


Alternatives

In collaboration with  centre for alternatives

On Servicing Electricity

From the *Alternatives Desk*

WHEN we started planning this issue our goal was very modest; we simply wanted to focus on the "Hazards of Paying Bills." Soon we realized that this goal was too narrow and too broad at the same time. How did we end up in such a contradiction? Well, on the one hand, many complained that pre-paying hazards of basic services, like load shedding, inoperative telephones, lack of water supply, etc., are mainly the things that are rotting our country. Merely focusing on the hazards of post-service payment of bills will not do. On the other hand, many pointed out that problem with each of the basic services, whether telephonic service, electricity or water supply, remains unique and therefore cannot be lumped together. Put differently, each of the basic services requires separate and somewhat in-depth treatment. We, therefore, decided to take up the issue of electric supply first, with a much broader canvas of the issue itself. Alternative perspectives on other basic services will be taken up later.

We were quite surprised with the enormity and complexity of the problem. Production stoppage, payment hazards, burdening of the banks, serious pressure on women's workload, possible ill-effects on child development, pressure on child education, health hazards faced by slum dwellers, all seem to inform the state of disservice that is presently found in the servicing of electricity. But then, that is not all. In the wake of designing the issue, we were met with another disservice far more critical and damaging to the country. This refers to the lack of transparency on the part of governmental agencies dealing with basic services, including electricity. Many governmental officials simply refused to talk, let alone provide materials on the issue. And those who did come forward to talk provided only the 'official' (read as mundane and trivial) version of things!

Given that experience, we felt that much of the disservice essentially relates to the governmentalisation of servicing electricity. But since this may sound very personal and possibly easily rectifiable temporarily by some personal interventions, let me back this up with a structural argument. Once I overheard a bank-teller telling a client that "how can the government be so blind to population growth. Rules and procedures relating to basic services that existed during the Pakistan time continue even today, although the number of people using such services has increased ten-fold if not more." There is great merit in the bank-teller's observation. The situation is no less acute in the field of electricity, particularly with the post-independence rise in the number of people living in electrified cities. Unless there is some innovation in the system, even the most efficient organization cannot handle the increased number of users of such basic services. But then, innovation is something the government dreads the most, particularly if such innovation limits the power of the government. Servicing electricity, therefore, needs to be degovernmentalised not only for ensuring adequate supply of electricity but also, and more importantly, for bringing about innovations and making the service 'service-like,' that is, pleasing and efficient. Anything less will simply be playing with words, if not putting old and polluted water in new bottles!

One must not take this to mean, however, that the providers of basic services (that is, governmental agencies) are alone governmentalised and that the users (that is, members of civil society) are free thinkers with innovative minds. Often the condition of the former is equally applicable to that of the latter. This can be validated by the fact that many users of basic services take the hazards passively, only waiting for an opportunity to pass the hazards to someone else (mainly by way of employing someone, making use of family connections, bribing officials, mastani, etc.). The limiting capacity to think, imagine and innovate also stands in the way in efficiently servicing basic services. Can we not think of a time when food shops and restaurants will take care of our electric bills while eating a pizza or drinking tea at their premises? As the old comrade said, there is no harm to dream!

Banks, Bills and Burdens

by Syed Imtiaz Ahmed

The prevailing misconception about the actual role of the banks in the process of bill payment often leads to the embarrassment of the bank officials and disturbs their regular activities. Frequently the customers turn on the banks with the complaint that, in spite of regular payment they have been warned that their service would be cut off. The bank managers point out that, banks have nothing to do with such complaints.

PEOPLE standing in long queues before the counter of the banks, sometimes extending out of the bank premise for paying electricity or other bills, has become a rather common scene during the working hours of the day. In Bangladesh the government and semi-government banks are mainly vested with the responsibilities of collecting the bills of various utility items of the citizens. Recently some branches of the private commercial banks have also been given the same responsibility. After collecting the bills the banks send the statement of collection to the concerned offices. Thus, they play a substantially important role in the bill collection system of our country. Therefore, their experiences about the hazards of collection of bills and opinions about the remedies of the problem can provide important ideas for re-adjusting or modifying the current bill payment system.

