



June 20, 2011 (Monday)

Pre-Congress Seminars

**KEMPINSKI HOTEL CORVINUS
REGINA BALLROOM II.**

**Erzsébet tér 7-8, Budapest V.
Monday 10:00 – 16:00**

3.3. QUALITY IN PUBLIC ADMINISTRATION

Session Chair: *Viktor Horváth, Ministry of Public Administration and Justice, Hungary*

15.30 Quality Movement in the Income Tax Department in India

Nilimesh Baruah, Government of India, Ministry of Finance, India

Baruah, Nilimesh (India)

Qualifications: Masters in Economics: Delhi School of Economics, New Delhi; Bachelor of Laws: Panjab University, Chandigarh, India; MBA [Master of Business Administration] In Finance: City University of New York, USA. Being a Revenue Service Officer with 25 years of experience in tax administration in India with specialization in the areas of Strategic Planning, Tax Reforms, Conceptualization, management & implementation of strategic projects and transfer pricing. Have an aptitude for carrying out in-depth research & analysis, written & presented papers before international fora. In his current assignment as Director of Income Tax (Organization & Management Services), Central Board of Direct Taxes, New Delhi, he is involved in the following: 1.) As an internal management consultant, he conceptualized and implemented Knowledge Management by developing a mechanism for creating an institutional memory within a short span of 10 months. 2.) Initiated and implemented a special window online mechanism project for achieving excellence in public service deliveries as part of e-governance initiative. 3.) Developed a permanent brainstorming platform in the Income Tax Department by organizing an annual conference to debate issues pertaining to "Innovative problem solving in Public Administration". In addition, he piloted the project for creating Vision 2020 & Citizen's Charter 2010 for the Income Tax Department and also a Strategic Plan 2011-15 for the Department.

Quality movement in the Income Tax Department in India

Abstract:

The current focus of Government of India is to set up institutional mechanism for efficient and effective administration. As a part of the Ministry of Finance, the Income Tax Department (ITD) is entrusted with the task of optimum mobilization of resources for sustainable and inclusive growth of the Indian economy. To partner in the nation building process, ITD is determined to make quality consciousness its hallmark. A number of initiatives have been taken to this effect. Changing role perception within the Department from an exclusive enforcement agency to that of a service provider as well has made quality consciousness an imperative objective. To improve the quality of decision making in its multifarious activities, the document Vision 2020 released recently, has come up with a framework for improving quality of its decision making process. The framework includes development of revenue forecasting model to ascertain the tax gap, risk management system for minimizing tax leakages, knowledge management for building consensus on important tax issues, excellence in service delivery mechanism for improving voluntary compliance.

2. This paper focuses on two important areas of Knowledge Management and public service delivery mechanism.

3. Knowledge Management comprises a range of practices used by the Department to identify, create, represent and distribute knowledge to support knowledge-intensive business processes. The primary business processes of audit, collection of taxes and adjudication of tax disputes are highly knowledge-driven and hence the need for a robust system of knowledge management is felt strongly. ITD faces many challenges, whether in terms of complex tax laws and their varied interpretations or in the form of creative accounting adopted by taxpayers. It also confronts extremely sophisticated and innovative tax evasion techniques. These challenges make ITD a constantly evolving department, where learning is a continuous process. The knowledge management initiative of ITD termed as "**Let us Share**" is an attempt to create an institutional memory to meet the challenges. The same was accomplished by converting the abundant tacit knowledge into explicit knowledge by way of compilation of best practices and orders of the Department.

4. For improving voluntary compliance with tax laws, a multi-faceted mechanism, "**Aayakar Seva Kendra**" (ASK), has been set up for achieving excellence in public service delivery. The mechanism reflects the new Quality policy of the ITD and provides a single point of contact for the taxpayers where taxpayer request for services are registered

and acknowledged through unique identifier for tracking the request throughout its life cycle. ASK is guided by Sevottam, a service quality management framework for a government organization with the objective of obtaining IS: 15700 accreditation. Citizen's Charter 2010 of ITD lays down the key service standards promised by ITD to its taxpayers and represents its best endeavor in improving service quality.

