it not on the basis of old, historical data but to capture baseline data on real-time basis and measure the delta change that is happening on the ground.

Rankings on the basis of historical data is not right. If we did that then, say, a state like Kerala would always come on top. Also, dated data makes it tough for the government to work on the ground and direct policies.

On the challenges in capturing real-time data

The biggest challenge has been how to create real-time data? How do you create a baseline for those 115 districts, for example, across 48 parameters on which we want to rank them? Today we have real-time data on only 28 parameters.

In this endeavour, we are being helped by a big team of volunteers from Tata Trusts and Bill & Melinda Gates Foundation to capture regular real-time data from the ground. This will help us know the baseline in these districts and identify the best performing ones. We want to have a live portal where different districts can see and compare themselves with others and improve where they are lagging behind.

On the government's learning curve

This is not just about competition and ranking of states but also working in partnership to help them improve. We have organised a series of workshops. The objective is to handhold them and help them transform. They should know and see for themselves what is keeping them behind. More important than the ranking is the focus on highlighting the causes that's keeping them behind and areas they need to improve on. We are constantly organising workshops, getting the best performing ones to talk about their journey and share their best practices.

COMPETE & IMPROVE

This isn't just about competition and ranking. Many initiatives are underway to handhold laggards to get better

Not Just Ranking

Beyond ranking, the thrust is on giving a detailed report card on problems, causes and solutions



Role Models

Bureaucrats from top ranking states/districts are asked to share their stories on how they made it possible, inspiring others

Best Practices

Workshops, pairing good performers with laggards, fora to share best practices have helped in peer learning

Frequent Updates

Union secretaries meet chief ministers and their staff regularly to update on progress, discuss hurdles and offer advice



PRIVATE VS PUBLIC SECTOR

In the private sector, market shares and revenues are important goals to motivate staff. In the public sector, the challenges are of a different order

Size & Scale

Even a simple task in the government becomes challenging because of the size and scale of the project

Staff Motivation

With secure jobs, set career paths and fixed wages, incentives to motivate government staff are limited

CEO's Grip

With multiple stakeholders, bureaucrats (unlike corporate CEOs) lack the firm grip and full authority to lead and execute projects

Time & Targets

In the private sector, commitment to chase and meet deadlines and targets is far higher than in the government

