

Optimizing Procedure Management for Efficiency in Public Organizations

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Abstract

The paper assessed how procedure management could be optimized for efficiency in public organizations. The motivation for the study was the general inefficiency being recorded in public organizations in Nigeria, largely due to ineffective procedure management. The underlying interest in the study is the recent inclination to new public management, which borrows heavily from private business and the increasing clamor calls for quality management and responsiveness in the public sector. The framework is the Kaizen principles of process and quality improvement. A descriptive analytical approach was used for the analyses of data. We discovered that Nigerian public organizations are bedeviled by ineffective and inefficient procedures. It was also discovered that the fear of legal implications poses a serious challenge to effective procedure management in Nigeria. Finally, efforts at procedure analysis and reformation are sparingly done in public organizations. Therefore, we recommend the Kaizen principle for effective and efficient procedure management; adoption of e-government; and frequent procedure analysis. These will add more values and quality to organizations' services and customers while maintaining efficiency

Keywords: System, Procedure, Operation, Kaizen, Efficiency and Procedure management.

1. Introduction

Procedure is a laid out plan that has to be followed to complete a task. It is made up of many discrete activities called operations. In public organizations, procedures exist in organizational manuals (Financial Regulations, public service rules etc) as rules and regulations. For instance, there is a disciplinary procedure for an erring staff in public organizations which must be followed or else an administration gets into trouble for breaching the procedure irrespective of the gravity of an offence. Tilton, et al (1996) noted that procedures control how things are done as it instructs employees in the steps to follow in performing recurring tasks. A procedure is a plan of sequenced operations that should be applied and followed to perform recurring tasks.

Procedure management is the application of the management functions of planning, organizing, directing coordinating and controlling in the establishment and utilization of procedures in an organization. Effective procedure management ensures speedy flow of work, helps new staff to take-off, and allows for flexibility to effect changes when the need arises. It prevents chaos by ensuring adherence to approved sequence of work. Apart from the above ineffective procedure management can result in colossal wastage of resources in time, finance, personnel and quality

To fully understand the role of procedure management in organizations, we look at what happened in Nigeria when the old generation banks like First bank, Union Bank and UBA lost most of their customers to the new generation banks. In Nigeria then, the procedure for cashing a check or withdrawing money from one's account differed significantly between the old and new generation banks. In the old banks a customer could spend three hours to withdraw money from his account whereas in the new generation bank it was like 15 minutes. The procedure in the old banks was that a cheque has to pass through many hands for identification and verification including accountant, manager, reception clerk, etc before it was paid.

In the new generation banks unnecessary operations and activities were removed, and it increased their customer care services. The private sector has since realized the importance of environmental analysis such as SWOT analysis and porter's value chain analysis which help in identification of wasteful operations in a procedure.

The New Public Management approach is a move from the traditional Weberian bureaucracy towards efficiency-oriented public management. It is a move towards more measurement and quantification, especially in the form of systems of performance indicators and for explicit standards (Pollit, 2003). It is a shift in value priorities away from universalism, equity, security and resilience, and towards efficiency (Hood, 1991). It borrows heavily from private business management style and focuses attention on quality of goods and services. Effective procedure management is efficiency driven.

Efficiency on the other hand is the ratio of output to inputs. Efficiency is one of the levels at which performance measurement can operate. It refers to the relationship between inputs and outputs. Bouckaert (2009) defined efficiency as the output divided by (an index of) all of the inputs. Usually the only index of all inputs that is available is cost, which leads to the specific efficiency indicator of unit cost (e.g. cost per discharged patient, cost per crime cleared). All the costs of all the inputs used to obtain an output would be calculated in financial terms.

It is only with good procedures management that efficiency can be achieved in an organization. One of the key differences between private and public sector organizations is procedure management. The private sectors continuously analyze, re-organize and reform its procedures to respond to quality demands from customers and ensure efficiency. The New Public Management which is efficiency driven, and the clarion call for quality and responsive government has made it imperative for effective procedure management in public organizations.

