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Service delivery process innovation: insights from Digital Bangladesh

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INNOVATION IN PRACTICE

Service delivery process innovation: insights from Digital Bangladesh

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Introduction

In developing economies like Bangladesh, governments are often conceived as an inaccessible entity beyond the reach of low-income citizens, particularly those residing in rural, remote areas. Circuitous bureaucratic processes frustrate citizens in their attempts to avail public services and information. To illustrate, getting one's birth registration certificate or land record is generally a cumbersome and lethargic process, which results in the poor spending long hours at the district administrator or deputy commissioner's (DC) office. It is in this context that *Digital Bangladesh* was introduced in 2009 with the following priorities: (a) developing human resources for the twenty-first century, (b) connecting citizens, (c) taking services to citizens' doorsteps and (d) making the private sector more productive and competitive through the use of digital technology. This note reports on the progress that has been made by the government with regard to the third priority. It may be noted that in mid-2014, one of the government's reform efforts led by the Prime Minister's Office (PMO), working with the motto 'Services @ Citizens' Doorsteps' received World Summit Information Society (WSIS) Award 2014, under the e-Government category.[1]

Service process simplification: from prototyping to scaling up

In 2007, the PMO and Cabinet Division embarked upon a whole-of-government service process simplification (SPS) work (Chowdhury and Zaman 2014). SPS is mapped around reducing TCV: (a) *time* to receive a service; (b) *cost* (fees, travel cost, opportunity and other contingent liabilities) and (c) number of *visits* to government offices to complete and receive a service. Time, cost and visit, or TCV helped to provide a common method to implement SPS reform works across the government.

Union Information and Service Centres (UISCs), rebranded as Union Digital Centres (UDCs) in August 2014, was one of the first TCV-led SPS efforts. It was prototyped in two Union Parishads (or Councils) in 2007, and funded to the tune of USD 100,000. Partnership was established with a UNDP-funded initiative and World Bank-funded programme. This partnership facilitated a dialogue with the government's Local Government Division (LGD) to expand the prototype to 30 Union Councils in 2008. A formal partnership between LGD and UNDP's Access to Information (A2I) programme was struck in 2008; this partnership was also geared towards building capacity of government stakeholders in using technology in their day-to-day works.

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The expanded prototype in 2008 provided a deeper view for nationwide scaling up. The big push for nationwide, horizontal scale up came in 2010 with nearly USD 40 million in set-up costs for 4500+ centres across all Union Councils, capacity development of over 9000 entrepreneurs, coupled with local- and national-level awareness development campaigns in media. This large fund was pooled from the government and the World Bank, local tax revenue of Union Councils and a discretionary fund at the disposal of DCs. Internet connectivity infrastructure, provided initially by the state-owned Bangladesh Telecommunication Company Ltd., was expanded by private-sector telecom operators to cover all UDCs.

Social development outcome

UDCs are in operation at the lowest tier of the local government, across 4547 Union Parishads. They are run by two local entrepreneurs one of whom must *de jure* be a woman. UDCs are hosted by LGD and 1% of the government's annual development plan is directed towards ensuring its sustainability. Monitoring and supervision of UDCs, for example appointment of new entrepreneurs, has been institutionalized by local government bodies and central government agencies. Everyday expenses, such as salary of the two entrepreneurs, internet bills, computer maintenance and publicity costs, are borne by entrepreneurs who generate revenue by selling information and services to rural citizens, from a growing service portfolio. It is reported by the government's bureau of statistics that on a monthly basis, UDCs provide services to 3.91 million rural citizens, nearly one-fourth of whom are women, and earn approximately BDT 45 million, or USD 0.6 million (BBS 2014).

UDCs have significantly brought down TCV associated with the traditional face-to-face service delivery model (Table 1). An UDC is about 3 km from a typical rural citizen's home, whereas a sub-district and district headquarters are 15 and 35 km away, respectively. In addition, costs incurred for accessing, for instance, a land record has been fixed at BDT 80 which was previously USD 15. Similarly, birth registration certificates are one of the most popular services being provided by more than three-quarters of UDCs, whose service delivery has also witnessed significant reduction in time – from 10 days to 5 hours.

Today, a farmer in a remote location can learn about appropriate fertilizer and pesticide, and receive prompt feedback from relevant public-sector experts; a victim of domestic abuse can access information on legal recourse; a villager can apply for land records, birth certificates

Table 1.   TCV impact by UISCs/UDCs on service delivery process.