5. Knowledge management and setting up of ASK represent a philosophy of **“Walking on two legs principle”** aimed at improving internal efficacy and service delivery mechanism.

Keywords:

Knowledge Management

Let us Share

Aayakar Seva Kendra

Sevottam

Service Quality Manual

Citizen's Charter

IS: 15700

Walking on two legs principle

Quality movement in the Income Tax Department in India

Chapter 1

The Context

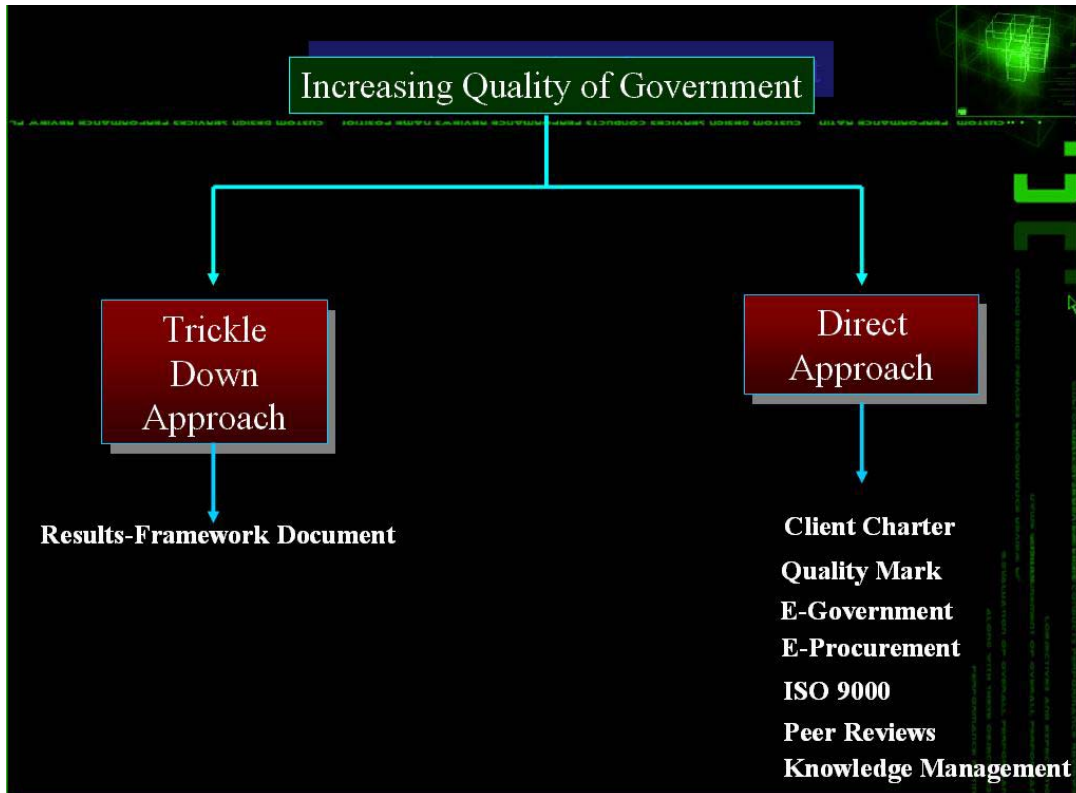
Pursuant to the announcement made in the President of India's address to both Houses of the Indian Parliament on June 4, 2009, the Prime Minister approved the outline of the Performance Monitoring and Evaluation System (PMES) for Government Departments in India on September 11, 2009. The essence of PMES is that each Department will prepare a Results-Framework Document (RFD) at the beginning of each year, setting out the objectives and deciding on the inter-se priority among the objectives, with the approval of the Minister concerned. The essence of the RFD policy is captured in the phrase "What gets measured gets done". Development of RFD is based on answers to three simple questions: First, RFD seeks to know what are the organization's key objectives? Second, what actions department proposes to achieve these objectives? Finally, how do we measure progress in implementing these actions? The answer to these questions constitutes the core of the RFD.