The demand for efficiency is itself subject to the efficiency paradigm: reorganizing processes and procedures are costly and should be subject to efficiency consideration too. This consideration is what kaizen principle is mostly suited for. It is based on continuous improvement rather a radical reorganization.

2. Conceptual Explications

2.1 Procedure

An organization is a system which has many interacting sub-systems (parts) known as procedures. Procedures are sub-systems within a system. A system, according to O'Brien (2004), is a group of interrelated or interacting elements forming a unified whole. In an organization, the procedures form the interrelated parts. A procedure is therefore, very essential in the achievement of organizational objectives. It establishes what action is required, who is required to act, and when the action is to take place. Stoner, et al (2005) defined a system as the functions and activities that work together to fulfill the purposes of an organization. It follows from the definition that there is the need to control the performance of those activities in order to avoid chaos. To control the activities requires arranging them in a logical sequence to ensure smooth flow of work. This logical sequence of arrangement of activities is called a procedure. Each system consists of a number of procedures. Stoner et al (2005) viewed procedure as a standing plan that contains detailed guidelines for handling organizational actions that occur regularly. Chopra and Chopra (2006) defined procedure as a series of steps to be taken for doing a particular work in the office.

Koontz and Weihrich (2005) define procedures as plans that establish a required method of handling future activities. From this view point, procedure is a process employed to complete a specific task. As a process it is the logical organization of people, materials, energy and equipment in work activities designed to produce a specified end result. (Pall, 1987). Whether seen as a process or procedure, there must be sequence in the operations geared towards completing a task or service. A procedure is made up of operations, an operation being discrete actions in a procedure. Procedures are like manufacturing processes. The operations involved in the registration procedure for a student may include obtaining a computer print out from the Internet, buying of a scratch card, payment of school fees, etc. The methods in carrying out each operation may vary. For instance, method of paying school fees may be by bank draft, cash or online. An operation within a procedure can be performed using different methods. In public organizations, procedures exist in organizational manuals (Public Service, Rules, Financial Regulations, Constitution, etc) as a guide to the employees and the organization. The effectiveness and efficiency of any public policy or public organization hinge precariously on the implementation and control of policy strategies and actions. These strategies and actions are seen within the administrative procedures. Oshionebo (2004) noted that implementation strengths or weaknesses are major factors in policy outcomes and impacts. The strengths or weaknesses are determined by existing procedures.

A good procedure should have concise number of operations. This implies that only operations that are needed should form part of a procedure. These injunctions are to avoid empire building, prevent chaos, avoid wastage of resources (time, money, personnel, etc) and ensure quality and timeliness in task performance or service delivery.

2.2 Procedure Management

In an office system, the major office procedures are filing, meetings, mail handling, accounting, auditing, etc. In a manufacturing company there are purchasing, accounting, procedures, etc. In a university system, there are such procedures as registration, retirement, disciplinary, admission, examinations and result processing. Procedure is therefore, a laid out plan and sequence that has to be followed to complete a task. Procedures will be effective when they are properly managed. Applying the management functions of organizing, planning, controlling and coordination will ensure that procedures serve the purpose of an organization. This can be achieved by constant reviews, coordination of works and a clear plan of procedure analysis to identify counterproductive procedures.

Procedure management entails integration of the fundamentals of quality management into the process. Effective procedure management is efficiency and quality driven. Optional procedures that are fraught with mistakes and cases are wasteful. Procedures should be conscious of quality. This is because, no procedure can be efficient or achieve efficiency without considering the quality of the products or services. If the services and products are always rejected or controverted by customers or the public, the procedures becomes wasteful. For example, any disciplinary procedure that will later result in incessant litigation is not worth its onions. Court decisions with unending appeals against procedures are a big challenge to good governance and political stability in any country. However, the advent of e-government holds a lot of promise in reducing these ills in some public organizations

3. Kaizen (Continuous Improvement) and Efficiency

Kaizen is a Japanese term for continuous improvement. Gomez-Mejia, et.al.(2005) defined kaizen as continuous improvement in the organization's production system from numerous, small incremental improvements in the production processes. A process is the logical organization of people, materials, energy, and equipment in work activities designed to achieve a purpose, while a procedure is a logical organizations of operations, men and materials to achieve a task. Procedures in public organizations are like production processes. Therefore, kaizen can perfectly, be applied in procedure management in public organizations.

