



## Lateral Entry in Civil Services

**For Prelims:** [Union Public Service Commission \(UPSC\)](#), [Other Backward Classes \(OBCs\)](#), [Scheduled Castes \(SCs\)](#), [Scheduled Tribes \(STs\)](#), NITI Aayog, Second Administrative Reforms Commission (ARC).

**For Mains:** Issue of Lateral Entry into Bureaucracy, its implications, Issue of Reservation in Higher Posts in Bureaucracy, its implication and Way Forward.

**Source:** [IE](#)

### Why in News?

Recently, the [Union Public Service Commission \(UPSC\)](#) issued a notification for recruiting 45 joint secretaries, directors and deputy secretaries as specialists in government departments through **lateral entry scheme**.

- Due to opposition from several groups who argued that the scheme compromised the reservation rights of [Other Backward Classes \(OBCs\)](#), [SCs](#), and [STs](#), the government decided to withdraw its plan to proceed with recruitment through the Lateral Entry Scheme

### What is a Lateral Entry Scheme?

- **About:**
  - Lateral entry refers to the process of **appointing individuals from outside the government** directly to **mid-level and senior** positions.
  - It aims to bring in **domain-specific expertise** and **fresh perspectives** to enhance governance.
  - These '**lateral entrants**' are appointed on contracts for **3 years**, which can be extended to a **maximum of 5 years**.
- **Origin and Implementation:**
  - The concept of lateral entry was first introduced under the 2004-09 and was strongly endorsed by the [Second Administrative Reforms Commission \(ARC\)](#) established in **2005**.
  - It was later recommended by [NITI Aayog](#) in **2017** to bring in expertise and fresh perspectives.
    - In **2017**, **NITI Aayog**, in its **3-year Action Agenda**, and the **Sectoral Group of Secretaries (SGoS) on Governance** recommended the induction of **personnel at middle and senior management levels** in the central government.
- **Eligibility:**
  - Individuals with **domain expertise and a proven track record** in relevant fields from the private sector, state governments, autonomous bodies, or public sector undertakings **are eligible to apply for these positions**.
  - The selection criteria typically **emphasise professional accomplishment** and subject matter expertise.

- **Reservation in Lateral Entry:**
  - Lateral entries have been **excluded from the reservation system** because of the "**13-point roster**" policy.
    - The "13-point roster" policy establishes a **method for determining a candidate's placement** on a list of job openings by calculating their group's quota percentage (SC, ST, OBC, and **EWS**) as a fraction of one hundred.
  - Since each lateral entry position is considered a "**Single Post**," the **reservation system does not apply**, allowing these appointments to be made without following reservation guidelines.
  - In the current round of recruitment, **45 openings have been advertised separately for each department**. If considered as a single group, reservations would apply with specific allocations for SC, ST, OBC, and EWS candidates.
    - However, since the **vacancies are treated as individual posts**, they bypass the reservation policy, effectively excluding reserved categories from these positions.
- **Number of Recruitments So Far:**
  - Since the lateral recruitment process began in 2018, a **total of 63 individuals have been appointed** to various Ministries/Departments.
  - As of August 2023, **57** of these lateral entrants currently hold positions in the central government.

## ARC Recommendations on Lateral Entry Scheme

- **First Administrative Reforms Commission (ARC) (1966):** It was established under chairmanship of Morarji Desai which focused on **professionalising and reforming training and personnel management within the civil services**.
  - While **it did not specifically** advocate for lateral entry, it **laid the groundwork** for addressing the **need for specialised skills in the bureaucracy**.
- **Second Administrative Reforms Commission (ARC) (2005):** It recommended reforms to improve the Indian administrative system's effectiveness, transparency, and citizen-friendliness.
  - In its **10<sup>th</sup> Report**, the ARC **emphasized the need for lateral entry into higher government positions** to bring in specialised knowledge and skills not always available within traditional civil services.
  - It **proposed recruiting professionals from the private sector**, academia, and public sector undertakings, creating a **talent pool for short-term** or contractual roles.
  - The **ARC also recommended a transparent, merit-based selection process** and stressed integrating lateral entrants while preserving civil service integrity.

## Ensuring Social Justice in the Bureaucracy by Age-Based Recruitment to Fixed Tenure System

- Currently, SC/ST officers make up only **4%** and **4.9%** of top bureaucratic positions (Joint secretaries, directors and deputy secretaries etc).
- There has been a proposal of **replacing age-based retirement** with a **fixed tenure system**, allowing all officers **equal chances to reach senior roles**.
  - Fixed tenure system means having a **fixed tenure system of 35 years for all civil servants (Unreserved, SC,ST, OBCs), regardless of entry age**, to ensure equal opportunities and **focus on merit rather than age**.
    - The current age-based eligibility criteria for the civil services examination **disadvantages SC/ST and PwBD candidates**, as they are **unable to reach top positions** due to **late entry and mandatory retirement before** reaching the top position.
- **Arguments in Favour:**
  - **Increased Representation:** Fixed tenure could help SC/ST and OBC officers reach senior positions, enhancing their representation.
  - **Focus on Merit:** Prioritising competence over age at entry ensures skilled individuals can advance.
  - **Promoting Social Justice:** Aligns with goals for a **more inclusive bureaucracy**.
  - **Feasibility:** Extended working years are **feasible with rising life expectancy** and

regular fitness checks.