1.1. PMES takes a comprehensive view of departmental performance by measuring performance of all schemes and projects and all relevant aspects of expected departmental deliverables. The RFD document starts with Vision, Mission, Objectives and Functions of the Department, to be followed by fixation of the inter-se priorities among key objectives, listing of success indicators and targets. It goes beyond the deliverables of the Department to include specific performance requirements from other departments that are critical for delivering agreed results. PMES is designed to overcome the limitations in the current systems for accountability for results in Government.

1.2. The importance of functional Management Systems in an organization is now well recognized. There is a consensus amongst all management experts that around 80% of the performance of any organization depends on the quality of the systems used. Hence, the focus of PMES is on putting in place a robust system within the Government.

1.3. Perceived dissatisfaction with performance of Government agencies has prompted governments around the world to take steps to improve performance. The steps include both reductions in quantity of government as well as increase in quality of government. The policies undertaken by various governments to increase the quality of government include both: (a) Trickle-down approach, and (b) Direct Approach. PMES falls under trickle down approaches as it holds the top management accountable and the accountability for results eventually trickles down to the lowest echelons of management and thus creates a sustainable environment for implementing various reforms.

1.4 The Direct approach, on the other hand, consists of many instruments of performance management that have a direct impact on some aspects of performance. Both the approaches are complementary and not substitutes for each other. In fact, PMES makes use of these direct approaches by making citizen's charter and grievance redressal systems a mandatory requirement for all government departments in their RFDs. A schematic representation of the two approaches is as under:



1.5 The Income Tax Department (ITD) in India, which is a part of the Department of Revenue under the Ministry of Finance in government of India, has already initiated the process to prepare its RFD. In this paper, an attempt has been made to analyze the quality movement in ITD in the broader context of such a movement for improvement in performance in all the Departments in Government of India. The focus of analysis however, is on direct approach adopted by ITD in two important areas of improving internal efficacy through knowledge management and developing excellence in public service delivery.

Chapter 2

Vision & Mission of ITD

2. Enhancing capacity for growth of the Indian economy from the current GDP growth rate of approximately 8.5 percent to 9 or 10 percent is critically dependent on mobilization of additional investment resources. With unprecedented growth in direct tax collections in the recent years, direct tax revenues have become the anchor of the fiscal consolidation efforts of the Ministry of Finance in India. To meet this challenge, the Income Tax Department has been seriously endeavoring to put in place robust institutional mechanisms and the efforts in this direction have gained momentum over the past few years. It has prepared Vision 2020 Document with a detailed Strategic Plan 2011-15 which demonstrates the long term development perspective of the Department.

2.1 The vision of ITD is to partner in the nation-building process by optimization of tax revenues through **progressive tax policy, efficient and effective tax administration and improved voluntary compliance**. The 'Strategic Plan' accompanying the Vision envisages a series of action points under the three enablers for the realization of the Vision, namely, formulation of progressive tax policy, efficient & effective administration, and improving voluntary compliance.

2.2 To meet the objective of **formulating progressive tax policy**, the plan proposes to undertake scientific estimation of the tax base and development of a revenue-forecasting model. Instituting a study on plugging of tax-leakages, and setting up of a research unit to make tax administration research-driven are some of the other steps that are being undertaken with the objective of formulating more progressive tax policy.

2.3 In order to **provide efficient and effective tax administration**, the broad strategies envisaged include developing data warehouse and business intelligence solution, meeting the challenges of international tax administration, ensuring surveillance of funds-flow that impact the physical and economic security of the country, developing an integrated technology platform, and aligning HR strategy to the objectives of ITD, among other steps.

2.4 To **promote voluntary compliance**, the focused areas identified in the Strategic Plan include incorporating taxpayer perspectives to improve service delivery, developing a channel strategy for taxpayer services, creating a single window facility for taxpayers by making Aayakar Seva Kendra the flagship project of ITD for achieving excellence in taxpayer service delivery, strengthening partnership with tax practitioners, tax-deductors, and third party partners, and setting up a mechanism for putting an end to unproductive litigation.

