

*“In order for democracy to flourish and take unshakable root in our small landlocked nation, my hope is that every single citizen will have the opportunity to own a home of his or her own, and become an equal partner in, and beneficiary of, the nation’s progress and growth”.*

His Majesty the 5<sup>th</sup> Druk Gyalpo

# National Housing Development Corporation (NHDC)

- ◆ Established in September 2003
- ◆ Proposed for full Corporatization by July 2009
- ◆ Problems of Corporatization (*Asset Transfer, Ongoing Projects, Staff, Lack of Housing Inventories etc.*)
- ◆ **Mission:** ‘ Shelter For All’
- ◆ **Objectives:**
  - *To Provide Safe, Basic and Affordable Housing*
  - *To Promote Home Ownership*
  - *To Create a Transparent and Well Functioning Housing Market*
- ◆ **Concepts and Values of Housing Development Policy:**
  - *Shelter Constitutes Basic Human Requirement*
  - *Addition to Housing Stock is an Increase to National Wealth*
  - *Housing in General Provides Potential Benefit to Health, Higher Productivity and Better Living Environment.*
  - *Home Ownership Reduces Urban Poverty & Enhances Happiness*

# Roles and Functions of NHDC (Existing)

- ◆ Management and Allotment of Government Quarters in Thimphu (*1200 Units*)
- ◆ Maintenance of Government Quarters (*Old Quarters*)
- ◆ Rent administration/rent fixation for Govt. rentals
- ◆ Design, Planning and Construction of Low Income Housing Projects and Infrastructure (*Changjiji- 676 units+ 32+48, Dzongkhags including P/ling- 366 units*)
- ◆ Design, Planning and Construction of Ministers' Enclave (*20 Units, 20 Garages & Servants quarters, Security Office & Barracks, Security & Compound Walls, Roads, Drainage, Footpath, Street Lights, Water Supply & Sewerage, Landscape work etc.*)
- ◆ Consultancy Services (*CHP Office, Dzongdag's residence, RIM Deposit work, MPs residence design work etc.*)

# Key Responsibilities of NHDC (10<sup>th</sup> Plan and beyond)

- ◆ Construction of Housing facilities for All Income Groups (*Primary focus on Lower Income Groups*)
- ◆ Housing for Civil Servants (*Including Reconstruction/ Densification activities*).
- ◆ Housing Market Research Studies
- ◆ Housing Technology Research and Development
- ◆ Private Sector Development through Financial and Technical Support
- ◆ Housing Finance
- ◆ Institutional Development
- ◆ Consultancy Services
- ◆ Emergency Shelter Relief Activities

# Achievements

- ◆ Constructed about 1200 numbers of housing units (mainly for the Low Income Groups) along-with Infrastructure viz. Roads, Footpath, parking, Streetlights, Water Supply and Sewerage lines, Walls etc. (@ approx. Nu. 1.2 billion).
- ◆ Renovated/maintained a number of old housing units in Thimphu (40 mi.)
- ◆ Developed/revised comprehensive management plans, organizational structure, critical job responsibilities and manpower plan etc.
- ◆ Streamlined housing allotment, maintenance and management procedures (*Rules, Procedures etc.*)
- ◆ Designed, planned and implemented Ministers' Enclave project (*Ongoing*)
- ◆ Surveyed and recorded inventoried on Government housing assets (*Completed for Thimphu, Chukha and some of the Dzongkhags*).
- ◆ Carried out deposit works and consultancy services

# Challenges *(past and present)*

- ◆ Growing Demand for Housing in major urban areas due to rapid population growth
- ◆ Shortage/escalating cost of land and construction materials
- ◆ Duplication/multiple Government housing/land management responsibilities (*Dzongkhags, Dunkhags, City Corporations etc.*)
- ◆ Lack of reliable/accurate Government land and housing assets inventory
- ◆ Resource constraint and investment issues (*Land, Finance, Loss of Units etc.*)
- ◆ Manpower constraints (*Skill and Number*)
- ◆ Contract Project/Management issues (*Professionalism, Capacity etc.*)

# Accountability and Efficiency

- ◆ Success (of a Project) = Accountability + Efficiency *(Key Requirement for all the parties involved)*
- ◆ Accountability = Responsibility + Authority
- ◆ Efficiency = Knowledge/Skill + Experience + Resources

# Definition of Accountability

- ◆ *responsibility to someone or for some activity.*
- ◆ *capacity to account for one's actions; or as a representative of one's organization, to account for either your actions or the actions of your organization. ...*
- ◆ *principle that individuals, organizations, and the community are responsible for their actions and may be required to explain them to others.*
- ◆ *In government, accountability can be thought of as enforcing or explaining responsibility. It is often used as a synonym for "responsibility" because both are defined by the office holder's authority; they cover the same ground. ...*
- ◆ *a responsibility to explain, for example, actions undertaken, financial transactions made, and/or results produced. 'Public accountability' is where an agency has to account to the electorate or the wider public for a decision eg. on policy or involving the expenditure of public funds*
- ◆ *answerability, enforcement, responsibility, blameworthiness, liability and other terms associated with the expectation of account-giving.*

