

# Public Service Development in Thailand

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## Abstract

This paper reviews the development of public service improvement from past to present and point out the future trend. From the past, most of the tools for service improvement are based on the concept of division of labor and work study in applying and making service process simple. As simple, the process is needed to be divided into sub processes, thus share load of works and responsibilities. That make people who want to get served, has to go thru different service stations before the service is done. At present, the concept of using sub-process has been reversed. The process is needed to be redesigned for the end result. Thus, the concept of overall process improvement and reengineering has been used and sub-processes has been combined and integrated as one stop service process. As for the future, the trend for service improvement will mostly base on service innovation and the customer involvement.

Keyword: Business process improvement; Public Management; Operations Management

## Introduction

Public service is considered to be one of the touch point where citizen can perceive how good and efficient of the government service system. . There is a search today for a new understanding of the roles and functions of public agencies and how they can best add value to the services they provide. Can value be created by government bureaucracies to ensure improved service delivery to citizens under an environment that has included changing life styles, increasing urbanization, and a greater role of information and communications technology?

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As globalization has taken a firm foothold in Thai society, citizens now expect a similar quality of service from both the public and private sectors (Jackson, 2001). Thus, the term '*service quality*' in the Thai public sector has become broader and more complex in meaning (Vos and Westerhoudt, 2008).

Timeliness, accuracy, accessibility, and visibility are key quality attributes that citizens have come to expect from the services they receive, and reflect the value the public sector can add to the services it provides. In addition to the shift in expectations, public agencies are generally faced with constant demand for improvement, especially in the areas of efficiency and quality (Wilson *et al.*, 2001; and Finn and Thomas, 2008), with the aim being an increased level of quality (*e.g.*, faster, greater flexibility, *etc.*) with lower operational costs. Given this growing pressure, it appears that service improvement is inevitable.

The Office of the Public Sector Commission (the OPDC) considers *quality* and *value-added* important components of its comprehensive efforts to initiate and promote service improvement throughout the Thai public sector. To increase the level of service quality, the OPDC advocates integration of elementary techniques (*e.g.*, Process Flow Diagrams), empowerment of staff, and participation of citizens, all of which are essential for sustaining future improvements in service delivery (Foley, 2008).

Service improvement underlies public sector developmental strategies in the areas of process improvement, organizational structure, financial and budget systems, human resource development and benefits, paradigm shift in organizational culture, government modernization, and people participation in government.

Comprehensive and integrated service improvement programs are based on a background comprising several features. The first feature is a *citizen-centered approach*, which is an assurance that citizens are viewed as a source to motivate and accelerate the change. The second feature, *service integration*, is deemed necessary, as citizens' needs can involve interaction with various agencies from the same or even different ministries. The other features deal with the need for more *result-oriented and market-based managerial approaches*. A result-based approach in service provision emphasizes improved outcomes. For example, the standard time required to complete a request for a new identification card must be carefully studied and verified. Following actions to realize improvement, results can be made public to garner public confidence and to illustrate the agency's service commitment. The market-based focus helps ensure that a public agency engages more actively with citizens, in a manner similar to

the financial sector in Thailand, where most newly-opened bank branches can be found in shopping centers and supermarkets. Finally, given the trends in urbanization and life-styles or living culture of city dwellers (who simply have no time to skip work to contact public agencies during the weekdays), any initiative for service improvement must address these issues (Lee *et al.*, 2008).

The OPDC has introduced two important concepts to initiate and ensure large-scale service improvement, the Service Link and Government Counter Services. Both concepts aim to increase convenience for the public by: (1) providing essential information relating to various agencies – acting as a gateway for information dissemination, such as extensions in tax deadlines or changes in health care eligibility requirements; and (2) handling requests requiring multiple approvals, as in the case of district approval for home construction that also requires contacts with public utility providers such as electricity, water, and telephone. Service Links located in government centers provide a single location to make inquiries or submit requests to various public agencies. The Government Counter Services further increase convenience by locating service counters of public agencies that provide basic services (such as identification cards, household certificates, name change certificates, birth and death certificates, and passports) in populated areas, especially shopping complexes and sky-train/subway stations.