I talked to some of the managers of the leading banks, which provide the bill payment services to know their ideas about the current system of bill payments. Several interesting thought provoking views and suggestions came out.

Disrupted Customer Service

All the bank managers I talked to, agreed that collection of bill payments disrupts normal banking activities. Sometimes standing in the long queues gives the potential customers negative impression about the banks. Moreover, processing of the huge amount of bills puts extra burden upon the officials, which in turn disturbs regular banking activities. Such disruptions sometimes even lead to withdrawal of large-scale deposits. In fact, one bank manager suggested that the DESA and other authorities should develop their own bill collection system and remove the 'burden' of the banks.

Security Concern

One of the bank managers pointed out that huge gatherings for bill payments might put the banks' security at stake. Different kinds of people come to the bank during the payment time, who are not always the known customers. It becomes difficult for the bank guards to keep a watchful eye on all of them. So, there remains a fair chance for bank robbers or pickpockets to enter the bank in disguise of a bill payer. Moreover, taking advantages of the gathering some of the payers also try to pass on fake notes.

Separate Booths: The Banks' Response

To ease the pressure some of the banks of city (mainly Janata and Sonali) have already developed the system of separate booths for bill payments in some of their branches. The booths are separate from the banks and are run by separate officials. I personally went to one of the booths attached with the Janata Bank's College Gate Branch (near the Dhaka College). This booth has separate counters for specific bills, but usual long queues of people were by no means absent. The separate booth system perhaps is helpful in minimising pressure on regular banking activities but the sufferings of the general people who stand in long lines are not totally reduced. On the other hand, most of the banks are yet to develop such separate booth system. The officials of those banks stated that they lack the financial and material resources to cover the establishment and manpower cost of

maintaining the separate booths.

Why Pay So Late?

All the bank managers interviewed shared a common view that people's tendency of paying the bills on the last date is a major factor behind making the entire process hazy. If the people were a little bit conscious, they could avoid their sufferings by paying bills earlier and also reduce the stress (pressure) on the bank officials. When asked whether the extension of payment time would ease the pressure, most of them said that, without changes in people's attitude, without the awareness that early payment makes the entire system more effective, extension of time limit would be of no use.

Service Charge, Please

The bank managers claimed that the banks provide the service of payment collection and bill processing on a voluntary basis, without any service charge. This put stress on

banks' financial and other resources. However, they did not mention anything about the banks' profits from the interest of the huge deposit of bill payments. The bank managers' point was that, often banks are unnecessarily accused of not providing adequate service to the bill payers. No one thinks about the resource constraints the banks face in providing such voluntary service. If a percentage of payments is given to the banks as service charge, all the banks, for instance, may be able to set up separate booths, employ extra officials to handle bill collection and ultimately minimise the hazards.

Not Only the Banks

The interviewed officials were, however, divided in their opinion about whether other institutions like the post office for example, should also be involved in bill collection. One of them said that no other institution could be posed as an alternative, since, only banks possess

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Waiting time in queues for paying bills often prolongs for hours.

— Star photo

Hazards of Paying Bills

by Sohela Nazneen

Many respondents complained about over billing. They cited two major factors: (a) technical defects of the electric meters (b) corrupt linemen. The victims of over billing pointed out that complaining to DESA did not produce effective results. Most of the time the lineman would check the meter and state that the reading is correct and the clients end up paying the excess charged.