2.5 The Mission statement outlines the roadmap for the ITD to realize its vision and envisions the continued evolution of ITD from a purely enforcement-focused agency to one striving to achieve excellence in public service delivery through taxpayer services.

2.6 Confining to the scope of the paper, the next two chapters would outline the quality enhancement efforts of ITD in the two select areas of "**Let us Share**", the knowledge management initiative and "**Aayakar Seva Kendra**", the taxpayer service initiative.

Chapter 3

"Let us Share" - Knowledge Management Initiative

3. The term knowledge management means different things to different people. The school that synonymously uses the term knowledge with the term information also emphasizes knowledge management, referring to management of supply and demand for facts and figures, lessons of experience and sources of information. It is also used loosely to refer to a broad collection of organizational practices related to generating, capturing, disseminating know-how and promoting knowledge sharing within an organization and with the outside world. For effective utilization of resources within an organization, being aware of best practices and lessons of experience helps breaking the silo mentality and prevent reinventing of wheel again and again. The first step is to create an institutional memory for common sharing. There has been a challenge to capture undocumented knowledge residing in the minds of personnel of an organization. The spirit of knowledge management in this sense is captured in the quote of Margaret Fuller: "If you have knowledge, let others light their candles at it". Knowledge management in this sense requires a cultural change and it is certainly not just automation of process. In this paper, the term knowledge management would be used in the limited sense as explained above.

3.1 For ITD, knowledge connotes the ability to understand the Income Tax Law and its myriad interpretations as also the ability to analyze accounts and the way businesses operate. At another level, knowledge comprises the ability to detect evasion of income, devise strategies for achieving tax compliance, improve internal efficiency and efficacy, and compete globally to attract and retain multinational taxpayers. For knowledge-driven Department like ITD where officers are housed over 727 buildings spread over 500 cities and towns across the country, challenges are many and mammoth. Knowledge also becomes obsolete very fast and therefore, it is necessary for ITD to update our knowledge constantly. These challenges necessitate a constantly evolving Department, where learning is a continuous process.

3.2 "Let us Share - A Compilation of Best Practices & Orders", by creating an institutional memory and offering a common platform of sharing, provides a key component of a robust knowledge management system. The purpose & priorities of the initiative was simple and straightforward as captured in the following rhyme:

*"Officers come and go
Capture what they know"*

Taking a cue from this rhyme, a conceptual framework for a Knowledge Management System in ITD was considered in June, 2008 during the annual conference of Chief Commissioners and Director Generals of Income Tax. Recognizing the need for a

systematic effort to pool the scattered knowledge, it was decided that a Central Repository of explicit knowledge be put in place within a fixed time frame. The following decisions were taken:

- To release a national digest of best orders/practices with a view to foster a sense of achievement by showcasing the good work done by the Departmental officers
- To share the publication with public, with appropriate sanitization, to further the cause of transparency
- To recognize best practices developed by Departmental officers through innovative efforts both at the regional and national level
- To focus on issues arising out of the Income Tax Act that is amenable to disputes having wider ramifications
- To dedicate a secure knowledge portal for exclusive use of the Departmental personnel for knowledge sharing

3.3 The business model of the initiative was captured in the cover design of the first publication itself with a sapling resting on the palms with the message from the head of ITD

"Let us Share is an attempt on our part to plant this idea which may have a humble beginning but the same would be nurtured by the collective wisdom of the departmental personnel in the years to come.would eagerly wait for the small sapling to grow into a banyan tree of wisdom and vision in the years to come."

3.4 Sustenance of an initiative required institutionalization of the process of co-creation of knowledge with active participation of creators of knowledge, process of collection and dissemination of the same by establishing effective Administrative structures. A near term and long term roadmap was drawn. Standing regional evaluation committees were set up for collecting and evaluating best practices and quasi-judicial orders adjudicating tax disputes in a geographical region. A central body would receive the selected entries from regional centers and club these together for a second level of evaluation at the national level. After short-listing of best practices and orders at the national level, a third level of assessment is done by an Editorial Board to decide on the entries eligible for being a part of the national digest "Let us Share".

