

Improving Central and Local Administrative Governance Capacity

Georgia is a relatively small country in the South Caucasus. With the Black Sea to the west and bordered by Russia to the north separated by the high Caucasus mountain range, Azerbaijan and Armenia to the east and south and Turkey to the south west, Georgia is home to around four and a half million people. Since independence in 1991, the process of transition from a central command economy to one based upon open market principles has been particularly difficult. Equally the construction of democratic institutions and practice has proceeded slowly. Initial civil strife led to economic collapse. A programme of economic stabilisation ushered in a new currency and economic growth from 1995. Subsequently the Russian and Far Eastern financial crisis in 1998 hit hard and forestalled progress made. Issues of how governance is manifested and the role of the state in people's lives, remains for many post-Soviet countries, a key issue in sustainable development. UNDP has been tackling such issues towards improved public management and governance with ICTD at the forefront.

Governance and Management

Administrative capacity plays the key role in influencing the success of economic policy, the speed of economic restructuring and sustainable economic performance. It is now becoming an accepted paradigm that the weakness of administrative capacity may be of even more crucial importance than other, related institutional features (rule of law, extent of crime and corruption). This is because the state still retains the central position in managing the transition; implementing policies and facilitating both the functioning of related institutions and overall reform efforts. This is the case at the central level with respect to the country's government and more locally with regional and city authorities.

An aspect of prevailing thinking is that the best way to bring about change is to deploy what can be termed indirect methods. Civil society groups are fostered so that they can hold the state accountable and create demands for better administration. This approach tends towards a long term view of how to generate development. UNDP is an active participant. However, there is a complimentary strand of thought that argues that to improve administrative capacity one also needs to be actively engaged with the state in question and assist it in improving its mechanisms and practices. With appropriate tools, the custodians of the state ought to be able to more appositely address those development and policy issues in a more informed and better managed environment.

To address governance, management and policy issues, it is increasingly clear that the state and in a specific sense its civil servants require a more modernised method of work practice and organisation ability if development goals are to be attained. Georgia inherited a highly centralised and controlled management system from the Soviet era in which a plan was supposed to be fulfilled. However that plan was determined not in Georgia itself but at the Soviet centre. The purpose of the bureaucracy in Georgia was merely to follow orders and report that a request had been duly met.

Today's Georgian government, civil service and local government institutions face altogether different tasks and duties, but have been highly wedded, perhaps not surprisingly, to past methods. Today all these institutions need to develop their own plans and integrate them with overall country objectives and development missions and goals.

Management Change and Reform - the role of UNDP in Georgia

UNDP has implemented four projects in Georgia with a strategic ICTD approach. All these projects have served to increase the administrative capacity of the institution in which they were domiciled. A project at the central level introduced new practices and allied technology to the

central state administration called the State Chancellery. This was followed by a project in the Ministry of Foreign Affairs and subsequently in the Ministry of Finance. Arguably the impact of UNDP engagement is most visible in terms of its integrated ICT approach across the range of government and allied departments. UNDP took a strategic decision in 1996 to assist the capacity building of the state apparatus and since then projects have followed an evolutionary curve.

Each implemented project has followed four key themes. These are to:

- enhance the capacity of regional and district administrations in governance;
- develop transparent planning and implementation tools and practices;
- improve day-to-day implementation with advanced analytical tools;
- provide technology and knowledge transfer tools to improve accountability.

UNDP's strategy nurtured a dedicated project team. Established in 1995 the team has implemented all UNDP's ICTD related projects. As such they have built up a unique level of expertise not only in terms of networks and hardware but also in the tools that are required for state administrators to perform their work in a manner fitting for the twenty first century. In this respect all software and accompanying materials have been custom made and adapted to the specificity of the environment within which they are deployed.

There is little exaggeration in claiming that the project team through UNDP has provided the underlying central administrative network for the country. Within Tbilisi, Georgia's capital where all ministries and central institutions are located, a municipal administrative network was installed. This has allowed the State Chancellery, Ministries, the Constitutional and Supreme Court as well as the local municipality and the country's Parliament to share information electronically. UNDP has installed numerous workstations, servers and associated software that has facilitated the emergence of modern practices in administrative management. Within both ministries additional networks have been installed as well as internet access. This allows the Ministry of Finance to link with its offices within the regions of the country that facilitates the electronic processing of pensions and tax. The Ministry of Foreign Affairs is able to more efficiently link with the country's embassies abroad. Thanks to UNDP and other donor support such as from the government of the Netherlands, technologies are in place combined with allied knowledge based training initiatives that are beginning to show some improvement in public finance management. Both ministries now have an active web presence. On the Ministry of Finance site www.mof.ge, the public in Georgia can begin to discover more and hopefully accurate information pertaining to public finances. On the Ministry of Foreign Affairs web-site www.mfa.gov.ge, official decisions of the state are recorded that have an impact upon foreign relations and additionally potential visitors to the country can now readily obtain information regarding visa requirements, and consular locations.