▪ **Arguments Against:**

- **Age Concerns:** Extending tenure could lead to **officers serving into their seventies**, potentially requiring age limits to be lowered to **ensure retirement around 67**.
- **Resistance to Change:** The traditional **seniority-based system is deeply entrenched**, and changes could face strong opposition.
- **Political Issues:** Fixed tenure might be seen as **undermining merit-based promotions and could spark debates over age**, experience, and performance.

## What are the Arguments in Favour of Lateral Entry Scheme in Civil Services?

- **Specialised Skill and Expertise:** Lateral entry allows the government to **recruit specialists with expertise** in areas like technology, management, and finance, **addressing gaps in knowledge** that generalist civil servants may not have as governance becomes more complex.
- **Innovation and Reforms:** Lateral recruits can bring **valuable experiences from the private sector, NGOs**, or other organisations, helping to **reform and enhance administrative processes** and governance.
- **Filling The Gap:** According to Department of Personnel and Training data, there is a **shortage of about 1500 IAS officers**. Lateral entry can help bridge this deficit.
- **Bringing a Change in Work Culture:** It will help in bringing **change work culture in the Government sector** which is criticised for **red-tapism, rule-book bureaucracy**, and status-quoist.
- **Participatory Governance:** Presently, governance is becoming a **more participatory and multi-actor endeavour** and lateral entry provides stakeholders such as the private sector and non-profits an **opportunity to participate in the governance process**.

## What are the Criticisms of Lateral Entry Scheme in Civil Services?

- **Short Tenure:** The Central government has set the tenure for joint secretaries at **3 years**, which is **insufficient for newcomers to fully acclimate to the complex governance systems** and make meaningful contributions.
- **Maintaining Objectivity and Neutrality:** Bringing in individuals from diverse backgrounds can **challenge objectivity and neutrality due to potential conflicts of interest and impartiality concerns**, especially if recruits have prior ties to private companies or interest groups.
- **Impact on Permanent Officers' Morale:** The increasing number of lateral entrants could create a **divide between them and permanent officers**, potentially harming the morale of career bureaucrats.
- **Potential Dilution of Merit-Based Recruitment:** Lateral entry might **dilute the merit-based recruitment system** that underpins the civil services. If not conducted transparently, it could lead to perceptions of **favouritism or nepotism** in the selection process.
- **Outsider Syndrome:** Traditional bureaucrats **may resist lateral entrants due to concerns about hierarchy and disruption**, often treating them as outsiders and displaying hostility towards their inclusion.
- **Experience Requirement for Senior Positions:** In the permanent system, IAS officers are promoted to the joint secretary level **after 17 years of service**, typically around the age of 45, and remain at that level for ten years.
  - If similar experience requirements **are applied to lateral entrants, it may deter the best candidates from joining**, as they often reach the peak of their professions in the private sector at that age.

## Way Forward

- **Ensure Transparency:** Maintain a **transparent, merit-based selection process** for lateral entries that **focuses on relevant expertise, experience, and skills, avoiding perceptions of favouritism or bias**.

- In the UK, the **UK Civil Service Fast Stream program** recruits individuals directly into the civil service at multiple levels, focusing on candidates with **specialised skills and expertise**.
- **Training of Lateral Entrants:** An **intensive training program for entrants** from the private sector to civil services needs to be formulated which helps them understand the complex nature of work in Government.
- **Clear Expectations and Role Definition:** Clearly define **roles, responsibilities, and expectations, and establish specific performance indicators** and objectives to align contributions with organisational goals.
- **Relaxing Age Barrier:** To attract top talent, age **requirements for joint secretary positions should be relaxed to include candidates** as young as 35.
  - In the past, economists like **Montek Singh Ahluwalia and Bimal Jalan advanced to senior positions at a younger age**, which was a factor in their return from lucrative international roles.

## Conclusion

**Lateral entry, like competition in any field, can be beneficial**, but it requires careful consideration of entry criteria, job roles, personnel numbers, and training to ensure **it drives positive change**. Additionally, reforms to the **traditional seniority-based system are essential for comprehensive administrative improvements**.

### **Drishti Mains Question:**

What is the Lateral Entry Scheme of the Government into Civil Services? What are its merits and demerits and its implications?

## **UPSC Civil Services Examination, Previous Year's Question (PYQs)**

**Q.** "Institutional quality is a crucial driver of economic performance". In this context suggest reforms in the Civil Service for strengthening democracy. (2020)