The following discussion illustrates a specific process improvement initiative by the OPDC to encourage reduction in unnecessary work processes through a combination of the citizen-centered and the result-oriented approaches mentioned above. This initiative focuses on speed/timeliness as well as a specific and quantitative result that demonstrates tangible benefits and service commitment by a public agency.

### Past

In the past, most process improvement approaches were directed at enhancing individual performance using time-motion study techniques (Taylor, 1911), where a worker's task is divided into simple and quickly performed subtasks, rather than focusing on the overall task to be performed. The time-motion study technique enables a system analyst to determine the overall system capacity or 'cycle time', which is the standard operational time, and to identify the potential workstations and resources to increase system capacity. Establishing a standard time can also be used to set up a reward system based on worker performance.

It is now recognized that this focus only on individual performance does not produce a significant impact on the overall performance of a system. The 'subtask creation' step in time-motion studies often creates several unnecessary subtasks, such as the separation of a document-inspection task from a document-receiving workstation, resulting in a greater number of task specialists performing tasks more quickly. Without proper coordination among workers and raw materials, however, a faster workstation may have to wait for slower downstream workstations. Goldratt and Cox (1984) and Goldratt (1994) introduced a Theory of Constraints (TOC), which explained the effects of the slowest workstation on overall system performance. To minimize the impact of process variation, the workstation taking the longest processing time would have to be identified, managed and monitored. Thus, past improvement techniques did not always improve systems, and in some cases even reduced overall system efficiency; and as a result, overall improvement of the organization may not have been achieved.

### Present

The application of past process improvement approaches in government service processes, resulted in too many steps. The principle of modern improvement techniques is to focus on the whole process, from the beginning of the service to the end, reducing or merging steps so that the overall processing time and steps of the process are reduced. According to findings of a report on government operational standards during 1996-1998, there were, on average, 8.8 steps in a government service process. After undergoing modern process improvement techniques, the average number of steps in a government service has been reduced to 3.5 steps.

Modern process improvement techniques are influenced by the 'Lean Philosophy' originating at Toyota Production Systems (Ohno, 1988; Liker, 2004), which identifies two types of activities, *value-added* and *non-value-added*.

An example of both types of activity in a government service is the issuing of a national identification card. The filling out of the information form, taking the photograph and producing the card are considered value-added activities. However, other activities can be considered non-value-added: for example, the filling out of a request form to copy government-issued documents that people are required to show when contacting government agencies, and the need for government agencies to retain those copies for at least 10 years, is an unnecessary cost occurrence.

The objective of 'Lean-based' process improvement techniques is to make a service process shorter and faster by removing as many non-value-added activities as possible. Ohno (1998) identifies several types of non-value-added activity: 1) waiting, such as waiting for an approval signature; 2) movement of tasks from one station to another; 3) repeated activities, such as document inspection at each step in the process; 4) inventory, such as all components, work-in-progress, and finished products sitting still in a warehouse; 5) unnecessary motions of a worker causing unnecessary delay as the result of a poorly designed workplace; 6) over-processing/unnecessary tasks or performing tasks that are not part of the work procedure or standard; and 7) mistakes and defects that cost money and time.

In the case of government agencies, several non-value-added activities cannot be eliminated because of regulation requirements, which then means that, in the public sector, there are three types of activities: 1) value-added; 2) required non-value-added; and 3) unnecessary non-value-added (those activities that can be eliminated from the process).

In Thai government agencies, the modern process improvement program carried out by the OPDC during 1996-1998 was organized into two phases. During the first phase, the focus was on the removal of non-value-added activities through changing rules and regulations, including the development of means to transfer authority among different agencies, which led to a dramatic reduction in service time and in the number of activities per service. Examples of success in this first phase are the One-Stop Service at many government agencies and the Service-Link at several state enterprises. In the One-Stop Service, the service counter/window provides the entire service to the customer (citizen), so that he need not visit several counters, as in the past. In addition, some government agencies provide a drive-through service so that people don't need to waste time finding parking spaces and walking to the office area.