From Central to Local

With an underlying base in place within Tbilisi and networks reaching out across the country, UNDP agreed to a request from a region, Imereti, in the west of the country as a pilot project. This project has assisted the development of local and regional government and with an ICT component. Local government in the form of elected officials arrived in Georgia in 1998. However, predating this was a system of presidential appointees at the regional and sub-regional or district level. Following those 1998 local elections, councils came into being and after further elections in 2002, most officials, at the district level of which Imereti has eleven, were elected.

The governor remains as a representative of the president. New responsibilities, further decentralisation and a large number of newly elected officials had the potential to cause confusion and turmoil. Laws and instructions while relatively clear over whom was to be elected remained ambiguous over the terms of competencies and authorities of the differing levels of local government.

The project, that is still underway, has at its core a process of assisting Imereti's central and local government institutions in defining those competences in detail. Importantly, the agreed experimental set up could be later deployed for other regions of Georgia. A detailed management structure was devised and levels of responsibility determined down to departmental level for each layer of local and regional government. Practical training and management tools have been offered to enable each level to develop policy tools and proposals, and to work out the best fit solution to where service modalities should reside. Following a lengthy but ultimately rewarding process in which all stakeholders participated, roles and allocations were fully examined and agreed. Indeed the governor of the region Temur Shashiashvili requested that the project team produce what could be termed the ideal form of administrative arrangement. This having been worked on was following extensive consultation and refinement was agreed upon and implementation started

Tools and practice

The provision of key technological tools and processes is at the heart and has enabled the entire regional and sub-regional system to become integrated and how they connect to the central level. The specific deliverables into the system have been:

- Custom designed software packages for management information, document processing recovery, personnel management, financial and budgetary control
- Provision of training
- Installation of a local area network within the Imereti Regional Administration
- Provision of computer hardware and equipment;
- Provision of office, media and special equipment and facilities;
- Internet installation and services;
- Design, creation and maintenance of web-site www.imereti.ge.

Implementation of the projects has been broken down into targeted stages. The phases of each project are arranged in such a manner that at the end of each stage one can readily view and appraise the results accomplished. The impact of the project in Imereti is, therefore, being felt at various levels. Equally it is apparent that this type of project falls squarely within millennium development goals, particularly the eighth goal that calls for progress to be made in introducing modern efficient technologies into settings such as Imereti.

Value

A measure of the success of the projects to date is found not only in the degree of enthusiasm with which administrations have taken to the new procedures and technology but also the interest that central authorities and other regions are showing. In February 2003, as an example, the president of the country along with various members of the government visited Imereti and appeared visibly surprised at the extent of change and progress that had been made. This was then followed up with a special television programme broadcast throughout Georgia dedicated to the project. The programme suggested that in terms of capacity building and the use of ICT tools, the specific case of Imereti was perhaps the best in the South Caucasus. Perhaps as a consequence of this programme, although word of mouth has also played a significant role, other regions have requested the project team to implement similar programmes to improve their administrative capacity. Moreover international donors and organisations such as the World

Bank and the assistance arm of the United States government USAID are exploring ways to become more engaged in such types of initiative.

UNDP's project team has been requested to consider further administrative capacity endeavours by the Chamber of Control and Parliament. An additional programme under consideration is to examine ways to establish a Public Information Bank, while in the short-term focus is being addressed to producing what will become the government's ICTD framework document. This will provide concrete policy details of how the country can move forward and embrace new technologies to promote and sustain other development objectives.

Lessons Learned

Introducing new management techniques and allied technology into local structures requires a combination of clear focus and sensitivity. For change to occur and capacity to be built, the project beneficiaries must become active stakeholders in all stages of the project cycle. Once stakeholders feel that they own the project, under guidance, sustainability is enhanced. It has become something of a given in the South Caucasus that without political change and will at the top there is little merit in attempting to change practices within state institutions. Equally experience over the past decade has suggested that the provision of equipment in itself does not lead to genuine results. However, the results from UNDP's projects in Georgia are telling. When there is a degree of will for change within a certain structure then development and efficiency gains can be realised. When technology that is clearly of inestimable benefit is introduced properly, these tools are seized upon by the new users and they build in protective mechanisms and sustainability by forcing their leaders to allocate budgetary funds and maintain equipment and continue to provide associated office and work related tools.