Service(s)	Before UISCs (or UDCs)			After UISCs (or UDCs)		
	Time	Cost (BDT)[a]	Number of visits	Time	Cost (BDT)[a]	Number of visits
Public						
Birth registration	10 days	95–100	2	5 hours	60	1
Land record	30–45 days	1045	5	15 days	80	2
Migration	9 to 12 months	150,000-200,000	Multiple (both local and national)	3–4 weeks	30,000	1
Private						
Photography	2 days	98–105	2	2 hours	10	1
Money transfer	7–10 days	100–120 per 1000	4–6	1 hour	10 per 1000	1

Source: PMO and Access to Information (A2I) programme.
Note: [a]USD 1 = BDT 78 (as on 13 January 2014).

and other services without having to undertake multiple visits and a migrant worker can now participate in government-to-government (G2G) migration opportunities.

Bangladesh's recent approach to reform pre-migration departure process, which brought together three ministries and their subordinate offices, can be cited as an example highlighting the significance of UDCs in reducing TCV associated with migration (Chowdhury and Zaman 2013). As is known, with more than USD 10 billion of inward remittance a year, Bangladesh is the top remittance recipient among the group of least developed countries. What is less known is that the lion's share comes from earnings of unskilled, temporary migrant workers!

The government of Bangladesh implemented a nationwide online registration process engaging all UDCs, in order to take migration registration opportunities to rural citizens' doorsteps. In view of its success, online registration process for female migrant workers seeking employment in Hong Kong and Bahrain was completed in May 2013 through UDCs.

Finally, the role of UDC Blog in giving a voice to unheard communities is to be highlighted. At present, multiple stakeholders of UDCs, for example all entrepreneurs, LGD focal points, Cabinet Division focal points, UNDP representatives and A2I support staffs, are regularly contributing to the UDC Blog. When one of the UDC entrepreneurs raised the issue of a disabled girl not receiving her entitled public allowance, it drew the attention of a government officer who instructed that the matter be investigated and addressed promptly. Another female UDC entrepreneur helped to prevent a child marriage when she refused to provide a false birth certificate.

UDCs sustainability: role of actors

As discussed earlier, a network of partners, comprising both government and non-state actors, were involved in the design, implementation and in the nationwide scaling up of UDCs. Through formal Memorandum of Understanding (MoU) and other informal partnership arrangements, they are also playing an active role in ensuring the sustainability of these one-stop information and public service delivery outlets. UDCs are operating under a public–private–partnership (PPP) modality which provides them with ample flexibility to strike partnerships with both public and private actors.

Private sector is considered as a key partner in each of the initiatives undertaken by UDCs. For instance, mobile banking opportunities offered by private commercial banks have enabled 3784 UDCs to remain financially solvent. These private banks design training programmes for UDCs' entrepreneurs so that they are equipped to provide the service with adequate skills and knowledge to the rural users. This has proven to be an innovative approach that helps micro-enterprises draw investment from business communities and public agencies, and remain financially independent.

A wide range of services are being offered by both government organizations – land records, birth registration, telemedicine, life insurance and overseas job application – as well as private-sector companies – mobile banking, telephone services, etc. As a result of its location at the lowest government tier, many international organizations are also finding it attractive to connect with UDCs to reach the traditionally unreached rural citizenry. This is aiding UDCs' entrepreneurs with more sources of earning. Practical Action Bangladesh is providing agriculture, fisheries and livestock services, whilst UNESCO and British Council are offering non-formal education and English learning opportunities.

Looking ahead

The government's Digital Bangladesh agenda is helping to add further impetus to making UDCs more vibrant. This is prompting UDCs to explore for services, irrespective of their private or public nature, which could be delivered right to rural citizens' doorsteps. In spite of facing

resource constraints and low adult literacy rates, UDCs have demonstrated tremendous potential for leveraging affordable technology to deliver services to underserved communities. These government-owned, one-stop information and service delivery outlets are working towards embedding and consolidating an e-culture across rural Bangladesh, focussing on improving the relations between the government and its citizens. Bhutan, Maldives, Mongolia, Nepal, Seychelles and a few other developing countries are seeking advice of the government of Bangladesh in setting up similar service delivery centres.

There may be scope for considerable debate, in relation to our agendas for change, over the details of particular reforms in the specific circumstances of each country. A variety of further interventions, designed to promote structural change, may be identified. For instance, the depth and breadth of PPP around UDCs operational sustainability are unprecedented, and perhaps unheard of. More research needs to be carried out to study its operational, financial and regulatory structure in relation to its broader public policy and political economy implications. The principal areas of challenge would appear to relate to the political feasibility of the TCV-led SPS reform effort. Would specific interest groups, who control power and influence the political, corporate or NGO world, intervene to disturb the process of change? Would the guiding coalition for reform have the capacity and authority to overcome such structural barriers to change? Such questions can only be answered through more substantive studies of the political economy of public service delivery innovation. This work lies ahead of us.

Disclosure statement

The author is solely responsible for the views expressed in this article.

Note

1. See *Success Stories* available online at http://www.itu.int/dms_pub/itu-s/opb/pol/S-POL-WSIS.SUCC_STORIES-2014-PDF-E.pdf (accessed 13 January 2015).

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