

ICT as A Weapon towards the Better Corporate Governance in KSRTC

***Dr. Swapna K. Cherian**

****Dr. John T. Abraham**

*Asst. Professor, Dept of Commerce, MSM College, Kayamkulam

**Asst. Professor in Computer Science Bharata Mata College, Ernakulam

Abstract

Corporate Governance is the system of structural, procedural and cultural safeguard designed to ensure that a corporation is run in the best possible way with the full satisfaction of long-term interests of its shareholders as well as other stakeholders. KSRTC is one of the oldest state run public bus transport services in India. Due to increase in the passenger traffic between the inter and intra state and to provide better transport facilities to the travelling public, a need was felt to enter into the enhancement of the management information system facilities. Throughout in the world, tremendous changes have been made in corporate governance rules and regulations and it is applicable to transport sector without sticking on the ancient form of policies and procedures. This paper tries to make a study on the present Information technology facilities in KSRTC with the scope of improvements in accordance with the high expectation of the society and the facilities implemented in the neighbouring states. The information technology facilities make an avenue for the betterment of the corporate governance in the transport sector. Authors reveal the importance of transparency and ethics in corporate governance which is attained by the optimal utilisation of the information and communication technology.

Keywords: ICT, KSRTC, Corporate Governance

Introduction

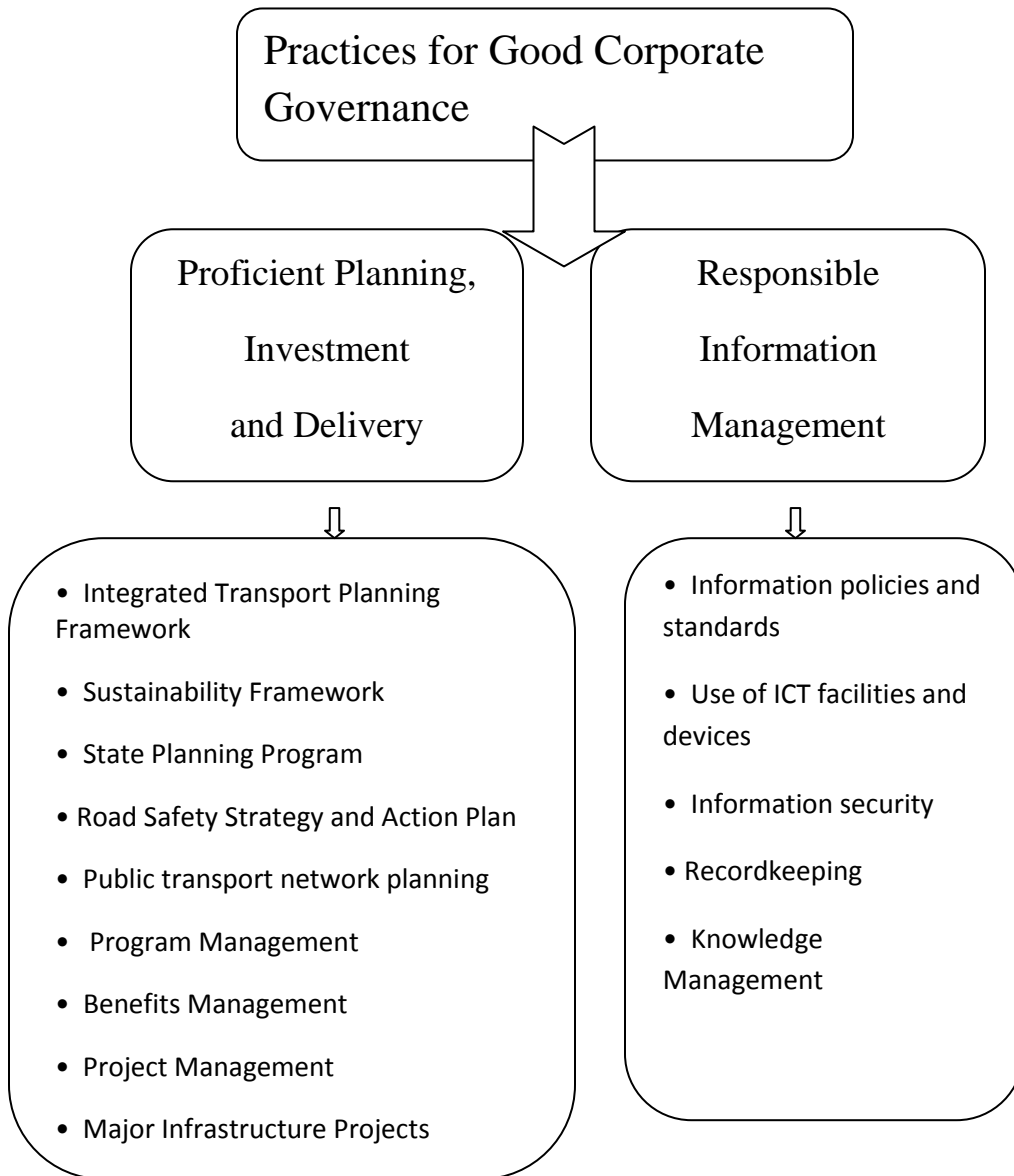
Throughout in the world, tremendous changes have been made in corporate governance rules and regulations. All the changes aim for the betterment in some part. KSRTC is the major public transport corporation in Kerala, God's won country, which faces so many difficulties and hardships for raising to the expectation of the stakeholders and mere existence. Management is an art and the best manager becomes an artist when he uses the best management tools to satisfy the expectations in an optimal way. To determine whether ICT in the Public Service delivers an enabling service, various investigations have been done to establish the shortcomings of ICT service delivery. The first of these was the 1998 Presidential Review Commission (PRC) report, which stated that all-important ICT-decisions should come from the senior political and managerial leadership of the state and not be delegated to the technology specialists, and further that the management of ICT should be on the same level as the management of other resources. It furthermore advocated a common enabling framework of governance. In 2000, Cabinet approved the creation of the Government Information Technology Officer (GITO) position, with the requirement that the GITO in each department should be responsible for aligning the respective department's ICT strategic plan, its strategic direction and its management plans. A key to good corporate governance is transparency. Transparency expects a free flow and free exchange in information. Well-informed employees are the sound pillars of good corporate governance which is attained by the optimal utilisation of the