3.5. Beginning 2009, four volumes of the national digest have been released. A knowledge portal supplements the published book. As recognition, Certificates of Merit are awarded to the contributors. The initiative has created considerable enthusiasm across ITD. There is visibly a healthy competition amongst the personnel to find a place in the limited space available in the compilation. Recognition of good work has incentivized

the personnel which is evident from increased number of entries for the compilation. A new section on "Creative Works" has been introduced in the third volume to recognize the creative talent.

3.6 It is evident that the initiative "**Let us Share**" for sharing excellence has steadily gathered momentum and has become a part of its collective culture. ITD's serious endeavor to put in place robust institutional mechanisms has helped in developing an institutional memory by putting together the distilled experiences of its personnel that can be harnessed by all the stakeholders. The culture of openness, transparency and collaboration embedded in the concept of "**Let us Share**" is expected to help the Department in scaling new heights. The process of co-creation of knowledge and sharing the same widely is helping the department to imbibe the culture of collaboration.

3.7 Knowledge Management figures in Vision 2020 as one of the important Strategies to achieve the objective of real time knowledge sharing for informed decision making in ITD. A comprehensive knowledge portal is also being conceptualized to be a one stop shop and a repository of all judicial pronouncements including the departmental orders. This is intended to act as the "Decision Support System". The rising litigation with the taxpayers and the quantum of revenue locked up in appeals is a matter of serious concern that requires attention. ITD intends to address this concern with comprehensive proposal for reducing unwarranted litigation with taxpayers, faster disposal of appeals and prompt redressal of grievances in a consistent manner. Knowledge management is viewed as one of the tools to develop consensus about contentious legal issues across ITD. The objective of the knowledge portal would be to build consensus on contentious legal issues and to adopt a uniform approach on legal issues across the country so as to obviate infructuous litigation.

Chapter 4

“Aayakar Seva Kendra”- Model of Excellence in service delivery

4. In recent years, there has been much discussion of relatively weaker institutions of governance in developing countries like India. However, excellence in public service delivery is in an evolutionary process in India. There are huge demand side problem owing to the sheer size of the country. For making steady strides towards the desired objective of excellence in public service delivery, Citizen's Charter and Public Grievance Redressal Mechanism are fundamental requisites for the same.

4.1 The concept of “**Sevottam**”, an integrated model for excellence in public service delivery by the Government Departments in India, was initiated by the Department of Administrative Reforms & Public Grievances (DAR&PG) in 2006. A road map for the implementation of the project was prepared by the Prime Minister's Office (PMO). The Income tax Department was one of the ten departments chosen for fast track implementation of “Sevottam”.

4.2. **Essence of Sevottam:** The quality management framework of Sevottam lays down the following seven steps for achieving excellence in service delivery:

- Define services and identify clients
- Set standards and norms for each service by way of a Citizen's Charter
- Develop capability to meet the set standards
- Perform to achieve standards
- Monitor performance against the set standards and put in place a robust grievance redressal mechanism
- Evaluate impact through independent mechanism
- Continuous improvement based on monitoring and evaluation

Sevottam framework outlines three modules: Framing of a Citizen's Charter, A Grievance Redressal mechanism and Capacity building for implementation of the Charter. Once an institutional and effective mechanism for implementing Sevottam is put in place, a department would qualify to obtain certification under IS: 15700:2005 in recognition of its putting in place a mechanism of delivering quality services to the customers.

4.3. ASK for implementing Sevottam: While the broad framework of Sevottam was outlined by the DAR&PG, it was left to the individual departments to come up with their own institutional mechanism for achieving excellence in public service delivery. ITD adopted the mechanism of Aaykar Seva Kendra (ASK) to implement the framework of quality management system of Sevottam.