During the second phase, the focus was on using communications and information technology to enhance system efficiency of the service processes already improved during the first phase. By integrating service flow with technology, government agencies have been able to provide services through various channels, such as call centers, the short-message-system (SMS) and the Internet. With the availability of a greater number of service channels, government agencies have been able to provide faster and more accessible services. The progress of the Thai government in process improvement is shown in Tables 1 and 2.

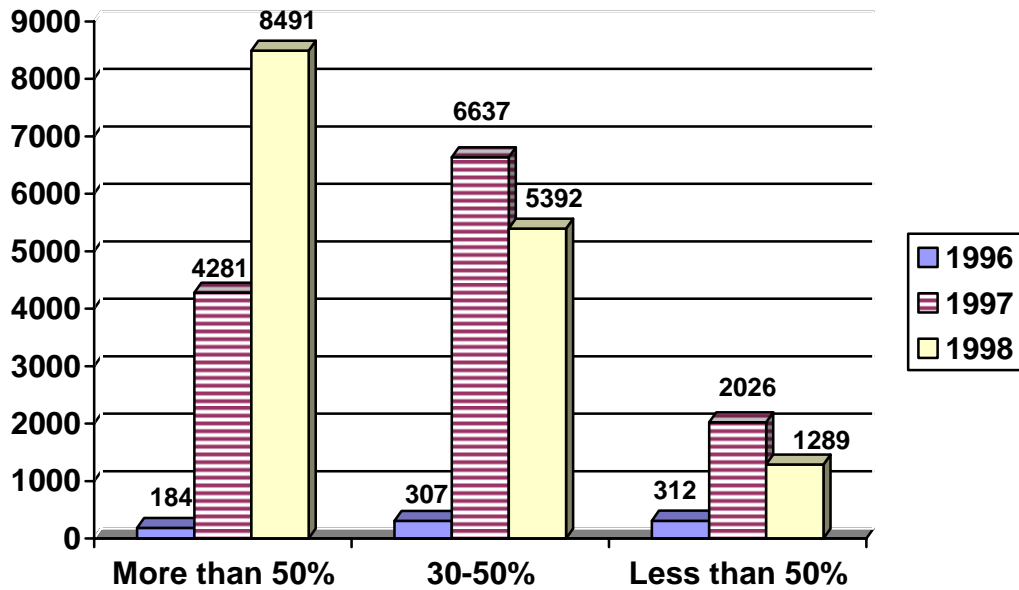
Table 1. Number of activities reduced and the number of agencies involved

Year	Number of activities eliminated resulting in better service time	Number of agencies involved
1996	803	230
1997	12,944	239
1998	15,172	279

Table 2. The Results of Process Improvement during 1996-1998

Percent of eliminated activities	1996	1997	1998
> 50%	184	4,281	8,491
30-50%	307	6,637	5,392
< 30%	312	2,026	1,289

Figure 1. The number of activities eliminated during 1996-1998



Source: Four Years of Public Sector Reform in Thailand

Following the intensive push during 1996-1998 for process improvement throughout the entire government sector and to encourage continuous reform, the OPDC introduced Total Quality Management (TQM), a concept developed by W. Edwards Deming. Using the PDCA (Plan-Do-Check-Act) 'quality cycle', government agencies focused on effecting a seamless integration of planning, implementation, measurement, and extension.

Putting TQM into practice has not been easy. Unlike Process Improvement, TQM implementation has an impact throughout an entire agency; and some agencies have succeeded and some have failed. To encourage continuous TQM implementation in the public sector, the OPDC created a Public Sector Management Quality Award (PMQA) which is awarded annually to excellent public agencies. The key criteria of PMQA are:

1. Organizational leadership
2. Strategic planning
3. Focus on customers and stakeholders
4. Measurement, analysis, and knowledge management
5. Human resource development
6. Process management
7. Results-oriented approaches

The PMQA Committee applies these criteria in considering all aspects of an organization, from the top management to the end results. The first three are considered critical characteristics for achieving Total Quality Management. In addition, new approaches such as Knowledge Management, Human Resource Management and Process Management (including Process Improvement, which is a required part of the Process Management activity) have become critical to overall improvement of government services. Finally, to declare that a government agency has successfully improved its services, the actual results achieved must be identified and shown to support the agency mission.