# Definition of Accountability

## (cont..)

- ◆ *The pyramid of responsibility beginning with the individual and building to top management.*
- ◆ *The responsibility of an organization to publicly disclose information on their activities, particularly justification for financial activities and the decisions surrounding them.*
- ◆ *an obligation or willingness to accept responsibility.*
- ◆ *an obligation to account for and/or explain actions undertaken (eg, implementing a service, justifying decisions made, producing an agreed-upon product or outcome).*
- ◆ *moral and legal responsibility of a humanitarian worker for his or her duties and actions in a proper and responsible manner. It also includes institutional measures and systems established to maintain appropriate standards of behaviour and effective performance of duties by workers.*
- ◆ *Relationship between a bearer of a right or a legitimate claim and the agents or agencies responsible for fulfilling or respecting that right. ...*

# Definition of Efficiency

- ◆ *being effective without wasting time or effort or expense; e.g. "an efficient production manager"; "efficient engines save gas"*
- ◆ *The quality or property of being efficient i.e. the degree to which this **quality** is exercised: The program was implemented with great efficiency and speed.*
- ◆ *The extent to which **time** is well used for the intended task; The extent to which a **resource**, such as electricity, is used for the intended purpose ...*  
[en.wiktionary.org/wiki/efficiency](http://en.wiktionary.org/wiki/efficiency)

# Definition of Efficiency

(cont...)

- ◆ *the ratio of the effective or useful **output** to the total **input** in any system.*
- ◆ *efficient - Making good, thorough, or careful use of **resources**; not consuming extra. Especially, making good use of time or energy; Using a particular proportion of available energy*
- ◆ *The ratio of the energy delivered by a machine to the energy supplied for its operation.*
- ◆ *efficient - effective: able to accomplish a purpose; functioning effectively; "people who will do nothing unless they get something out of it for themselves are often highly effective persons..." -G.B.Shaw; "effective personnel"; "an efficient secretary"; "**the efficient cause of the revolution**"*  
[wordnet.princeton.edu/perl/webwn](http://wordnet.princeton.edu/perl/webwn)

# Key Elements of Accountability in the Constrn. Sector

- ◆ Attitude and Ethics
- ◆ Clear Job Responsibility/ Authority
- ◆ Clear Rules and Procedures
- ◆ Transparency
- ◆ Adequate Resources (*Identification, Planning and Allocation*)
- ◆ Adequate Knowledge/Skills
- ◆ **Appropriate Technology** (*E-tender, Bill payment, Information dissemination etc.*)
- ◆ Effective Monitoring and Evaluation Mechanisms

# Key Elements of Efficiency in the Constrn. Industry

- ◆ Efficiency in a project is influenced by three critical factors i.e. **Cost, Time and Quality** (*i.e. getting the Best Quality output with the Least input of Time and Resources*)
  - But (often) Quality has contradictory relation to Cost and Time (*judgment/priority*)
- ◆ **Common Issues that affect Efficiency (in our situation);**
  - Poor Management/ Attitude/Ethics
  - Ambiguities in Rules and Regulation
  - Poor Work Planning (*inadequate time, details, priority, etc. )*
  - Inadequate Resource Planning and Allocation (*Man, Material and Time*)
  - Inadequate knowledge & Skill
  - Inadequate/Inappropriate use of Technology

# Accountability and Efficiency

*(Key Obligations of the Government)*

- ◆ Assigning Clear Job Responsibility
- ◆ Delegation of Authority
- ◆ Developing Clear Rules and Procedures
- ◆ Promoting Transparency
- ◆ Identification, Planning and Provision of Adequate Resources
- ◆ Promoting Technological Innovations & use
- ◆ Training/Skills Development
- ◆ Monitoring and Evaluation Mechanisms

# Accountability and Efficiency

## (Key Obligations of Client Engineers)

- ◆ **Attitude and Ethics** (*i.e. Sense of responsibility, commitment and professionalism*)
- ◆ **Adequate Knowledge and Skills** (*Why, How and What*)
- ◆ **Clarity of views and actions** (*Preparedness, Transparency etc.*)
- ◆ **Awareness and Alertness** (*Attention, Promptness etc.*)
- ◆ **Monitoring and Evaluation** (*Skills, Commitment etc.*)

# Accountability and Efficiency

## (Key Obligations of the Contractors)

- ◆ **Attitude and Ethics** (*Responsibility, Commitment & Professionalism*)
- ◆ **Work Knowledge and Skills** (*Why, How and What*)
- ◆ **Management Skill/Commitment** (*Responsibility, Authority etc.*)
- ◆ **Effective Resource Planning and Allocation** (*Man, Material and Time*)
- ◆ **Effective Supervision** (*Awareness, Promptness, Skill, Quality*)

# Key Recommendations

- ◆ Promote All Round Ethics and Professionalism (*Building Right Attitude*)
- ◆ Allow Adequate Time for Project Planning & Implementation (*Right Action at the right Time with right Resources*)
- ◆ Carryout Resource based Project Planning and Implementation (*Viz. Man, Material, Money and Moment*)
- ◆ Give Due Recognition to Technical Requirements and Constraints (*vis-à-vis external pressures*)
- ◆ Facilitate Information Sharing and Skills Up-gradation (*At all levels*)
- ◆ Promote use of Appropriate Technology (*Make it Happen*)
- ◆ Include Monitoring and Evaluation in the Project Cycle and Beyond (*Lessons learnt, Best practices etc.*)
- ◆ Reiterate Reward and Retribution (*Performance based Promotions, Rewards, Contract incentives etc.*)

# Thank You and Tashi Delek!

Looking forward for an enhanced  
Accountability and Efficiency in the  
Construction Industry during the 6<sup>th</sup>  
Engineering Conference!

Phuntsho Wangdi  
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National Housing Development Corporation