CROSSING the 'Pul Serat' bridge which is a hair wide that only the virtuous will cross on his/her final journey may seem easier to the DESA clients than crossing the 'hurdles' of the current utility bill payment system. The present bill payment system is neither client-friendly nor does it help the bank employees to perform effectively. For the clients, if one is not well acquainted with the bank employees or lucky enough to be a 'big boss' whose 'peon' will take care of the business of paying utility bills—the whole process can be a nightmare—long queues, losing valuable work time, being pushed/shoved by others who don't want to maintain the

For the bank employees, the experience is harrowing—hundreds of people trying to pay their bills and at times of their neighbors and relatives, including their office bills as well. During this period, it is hard for the bank officials to keep cool and help out the regular bank customers. Although some banks have separate booths for paying utility bills, most do not.

Furthermore, the problems of the present system are not just limited to paying and collecting bills only. There are many flaws in the system—sometimes the bills are not sent by the authorities in time (if one does not fall under self-billing category); sometimes the clients are overcharged and are harassed when they try to get this corrected. Corruption among the linemen is a very well known fact. Lack of voice of the clients in this entire operation has made these flaws in the system 'invisible'.

The alternative team talked to clients of DESA to find out their views and perceptions about the faults in the electric-

ity bill payment system. The respondents were also asked to give suggestion about how to make electricity and other utility bill payment system effective and customer-friendly. Service-holders, homemakers, businessmen, NGO workers were surveyed from various areas. Their answers reveal several facts.

The clients think that bill payment is a non-banking function. They feel that bank employees are doing their best under present circumstances. Most important of all the clients want the current system to be modified and changed. Some of the alternative steps suggested by the clients may not seem feasible at the moment but these steps are certainly innovative.

Of Bills and Clients

"Look we are the proverbial Nando Ghosh in this situation," said one female service-holder when asked about the problems she faces in the current bill-payment system. The majority of the respondents echoed this sentiment. The main complaint the respondents had about the banks was that many of them did not have a separate booth for bill payment. Secondly, the bank employees are slow in collecting bills and they do not follow the 'first come first serve' rule. One 'peon' pointedly said, "The other 'bara sahibs' call the bank officials first and then send their 'peons' to pay bills. They don't have to stand in lines for three hours (like us) because they get to pay before us." The 'lucky' respondents who did not have to stand in a queue to pay their bills admitted that they did not feel guilty for not following the procedure since standing in long queue is not a pleasant experience.

The respondents employees 'breaking the serial, the clients themselves also, do not maintain them. Several respondents recounted harrowing tales of being pushed, shoved or fights breaking out within the banks. They pointed out that lack of space in the bank and the 'me-first' attitude of people makes the experience unpleasant. They acknowledged that it is difficult for the bank employees sitting behind counters to maintain the queue.

The respondents blame the system not the banks, for the present hazardous situation. They feel that the number of banks collecting bills is inadequate. The time period given for bill payment is insufficient too. The majority of the respondents receive their salary on the second week of the month, so there is a mad rush to pay their bills in the middle of the month before the deadline. Some respondents said that their work/business suffered the day they tried to pay bills. One female service-holder stated that it takes her hour and a half to pay her bills, whereas she gets only half hour off from her office. One homemaker complained that she is pressed for time when there is a long queue since she has to finish cooking lunch and pick her son from school.

The respondents also have other complaints about the system. Many (those who do not fall under self-billing category) pointed out that electricity bills are not sent in time. Mis delivery of electricity bills is quite common. One homemaker recalled that her electricity bill was delivered at a neighboring house. Though she had informed the authorities about the mishap she had to pay a late fee. Some respondents also mentioned that the authorities

take time in preparing and sending the bills. This delay leaves them only 5/6 days before the deadline for payment.

Many respondents complained about over billing. They cited two major factors: (a) technical defects of the electric meters (b) corrupt linemen. The victims of over billing pointed out that complaining to DESA did not produce effective results. Most of the time the lineman would check the meter and state that the reading is correct and the clients end up paying the excess charged. Transportation cost and time 'lost' in trying to get the bills corrected at the DESA office adds to the burden of the clients.

Furthermore, the victims of over billing described the lineman as the 'big boss.' These victims were compelled to bribe the lineman in order to stop over billing. Some even mentioned that they pay a monthly sum to the lineman who limits their bills below Tk. 500. These respondents added that when they did not have this 'contract' their electricity bills were astronomically high.