The principles of kaizen were introduced in 1986 by Masaaki Imai. According to Imai (1986) the principles should be dealt with in three steps: maintenance, kaizen and innovation. The maintenance step is the status quo-how it is done. This means studying and analyzing a procedure to see how it works with the aim of justifying its existence and identifying its weaknesses and sources of waste. Kaizen is the step in identifying ways to improve what was identified at the maintenance stage in a continuous and incremental way. Innovation is the resulting changes that are made to the procedure.

The kaizen principle of continuous improvement is now incorporated into the ISO 9000 standards and is a part of most quality improvement efforts. Gomez-Mejia, et.al.(2005)noted that a major advantage of kaizen is reducing waste in materials, operations, procedures and activities that do not add value. In other words, a major principle of kaizen is efficiency. Sources of waste, according to kaizen include inefficient facilities, layouts too many operations , etc. Application of kaizen principles will help in eliminating wastes and achieving efficiency. Innovation is the last stage of kaizen principles. At this stage, solutions are implemented right away and mistakes are corrected immediately, before they can cause further problems. The strength of kaizen lies in immediate adjustment to a detected source of waste.

4. Statement of the problem

In most public organizations in Nigeria, such as universities, ministries, hospitals, police, etc, there are series of ugly manifestations of ineffective procedures leading to inefficiencies such as:

- Strong variance in service quality among customers
- High number of complaints against services (hospitals, police, ministries)
- Low place in research rankings (university system)
- High number of students missing NYSC due to delay in processing result (university system)
- An accused being remanded for up to 5 years without trial (courts)

In the university system, for example many students usually miss their NYSC service year due to procedure problem in processing their results. In public hospitals, emergency and high priority cases are usually neglected due to inefficient and ineffective procedure leading to preventable deaths. In the Nigerian legal system, an accused can be kept in custody for an upward of 5years without being tried in a law court. In the ministries the situation is the same. These situations have made people to shun public organizations and their services. However, there are many indispensable public organizations in a citizen's life such as the police, court, ministries, hospitals, universities, etc.

The greatest challenge to these shortcoming and improvements on them is that they may be obvious to external observers while within the organization they will not be obvious. According to Schedler and Helmuth (2009) there appears to be a fatal tendency for sub-optimal procedure to creep into an organization, a situation where there exists contrast between external observers and internal perception of the organization.

The paper investigated the following issues concerning procedure management and efficiency in Nigerian public organizations:

- why procedure management in Nigerian public organizations could not achieve efficiency;
- how procedures could be effectively managed and optimized in public organizations and;
- how procedure management could be optimized for efficiency in public organizations in Nigeria

5. Methodology

The study was a descriptive survey that was carried out among some public organizations in Nigeria. The data was collected through interviews and secondary sources. Government hospitals, the police, universities, ministries and courts were used for the study. 10 persons were randomly selected from each of the organizations mentioned and were interviewed. The data collected was analyzed using descriptive analytical procedures

6. FINDINGS AND DISCUSSIONS

6.1 Why procedure management in Nigerian public organizations could not lead to efficiency.

From our investigations we discovered that corruption has been a major obstacle to procedure in public organizations in Nigeria. In developing countries like Nigeria, where corruption has eaten deep into the fabrics of the nation, corrupt officials find ineffective procedures to be safe havens for their activities. An ineffective procedure allows for favoritism (a situation where it could be waived for a customer and adhered strictly for others). In Nigeria, it was discovered that in order to enjoy unmerited benefit, government officials do not adhere strictly to established procedures. They shorten it for some people but elongate it for others.

On the issue of reformation or reorganization of an ineffective procedure, we found out that corruption blurs the vision of most leaders in public organizations. They are locked into fatal procedures. In the same vein even where reform was introduced, the 'sacred cows' would not allow it to be fully implemented.