information and communication technology. The initiatives in E-Governance with the involvement of information and communication technology will definitely become an asset to KSRTC for its existence and continuous better services to the society.

Corporate Governance in Transport

The significance of corporate governance in Transport sector shows how the department manages the performance of its functions and operations. By making use of the principles of Corporate Governance an organisation can understand its roles and responsibilities, continuously improve their performance by minimising the risks. Further, it assists in enhancing confidence in stakeholders and public. Besides the ethical and legal aspects of the public are served through corporate governance in transport. ICT will play a role in the creation of value based environment. Value based governance involves creation and establishment of appropriate values to direct the corporate-functioning and observing these values while exercising using and controlling the corporate power and resources for performing those functions. Value based governance requires value-creation in respect of employees, customers, investors and society. Corporate governance does not mean more and more regulations; its main focus should be on creating an environment where respectability matters. All the views of the management principles have to incorporate in a proper order in the governance of KSRTC so that it can become a vital ingredient of the peoples' choice. Value will not be created but it being extracted and utilised in the transport sector. This secret should be known to the stake holders so that they can depend on the advantages of e-governance principles and practices. By considering all these factors we propose the following GCG model.

GCG Model



GCG model proves the best analytical model for the requirement analysis of ICT implementation in the corporate scenarios of the transport corporation.

ICT in KSRTC

In every aspect of human life, Information Technology plays a major role all over the world. KSRTC has launched M-governance project and inaugurated the first-phase of Total Computerisation project long time back but there is not much significant improvement. As part of the Total Computerisation project, Depots and Workshops of KSRTC was plan to be networked with the Chief Office in Thiruvananthapuram The information on inventory, purchase, fleet management can be available online. Besides, information on body building, spare parts replacement, tax remittance, accident details can also be made available. 16 modules, including inventory

management system, purchase management system, academic management system, intranet, telephone management, court case management, fleet management system, employee information system, medical reimbursement, disciplinary action, TA management and civil construction management were plan to implement in the first-phase.

Also the proposal of 'Infowheels', a Mobile Computer Training bus to reach all the KSRTC depots to provide computer training to its employees. The failure of any activity may give so many reasons for that and KSRTC also has no exemption in this regard. But the mere planning itself may not be sufficient to compete in the globalised environment and there the importance of corporate governance is again coming from another view of effective management of the electronic governance. Thus the world famous concepts of Information and Communication Technology with e-governance and corporate governance is the road map towards the attainment of the quality oriented services of transport sector in God's own country. Information and technology (IT) governance itself is a subset discipline of corporate governance, focused on information and technology (IT) and its performance and risk management. IT governance systematically involves everyone: board members, executive management, staff, customers, communities, investors and regulators. An IT Governance framework is used to identify, establish and link the mechanisms to oversee the use of information and related technology to create value and manage the risks associated with using information and GCG model proves its value as the best possible framework.