4.4 Gap Analysis: A gap analysis in the Department in the year 2008 revealed the followed deficiencies in the existing public delivery mechanism:

- Absence of comprehensive service standards reflecting expectations of taxpayers
- Absence of an effective computerized system for registration of all taxpayer applications and paper returns received in the Department resulting in delays in processing
- Absence of a monitoring mechanism for tracking applications resulting in non-accountability
- Absence of effective mechanism for issuance of system generated acknowledgements at the time of registration of applications
- Absence of an effective grievance handling mechanism

The analysis revealed that these deficiencies adversely affected the level of voluntary compliance. ITD which strategically relies on voluntary compliance could no longer ignore the importance of citizen centric governance. Accordingly, a very high priority was accorded to the initiative of enhancing the service delivery mechanism for providing quality taxpayer services.

4.5 Initiation of ASK: A 'Blueprint' was prepared in 2008 for setting up of **Aayakar Seva Kendra (ASK)** in each building of the Income-tax Department for receipt, distribution and monitoring of taxpayer applications and paper returns with the help of software to ensure compliance with the service standards laid down in the Citizen's Charter. The software was also to incorporate the functionality for a robust public grievance redressal mechanism.

4.6. Functional features of ASK:

- ASK is a single window face to face contact point for all the taxpayers to communicate with all the tax authorities housed in a building in respect of all the key services listed in the Citizen's Charter of ITD
- The entire building is taken as a unit for setting up ASK so that the single window system operates for all the offices housed in the building

- For each application submitted at ASK that relates to the services specified in the Citizen's Charter with specific timelines for resolving the cause of action arising out of it, system-generated unique acknowledgement number is generated which is used for monitoring the status of the application through its life cycle
- A receipt with the details of acknowledgement number and other details is generated through the system in duplicate for sticking on to the original application as well as on the copy returned to the taxpayer
- On receipt of applications, resolution dates are automatically generated through the system for each of the services and the same can be viewed by the tax authorities at all levels through the section diary.
- Sevottam software rides on the departmental intranet "i-taxnet" which maintains hierarchy for all tax authorities housed in separate buildings across the country providing a drill down facility for supervisors at any level to monitor the status of applications received at the center
- Apart from face to face interaction, ASK provides a drop box facility for the convenience of the taxpayers and applications received through the drop box and by post are entered in the system subsequently.
- Apart from the collection center, ASK also provides for Facilitation Center to help taxpayers to understand their legal obligations better and seek clarifications on tax related issues
- All departmental publications and forms are made available at ASK
- A state-of-the art lounge is available for the taxpayers with basic facilities for drinking water, LCD screen for viewing departmental schemes and programs
- Detailed MIS relating to the functioning of the Ask can be generated and performance at each of ASK center could be viewed with the drill-down facility to go down from the highest level of functionary to the lowest level functionary.

4.7. Stakeholder participation and New Citizen's Charter:

Preparing a Citizen's Charter after due consultation with the stakeholders to reflect their aspirations was accorded top most priority. The new Citizen's Charter 2010 was released on 24th July 2010 during the celebration of 150 years of Income

Tax in India by the Finance Minister of India. The 2010 Citizen's Charter is available at Department website www.incometaxindia.gov.in. It specified 16 key services which are to be delivered to the taxpayers within specific timelines.

4.8. Adopting Service Quality Management System: Preparation of a Service Quality Manual of ITD was the first logical step towards quality certification process under IS: 15700. ITD's Service Quality Policy is contained in the manual is reproduced below:

ITD's Quality Policy

"The Income Tax Department is committed to promote voluntary compliance with Direct Tax Laws through quality taxpayer service and firm administration. The Department endeavors to be transparent and fair in its processes. It consistently strives for providing efficient services and assisting the taxpayers to discharge their tax obligations. It aspires for continual improvement in its service delivery mechanism by upgrading the infrastructure and skill sets of its employees for ensuring the desired level of taxpayers' satisfaction. The Department is resolute in complying with the requirements of IS 15700:2005 and continually improving the effectiveness of the Service Quality Management System".

4.9. Administrative Arrangements: ASK is essentially a Parent & Outlet model. Though a substantial part of the planning is done at the apex level of ITD, the implementation of the service quality policy at the outlet level is done by the Regional Heads. At the apex level, a management review committee oversees the overall planning process manned by the top management of ITD, whereas, a cross-functional team oversees overall the implementation process.