- External professionalism in the form of the project team can demonstrably assist in proving clarity into restructuring methods. In part this is a product of knowledge transference in which skilled professionals can show processes that may not be known or understood in regions that have until recently been isolated from new practices. The development of a local national team has added benefits in demonstrating that new management, organisational and work practices are not alien. Moreover the project team being local tends to be more cost effective.
- Political will to change is a *sine qua non* for effective and sustainable project implementation. In Imereti there was a strong desire and interest from the top of the local structure. When a project yields distinct advantages to leaders through improved performances throughout the system and allows them to exert genuine management control, they become enthusiastic sponsors of the process.
- The provision of technology requires sensitive introduction and must be demonstrated to be adjunctive tools and not in themselves a panacea. In this respect a detailed training programme as well as on the spot advice in the new tools and practices at least during the early stages breeds confidence and assists in ironing out potential misunderstanding.
- Cooperation and consultation with other international donors and organisations both at national and project level is vital to develop synergies within implementation and to avoid duplication of effort. Mutual experience both theoretical and practical provides added value and reinforces complimentary programme implementation.
- Sustainability following project completion can be induced where mutual peer pressure leads to the installed systems and processes being maintained and continued. Members of staff feel ownership of the systems and put pressure upon their bosses and leaders to

ensure budget allocations to maintain the system, while bosses derive demonstrable benefits from the system through increased management control.

- Embedding public involvement in state administration through access to information and being able to witness demonstrable improvements in practice and efficiency breed confidence throughout the system. Even in low waged communities the impact of technology can be marked and can greatly assist improved work performance and improved personal worth.
- Introducing custom based administrative tools that improve the performance of daily tasks, releases managers and policy makers to consider development and concrete policy initiatives. When senior managers and office holders are solely engaged in fire-fighting the next crisis little is considered in terms of longer range development.

UNDP's ICTD interventions in Georgia do appear to be making a substantive difference to the performance of state institutions. This is the case at both the central and local level. There remains much to be done and two areas stand out. It is to be hoped that within stakeholder institutions the provision of modern tools will lead to a greater emphasis being placed upon policy formulation and implementation and a more integrated and co-ordinated approach is adopted. Additionally, it is undoubtedly the case that a broader use of these tools that involved and engaged the public would be of inestimable value.

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What they say

Minister of Finance

Mirian Gogiasvili, the minister is delighted that UNDP chose his ministry to introduce ICT tools and practice. Writing to UNDP he commented that the project in both its scope and depth has greatly assisted in rationalising activities and work practice and has helped the ministry to integrate much more effectively with other government departments as well as parliament, the chamber of control and local and regional government institutions. As one example the Ministry of Finance was involved in helping to draw up the country's poverty reduction and economic growth strategy. ICT tools sped up the process. Figures could be retrieved from across the country quickly and efficiently. Moreover, for the first time ministry personnel could deploy economic models and be engaged with the latest in macro-economic forecasting. The results are such that Georgia has realistic economic growth projections. Civil servants working in the ministry can now more readily see how their area integrates into the whole. "We've moved from abacus based economic management to twenty first century practice and all in a couple of years. Today, as we work its difficult to believe that we were getting by without such outdated methods", relates one advisor to the minister.

Box Insert

What they say

The Governor of Imereti

Temur Shashiashvili campaigned hard to introduce new ICT tools into Imereti. He had seen the impact of what technology, if correctly introduced, had brought to central institutions and wanted something of the same for his region. UNDP concurred and established Imereti as a pilot project with the confidence that a move to local based governance issues with ICT tools could make a substantive difference. The governor is delighted with the results. "Before, it was all a little messy. Yes we were all working as hard as we could but what UNDP has provided has given us a new focus. Now, as governor, I have much better control over what is going on and can see every day what has happened and what needs to be done."

Box Insert**What they say****Kaarina Immonen****Deputy Co-ordinator UNDP Country Office**

“What has been particularly welcome is that all these new tools have been enthusiastically received by the civil servants involved in the projects. It does seem that the introduction of modern technology provides a motivation for change and improvement.”

Abstract

Administrative capacity plays the key role in influencing the success of economic policy, the speed of economic restructuring and sustainable economic performance. The state retains the central position in managing the disruption of transition; implementing policies and facilitating both the functioning of related institutions and overall reform efforts. This is the case at the central level with respect to the country's government and more locally with regional and city authorities. UNDP has developed an evolutionary approach to address and introduce ICT tools and practice into central and local state institutions. Customised programmes are demonstrably improving work practice and enabling better focussed public engagement. The impact of ICT tools and the enthusiasm with which they have been accepted provides confidence that Georgia can make strides towards attaining millennium development goals.

UNDP Country Office

UNDP first came to Georgia when the country was coming out of serious internal difficulties. However, in the course of ten years, Georgia's relationship with UNDP has been gradually changing. UNDP managed to interpret the emerging needs of the country, assisting in the definition of a strategy that moved away from exclusive relief assistance towards development aid and economic growth. During this period, UNDP has also evolved - as a result of its own reforms and in response to Georgia's growing needs. It has progressed from a grant-giving, project-oriented organisation to one based on partnerships, policy advice and advocacy. UNDP has enhanced its visibility and advocacy role through close collaboration with a broad panel of stakeholders involved in promoting sustainable human development (SHD). These include governmental organizations, local and international NGOs, bilateral and multi-lateral donors as well as the academic community, the private sector and the media.