KSRTC even though is making use of Information Technology has not fully utilised the technology. At present online reservation portal , blog , web site , KSRTC launched a new Online Reservation Portal, archives and computers scarcely operated at the depots are only the extend of IT usage. This can be widened by applying GCG model in the sectors of purchases, employee deployment, ticket collection, scheduling, time management etc. KSRTC can adopt Information and Communications Technology in its administrative and operational processes in its day-to-day operations and bringing every staff under the Information Technology services. KSRTC can make use of the IT tools in deploying the best possible measures to optimize its efficiency and reduce operational cost by providing quality services to its customers. The quality always leads to the customer satisfaction and it may be the by- product of ICT. As a govt. service provider, KSRTC could influence decisions in some of the below topics which can improve the public transportation industry as a whole and in turn benefit KSRTC also.

The following services can be effectively improved through the implications of ICT in KSRTC.

- RDBMS based Passenger Seat Reservation System

The various advantages of Relations and their utilities can be applied in the relational data base management systems application based Passenger reservation system which satisfy atomicity, consistency, integrity and durability in its all operations of the sector.

- Dynamic Web Site

The various updations are reflected in the web site without any difficulties raised out from the user side

- GPS enabled bus route tracking and providing information

The right information at the right time to the right people is key to success in any management activity and GPS enabled modules will be a feather to crown.

- Computerized Recruitment System

The unnecessary delay and the complaints can be avoided by the advantages of computers for this area of human's relationship management system.

- e-tendering

The automation in tendering is another process in the e-governance and corporate governance become easier and effective in the way.

- Computerised Financial Applications

The society most of the time decides the transparent issues from the angle of financial performances. Finance itself will not be a factor for determine any keys but its involvement cannot be neglected and computerization will become a major tool for the development.

- Electronic Ticketing Machines on all of its routes

Electronic Ticketing Machines record information that is useful to the Corporation such as the ticketing, fuelling, kilometres of operation, checking etc. After completing the operations of each day the information related to various parameters like earning per km, kilometer per liter, percentage of cancelled kilometers, bus-checking details etc. Can be made available through the applications of IT

- Computerized Driving tracks for testing the candidates

An efficient, effective and development-oriented Public Service and empowered, fair and inclusive citizenship", is the main driver of ICT business enablement in the Public Service and computerized driving tracks will be a major thread in this issue of e-governance.

- Web based Passenger Seat Reservation System

Even though KSRTC provides Online Booking, it can enhance its passenger mobility services by improving the prompt facilities through the advanced IT applications.

Scope of E-Governance in KSRTC

We should recognize and take advantage of the capacity of information and communication technologies (ICT) to enhance management systems. ICT can serve as an effective management and transactional aid as well as a cultural communications resource in the transport management sector.

Benefits of ICT in Corporate governance

- Reduction in costs regarding administrative works
- Faster and quick analysis of traffic schedules
- Better decision making

- Less complexities in operations and management
- Better employee relations and maintaining quality work life
- Improvement in collection revenue
- More transparency in the functions of the corporation.

Conclusion

KSRTC can become the best transport service provider in India by proving safe, reliable, courteous, economic and environment friendly services to its passengers by making use of ICT and obliging to Corporate Governance. In general, intelligent cities and communities are characterized by high capacity for learning and innovation, which is built into the creativity of their populations, their institutions of knowledge creation, and their digital infrastructure for communication and knowledge networks. Thus ICT moulded intelligent transport system will be there to assist the community.

References

Corporate Governance in Context: Corporations, States, and Markets in Europe, Japan, and the U.S., Edited by Klaus Hopt, Eddy Wymeersch, Hideki Kanda and Harald Baum, Published: November 2005 by Oxford University Press

Corporate Governance in India, Jayati Sarkar

CORPORATE GOVERNANCE IN INDIA: AN EVALUATION, DAS, SUBHASH CHANDRA, PHI

Corporate Governance: Principles, Policies and Practices, A.C. Fernando, Pearson Education (2006)

Corporate Governance and Fraud Risk Management in India, Balwinder Singh

Corporate Governance, Economic Reforms, and Development - The Indian Experience, Prof. Darryl Reed & Sanjoy Mukherjee

www.keralartc.com