4.10. ASK enters Central Action Plan of ITD: Policy announcements were made by the Union Finance Minister in his Annual Budget Speech for two consecutive years regarding setting up of ASK at different cities across the country. The announcements facilitated the process of including ASK as part of ITD's Central Action Plan, making taxpayer service a mainstream activity.

4.11 Establishing brand identity for ASK

The branding of taxpayer service delivery mechanism has also been carefully planned with a logo for all the ASK centers. The logo would help in creating a recall value of service quality offered at ASK locations. To provide standardized services, apart from standardized processes, standardized design of ASK across all outlets was considered to be of importance for branding of taxpayer services.

Accordingly, a prototype of ASK was centrally designed with a set of standard functionalities, certain common amenities and a similar color scheme that goes with the logo, for replicating across all outlets.

4.12 Improvement in measurable indicators: The following indicators bring out the turnaround in the delivery system as a result of the new initiative at the ASK locations.

- (a) Return receipt register is ready on real time basis.
- (b) Registration of applications, timely resolution of these applications and their monitoring radically improved.
- (c) Information regarding status of applications are made available to the applicants at the ASK
- (d) Grievances are effectively registered, monitored and timely redressed

Chapter 5

The Road Ahead

Real Time Knowledge Management

5. Vision 2020 of ITD has discussed the importance of conducting quality audit of select taxpayers for creating deterrence against tax evasion. Under the self-assessment regime followed by the ITD requiring the taxpayers to determine their own taxable income, the quality of audit done on a very small percentage of tax returns, has to be effective. Quality audit backed by quality investigations and proper marshalling of facts and evidence is considered a primary deterrent against tax evasion. Sharing knowledge is perceived as an effective tool for conducting quality audit.

5.1 Although the concept of knowledge sharing is firmly ingrained in the psyche of ITD, it has to be noted that "Let us Share" is only a small part of the comprehensive knowledge management system. The time is ripe for ITD to change gears and take steps for making the culture of sharing an integral part of the DNA of the Department. ITD needs to extricate itself out of the culture of 'working in silos' and move towards a networked organization. With the sensitization of the departmental personnel on knowledge sharing concept, it is time to put in place a robust knowledge management system by making use of cutting edge technology. The scope of the current initiative needs to be expanded to evolve an online real time knowledge sharing mechanism.

5.2 The following action points have been identified in the Vision 2020 document of ITD for effective real time knowledge management:

1. Identify knowledge gap and ascertain knowledge requirements across functional areas of ITD
2. Identify sources of knowledge creation and encourage the process of co-creation of knowledge
3. Develop consistency in interpretation of law in the larger interest of ITD for reducing litigation and enhancing revenue productivity
4. Provide facility for online learning management system with facility for transmitting and storing webcasts and VOIP
5. Set up online discussion forum to discuss issues relating to tax administration
6. Provide for corporate subscription of judicial referencing system and economic data bases
7. Issue revenue rulings on important legal issues having wider ramifications

ASK as the flagship project of ITD:

5.3 Changing role perception: ITD which performs the sovereign function by collecting Direct Taxes for the Government inherently possesses the attributes of an enforcement agency. To adopt Sevottam by the Department meant a changing role perception even within the department from an exclusive enforcement agency to that of a service provider as well. Here lies the challenge and hence the opportunity for a great makeover for ITD. In RFD, developing robust public service delivery mechanism occupies center stage and its implementation is one of mandatory objectives of RFD.

5.4 The Strategic Plan envisages fast track implementation of ASK at all buildings of Income Tax Department (ITD) and to make ASK the flagship project of ITD for excellence in public service delivery. The other **Action Points** identified in the Strategic Plan document are:

- **Build capacity** to meet the service standards by developing **integrated service delivery mechanism** cutting across functional areas of ITD
- **Expand the bundle of services** to be provided at ASK by providing facilities for **online filing of applications** including grievances, acknowledging all applications from taxpayers on real time basis, providing **facility for online checking of status of all applications** and making all relevant information materials available to taxpayers online
- **Set up Integrated Call Centre facility** to check status of applications filed at ASK centers across the country
- **Make all ASK centers of excellence and IS: 15700 compliant**