Crossing the 'Pul Serat' More Comfortably

The clients felt that better planning and space/time arrangement is needed to 'fix' the flaws in the system. Some of their suggestions are very basic and immediately executable. While some of them are innovative but may not seem 'practical' in our present context. (a) **Shortening the Queues:** All of the respondents mentioned the need for extending the bill payment period which would help in overcoming the time-lag in the system and the mad rush for avoiding deadlines and paying late fee. They also felt that extension of bill payment period would shorten the queues at the banks as people would have more time to pay the bill. Installation of a separate bill payment counter at the banks was suggested by many. A separate counter would make the bill collection system more efficient and regular banking activities would not be affected. Some thought the idea of creating a 'bill box' (where bills and cheques stapled together can be deposited) would shorten the queues. However, others felt this concept was risky since the cheques might be fraudulent and the clients would have no receipts to show that they have paid the bill.

(b) **Easing the Burden of the Bank Employees:** The respondents pointed out that only a few banks collected bills and this puts pressure on the employees of those respective banks. They thought that if the number of government banks collecting bills were increased then the burden on the bank employees would lessen. Some even felt that creation of many separate booths for the collection of bills (i.e. as Janata College Gate booth) would also help in easing the situation.

(c) **New Partners:** Some respondents even suggested that banks should not be the only place for paying bills. Several thought private agencies could perform this function. These agencies can charge the government a percentage for their services. Only a few wanted local associations (i.e. as currently in operation in apartment buildings) to perform this service; as most of them were unwilling. Many were unwilling to pay service charges for something they can do themselves. Some mentioned post offices

as an alternative place for paying bills. However, others pointed out that post offices were already crowded and lacked the space and human resources to provide this service. A few mentioned that petrol pumps could function as an alternative place. The pumps would receive a percentage for their services, and trained personnel from the concerned authorities may be present at the pumps to collect bills.

(d) **Tackling the 'Big Boss' (Corruption):** The respondents felt that there were no 'easy' solutions for combating corruption in the service sectors. Awareness needs to be raised on the causes and factors leading to over billing since most clients feel that they are the only victims and they have no voice. "People need to know they are not alone," said one small businessman.

The respondents pointed out that focusing isolatedly on small-scale corruption by the linemen will not be an effective way for combating corruption. Small scale corruption by linemen is linked with 'grand' corruption of the 'big bosses'. So, the entire system needs to be reformed and made accountable.