Similarly a lack of a visionary leader allows an organization to remain locked into fatal procedures and routines that may degenerate into empire building where adequate coordination is lacking. The situation is even worse when there are 'sacred cows' with their unchangeable rules in an organization. This group would do everything possible to resist any reorganization an organization may adopt to respond to external pressures

Another challenge to procedure management is the traditional hierarchical arrangement of public agencies. According to Schedler and Helmuth (2009) the traditional hierarchical arrangement has the disadvantage of long communication and decisions making chains and secondly internally focused staff are not responsive to customers. He can hide under the cloak of a clumsy procedure to play nonchalant attitude against the public (customers). This is a great turn-off to the public.

Some of the respondents believed that legal challenges such as litigations often constrain effective procedure management. The fear of litigation do not allow for easy reorganization of a procedure. In Nigerian courts there were cases of litigations against the procedures of dispensing of cases. In hospitals, the fear of litigations made it difficult for persons or emergency situations to be attended to without following the registration procedure. In the universities and other public organizations it is always difficult to dismiss on erring staff due to the legal challenges that may face the procedure for dismissal.

Other identified causes of inefficient procedures in Nigerian public organizations are::

- Arbitrary procedure flow due to unclear responsibilities
- Too many operations to complete a procedure.
- Delays in treating emergency and high-priority cases (hospitals)
- Unnecessary duplication of operations
- Outmoded method of processing student's results.
- Outmoded method of records management (especially storage and retrieval).

6.2 Optimizing Procedure Management for Efficiency in Public Organizations through Kaizen

We have carefully analyzed the challenges of procedure management in Nigeria and believe that the adoption of kaizen would optimize procedures for efficiency in public organizations. Procedure management means the application of the managerial functions of planning, controlling, organizing, directing and staffing in the establishment and utilization of procedures in an organization. These managerial functions are very crucial at the various stages of a procedure's life.

These functions can better be optimized through the adoption of kaizen approach. The first principle of kaizen is maintenance. This means the examination of a procedure as it exists. The examination entails justification of the existence of the procedure and identification of root causes of waste. For example, students' registration procedure can be critically examined to justify its existence and identify sources of waste, and proffer solution. This is in line with controlling function of management.

Controlling means ensuring that the performance in an organization takes place in accordance with planned performance and standards. Williams (2007) defined controlling as a regulatory process of establishing and comparing actual performances against standards, and taking corrective action when necessary. From this definition, any set out procedure needs to be controlled to ensure that performance is according to set standards and corrections made for any deviation.

In order to be able to carry out controlling function of procedure management, the procedure has to be analyzed. The analysis is done in pursuit of efficiency in the organization. The first step in procedure analysis is the recording of the procedures. Helmuth and Schedler (2009) noted that recording a procedure (process) helps not only to identify weaknesses in procedures, and the potential of optimizing them, but in documenting them for quality assurance or for replicating them elsewhere. The kaizen approach records and analyzes a procedure to justify its existence, identify weakness and sources of waste

The second stage of kaizen is kaizen (continuous improvement). It means the steps in identifying ways to improve maintenance (existing procedure). It are incremental adjustment of the existing procedure for improvement and correction of deviations from standards. This is a departure from the old system of considering alternative procedure for achieving the same purpose, involves change in methods of operation. It is a radical approach to efficiency and procedure management. To achieve this requires a lot of information that would be made available to the supervisors. In public administration, there are several organizational units that require comprehensive information which is usually not at hand and often has to be collected in advance or through special investigation. Kaizen (continuous improvement) is a preferred option because public organizations in Nigeria lack such comprehensive information.

Reform is a necessary tool of procedure management. It means to make things better by removal of faults or errors. It is an aspect of Kaizen. It centers on the improvement of procedures to achieve the objectives of government or an organization. However, reform attracts resistance from the conservatives, or sacred cows. Helmuth and Schedler (2009) noted that it can be dangerous for an organization to preserve its 'sacred cows' and refuse to respond to the ugly situations of ineffectiveness due to faulty procedures.