### Future

The shift in Process Improvement from a focus on individual activity to improvement of an entire process by eliminating non-value-added activities has resulted in shorter and faster processes of government service provision. Application of the TQM concept under the criteria of the Public Sector Management Quality Award requires that improvement in processes throughout the organization is geared to *continuous improvement*, known as the Japanese term, '*Kaisen*'.

Nonetheless, TQM approaches to improvement of service performance have not been rapid enough to serve the more demanding citizens and a dynamic society where changes occur at an accelerated pace (Friedman, 2005). Therefore, process improvement in public service has moved from service quality improvement to *service innovation*, especially '*Open Innovation*' (Chesbrough, 2006), which is service that allows the customer (citizen) to specify the type of service, and the channels and times to receive the service.

Innovative approaches in the public sector have been applied in several countries in the region during the past decade. In Singapore, TEC, a development unit under the Prime Minister's Office, has since 1999 offered a TEC Public Service Innovation Award to promote innovation development for public services. Similarly, the Malaysian Administrative Modernization and Management Planning Unit (MAMPU) also set up a similar award for public service innovation.

In Thailand, the OPDC developed an award in 1999 for service innovation in public agencies, categorizing the types of innovation as: 1) service innovation for a new mission of the agency in response to new demand; 2) service innovation that significantly reduces service time; 3) implementation of a new technology to provide

additional service channels that can eliminate unnecessary steps and reduce overall service time; and 4) proactive service features added to existing services to increase convenience and satisfaction for citizens in all sectors, including the poor.

As one approach to service innovation, government agencies have begun opening branches in unconventional areas such as shopping malls, transportation hubs, tourist destinations, *etc.*, with operating hours that match the location. (For example, a government service center in a shopping mall will open late morning, close in late evening and be open on weekends, similar to the operating hours of the shopping mall.) In addition to open innovation, information and communications technology, such as mobile telephones, the Internet *etc.*, are popular as alternative service channels that allow customers to receive services around the clock. As with the service trends in the private sector, the public sector needs to involve citizens in the design phase so the service will meet citizen demands and provide satisfaction.

Innovation in the public service not only enhances the efficiency of services but also provides a new approach to public service management, one that may not only produce a new service but can also improve existing services to serve new demands/missions of the agency. Service innovation provides benefits for citizens in terms of speed and convenience, and for the government agency in terms of system efficiency, which can be categorized as progressive development (*Leap Development*), a concept different from the continuous development now widely adopted in public sector process improvement.

### Conclusion and Lessons Learned

The wave of new service innovation in the public sector can be found in many ASEAN countries, such as Singapore and Malaysia, as mentioned earlier. Even though the OPDC began its push for public service innovation at the same time as the Singapore government, Thai government agencies have only applied information technology to the existing service flow to reduce overall service time. New services or new ways of working are not widely evident in Thai government agencies.

Improving Thai public service efficiency has been a long journey, starting from the improvement concept focused on breaking down activities into simple and small standard tasks, to a holistic approach that focuses on improvement of the entire work flow by eliminating unnecessary steps and risks to minimize service time. In addition, information technology has played a major role in providing convenient services.

Most of the improvement techniques used to improve public service have involved the application of external knowledge, rather than the use of internal resources to develop a workflow suitable for the Thai environment and the organizational culture of each agency. It appears that Thai laws and regulations have been the main barrier in implementing effective improvements in public service processes. In a study undertaken by the OPDC, it was found that agencies successfully achieving process improvement have the common factors of full support from top management and regulation changes, particularly the transfer of authority that creates flexibility in services and resource management.

Total Quality Management techniques have been implemented to continue the success of service improvement throughout the Thai government sector. However, with the rapid changes in society and a more demanding citizenry, the impact of TQM may be too slow to respond to those changes and demands, and the time being invested to achieve improvement is too long. Therefore, new improvement approaches are needed that are able to predict future changes and needs. The Open Innovation concept is one that focuses on developing new services and new ways of working, including the use of information technology to create those new processes. The expected outcome of public service innovation appears to be a significant improvement over existing services.

In order to achieve a leap improvement in services for a rapidly changing society, another chapter of Thai government service improvement is needed, comprising service innovation that involves citizens and the community.

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