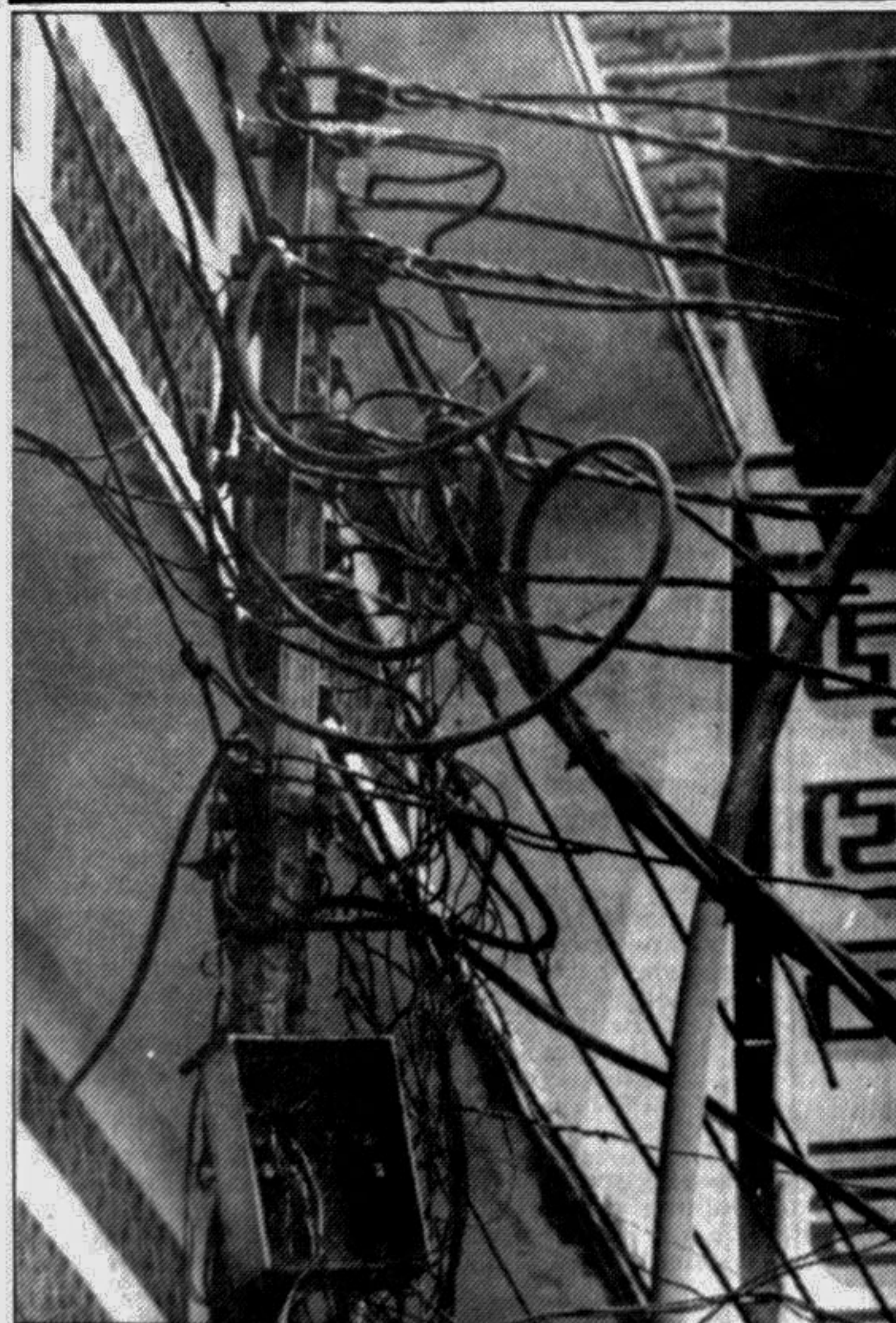
Many suggested regular and accountable electric meter reading, disconnection of illegal electricity lines since these create 'opportunities' for over billing. They felt that a strict monitoring system needs to be established (involving a reliable third party or local citizen's committee) for "closing down the opportunities for corruption." However, many pointed out that until the citizen's collectively decide to fight back, there will always be some 'ghorer indur' (house rats) willing to eat up the grains.

(e) **Other Suggestions:** Many respondents mentioned that though they use cash to make payments, they would prefer cheques. Some also pointed out that there should be a fixed rate for late payment of electricity bills (may be Tk 2 or 5 per day) so that one need not go to the DESA office to find out the amount of late fee. Gradual introduction of a computerized bill payment was also suggested by some respondents.