5.5 This is a challenge that has to be met squarely by ITD. At present ASK is running at 15 buildings of ITD as against 727 total buildings from where the Department is functioning. As per the RFD to be implemented during the financial year 2012-13, creating a Sevottam compliant system for monitoring Citizen's Charter commitments and redress and monitor public grievances has to be put in place at the beginning of December 2012. The following are the issues that require deliberations while putting together an implementation plan for extension of ASK:

- Setting up of physical Infrastructure
- Allocation of Funds
- Developing a comprehensive software
- Developing effective MIS: Dash Board facility

- Developing e-governance tools
- Provision for scaling up of Server capacity & Bandwidth for managing the departmental network
- Provision for other Hardware Requirements
- Provision for regular support system
- Improving the backend processes: Record Management
- Setting up Call center facility
- Identification of dedicated cross-functional teams
- Management Review Committee
- Manpower requirements
- Training of Departmental personnel

5.6 Focus on customer priorities: While providing quality service, it is to be kept in mind that it can be assessed in terms of the technical aspect of a service or in terms of the customer's perspective of the service they receive. The former can include measures of the quality of the output (say, accuracy) and the quality of the process (timeliness, turnaround, waiting times), whereas, the measures of the latter directly assess the extent to which a product or service meets or exceeds customer expectations. Although both approaches are valuable, it is important that technical measures of quality are focused on customer priorities.

5.7 Risk Assessment: It is important to make proper Assessment of Risks to service delivery. There may be some external and internal factors which could prevent targets from being met. These factors need to be identified and managed. Similarly, capacity building should be given due importance for successful delivery. Importance of Management Information System (MIS) for receiving regular performance information is invaluable for managing performance.

Conclusions:

The challenges before the ITD are formidable. While on one hand, Knowledge management is crucial for internal efficacy, setting up of ASK at all locations within a given timeframe is essential for meeting expectation of the taxpayers. ITD has to walk of both the legs to

be able to manage performance at both the levels. In the Vision 2020 document of ITD it has been observed that Vision is what vision does. At the end of it, the worth of the vision is in its executed reality. As a professional organization, ITD will bring the power of shared vision to the workplace and act upon it. An effective communication strategy will be implemented for reaching out to the two most important stakeholders of ITD, namely, employees and the taxpayers. Execution of the projects would require the ITD to inculcate a culture of collaboration across functional areas. ITD is committed to throw its full weight behind these initiatives to realize its vision.

Nilimesh Baruah
Director of Income Tax (Organization & Management Services)
Central Board of Direct Taxes
Income Tax Department
Ministry of Finance, Government of India, New Delhi
nilimesh@yahoo.com

Bibliography:

1. PMES: PERFORMANCE MONITORING AND EVALUATION SYSTEM (PMES) FOR GOVERNMENT DEPARTMENT, Cabinet Secretariat Government of India
2. Vision 2020 & Strategic Plan 2011-15, Income Tax Department, Government of India, incometaxindia.gov.in
3. 2010 Citizen's Charter, A declaration of our commitment to taxpayers, Income Tax Department, Government of India, incometaxindia.gov.in
4. Inaugural Address of the Cabinet Secretary, page 9 in Performance Matters: Performance Management- Cabinet Secretariat, Volume 3, April 21, 2011, Issue 1, www.performance.gov.in
5. Knowledge Management: Knowledge of Development, for Development and by Development, Dr. Prajapati Trivedi, page 11 in Performance Matters: Performance Management- Cabinet Secretariat, Volume 2, October 21, 2010, Issue 1, www.performance.gov.in
6. Knowledge Management in OECD Governments: Lessons, Elsa Pilichowski, page 17 in Performance Matters: Performance Management- Cabinet Secretariat, Volume 2, October 21, 2010, Issue 1, www.performance.gov.in
7. Let us Share - A compilation of Best Practices and Orders, Volume III, 2010, Income Tax Department, Government of India
8. Twelfth Report, Second Administrative Reforms Commission, Citizen Centric Administration (February 2009) : The Heart of Governance