In the private sector, systems and operations department are easily noticed, whereas in the public sector it is not easily seen. Effective procedure management in the public sector requires establishment of a department charged with the responsibility of procedure management.

Adoption of ICT in Procedure Management is an aspect of kaizen, for continuous improvement .Kehli (2004) noted, in a forward in Gupta, et. al. (2004) that:

There is a lot to learn for governments, from the experiences of the corporate world in applying information and communication Technologies (ICT) in streamlining its processes and procedures, cutting costs, improving the quality of services to the citizens and above all, in realizing the vision of good governance. Industries as diverse as healthcare, insurance and banking have all benefited tremendously by adopting ICT.

Therefore, governments especially in developing countries like Nigeria should extensively adopt ICT in streamlining their procedures to save cost and improve the quality of services to the citizens. Governments across the Asia-Pacific region too, are launching ambitious e-government initiatives, using electronic technologies to improve internal operations, procedures and public service delivery. With e-government the days of file culture with come to an end and cumbersome procedures would be replaced by online decisions. However, in most developing countries, according to Accenture (2006) public sector survey, only 16 percent of respondents regularly use e-government services.

The next stage is the innovation stage which calls for immediate action. The immediate action entails immediate correction of mistakes before they can cause further problems, and implementation of identified solutions without waiting for their perfection.

6.3 Optimizing Procedures for Efficiency in Public Organizations in Nigeria

In Nigeria, kaizen could be adopted for efficiency in public organizations as discussed above. Other measures include alignment of procedures with the mission of organizations, adoption of e-government and frequent procedure analysis through information gathering.

An organization's procedures or core processes and resources must be aligned to support its mission and help achieve its goals. This requires that organizations should always assess the extent to which their procedures and resources contribute to meeting their mission and desired outcomes. Starling (2011) noted that as organizations become more results oriented, they often find it necessary to fundamentally improve services to meet customers' needs and stakeholders' interest.

It therefore, follows that as the new public management which is responsive and timely services driven has taken the stage, outmoded and cumbersome procedures and methods must be changed to better meet customer needs and address the interest of stakeholders. Modern organizations, especially private ones, always strive to ensure that their core procedures support mission related outcomes. For example, many successful public and private

organizations integrate their human resource management procedures into their organizational missions, rather than treating them as an isolated support function.

Strategic information management is another method of ensuring effective procedure management in organizations. Staling (2011) defined strategic information management as comprehensive management of information and information technology to maximize improvements in mission performance. Specifically, strategic information management systems provide agencies the data they need in considering ways to align their procedures/processes, reduce costs and ensure consistent result.

A government aspiring to implement its policies successfully must ensure that her internal operations and administrative procedures are both efficient and effective (Gupta, et al, 2004). This can be achieved using e-government approach. Gupta, .et al. (2004) defined e-government as the use of electronic technologies to improve both internal operations and procedures, and public service delivery.

The analysis of procedures in government requires collection of large quantity of information through a combination of written survey and interviews. The information will be on the people involved, activity sequences, work and information flows, methods, operations, products or services, etc.

The information thus collected will be analyzed to achieve the following:

- Avoid duplication of work
- Keep the movement of the staff to the minimum
- Avoid unnecessary writing
- Avoid unnecessary checking
- Remove unnecessary operations
- Have a good flow of work without bottlenecks.
- Seek simplicity and standardization
- seek and cancel unnecessary work steps
- Reduce the procedure duration for the delivery of service through the simultaneous processing of several sub-procedures
- Replace a procedure with other procedures to avoid duplication of work.

7. Conclusion

The emphasis on new public management has made it imperative for procedure management, which provides a new angle to the traditional, hierarchical view of public administration. Effective procedure management in public administration leads not only to greater efficiency and effectiveness, but also better quality.

However, there are certain constraints to effective procedure management such as sacred cows, legal rights of citizens, non-uniform procedure among different levels of government etc. These constraints could be overcome through the application of kaizen principles, reforms, procedure analysis and adoption of e-government.

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