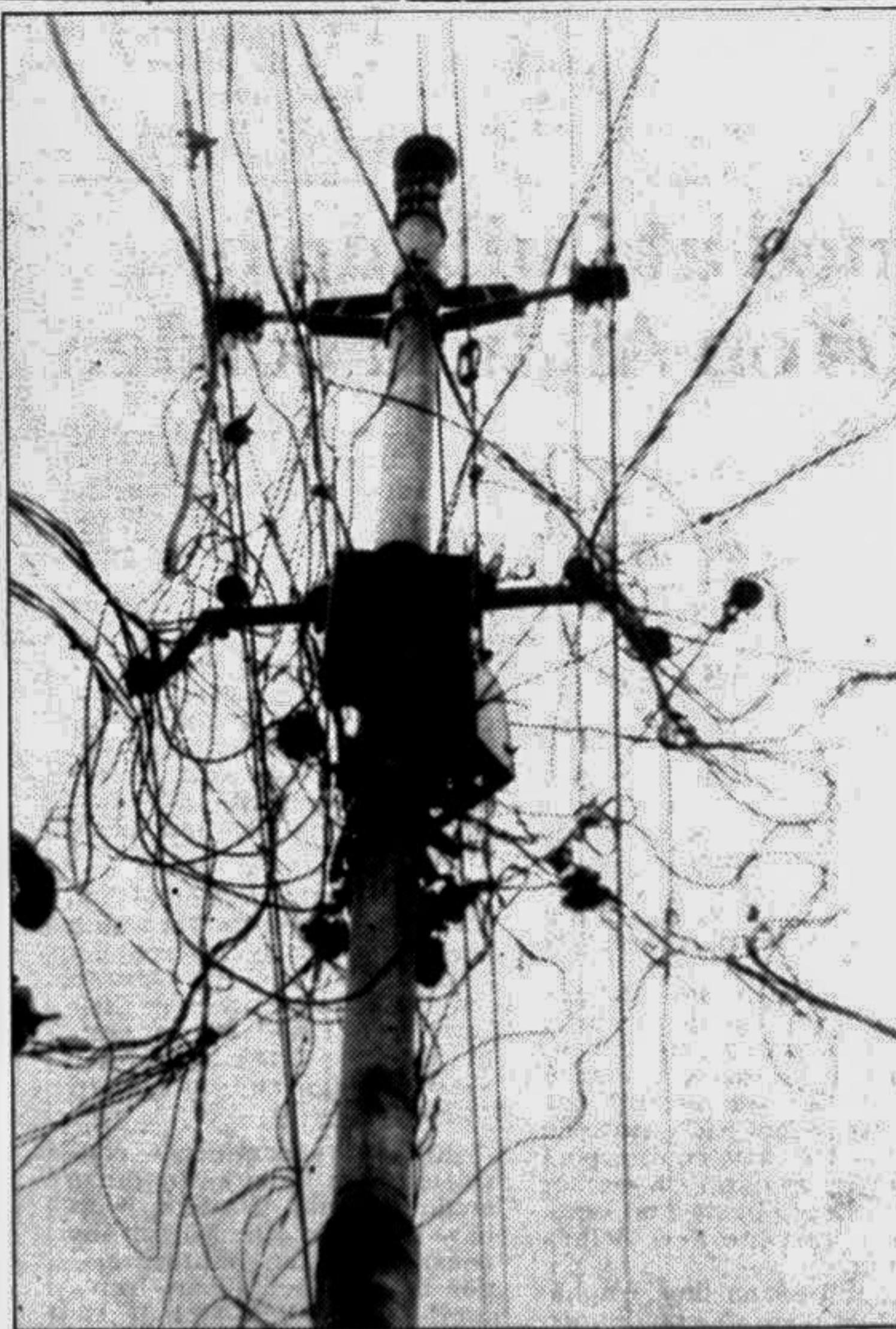
As for maintaining discipline in queues, the respondents stressed that people ought to correct their 'me-first' attitude. They pointed out that if the bill payment system was more efficient, people would be willing to wait in line (as they do for metro buses). Some also suggested that the banks should have ropes to maintain lines. Public awareness should be raised through media campaign to ensure that no one breaks the queue and everyone gets equal treatment.

The suggestions made by the respondents show that the clients have thought about the problems and solutions to make the system more effective. The rule number one for any service is: 'the customer comes first.' And secondly, there is an urgent need to decentralize the system to make it more effective and friendly. It is about time that the clients raised their voice collectively and that voice is listened to by the concerned authorities.

The writer is Fellow, Centre for Alternatives. The CA is grateful to Luna Shirin and Elora Das of Brotee for carrying out the survey.



Clumsy connections: Piling up sources of potential hazard.



— Star photos