

A STUDY OF TAIWANESE CIVIL SERVICE REFORM FROM 1993 TO 2003 - WITH REFERENCE TO THE UK EXPERIENCE

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by

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Abstract

The main purpose of this research is designed to examine the strategy of Taiwanese civil service reform and its value, with reference to the UK experience, to seek a better and more feasible future approach for Taiwan. During the period from 1993 to 2003, the Taiwanese government took a series of measures to reform its own civil service. Some of the ideas that were introduced for the reform - such as effectiveness, downsizing, consumer orientation, contracting out, privatization, introducing an entrepreneurial spirit and so forth - are similar to those of the UK.

After a critical evaluation, I found that Taiwanese civil service reform has made some progress. At the same time, there are a number of defects as well. I also found two specific phenomena hindering the reform: firstly, too much emphasis has been placed on organisational reform; and secondly, political factors firmly affect the due process of the reform. In addition, there have been many positive proposals for helping raise the capacity of the Taiwanese civil service. The accountability factor, however, still needs to be elevated to reach a level on par with democratic values. Most importantly, the civil service has to reshape and clarify its reform objectives and goals according to global trends and its own national needs.

With reference to the UK experience, I have concluded that there are some feasible ways which could be adopted as a future approach for Taiwanese civil service reform. First of all, the transplantation of a Best Value model would be a useful framework for handling overall reform thoroughly and systematically. Secondly, the establishment of a Change Management System could deal with the possible challenges. Thirdly, the strategy concept should be strengthened. Lastly, the pursuit of political impartiality is important, as the Taiwanese civil service system needs more neutral space in which to develop.

Lee, Chung-Cheng

Dedication

*To my beloved parents and
To all the other members of my family*

Acknowledgements

I would like to express my sincere thanks to my supervisor, Professor Peter M. Jackson, for his guidance, encouragement, assistance and generosity. At the very beginning of this research, I knew nothing about the UK civil service reform and the related theories about management change. With his guidance and assistance, I have successfully visited a great number of public agencies in the UK and developed the main theme of my thesis. I do appreciate all his encouragement, advice and motivation.

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Abbreviations

BAS	Budget, Accounting and Statistics	ISDR	International Strategy for Disaster Reduction
BEM	Business Excellence Model	KMT	Kuomintang (Political Party)
BV	Best Value	MBA	Master of Business Administration
BVPIs	Best Value Performance Indicators	NHS	National Health Service
CEPD	Council for Economic Planning and Development	NPM	New Public Management
CIPFA	Chartered Institute of Public Finance and Accountancy	NPR	National Performance Review
CMPS	Centre for Management and Policy Study	NRI	Networked Readiness Index
CPA	Central Personnel Administration	NUCPS	National Union of Civil and Public Servants
CSMB	Civil Service Management Board	OAey	Organisation Act of Executive Yuan
CSMB	Civil Service Management Board	OPS	Office of Public Service
DETR	Department of the Environment, Transport and the Regions	PPBS	Planning and Programming Budgeting Systems
DGBAS	Directorate-General of Budget, Accounting and Statistics	PR	Preliminary Regulations Governing the Taiwan Provincial Government's Functions, Business and Organisation
DPP	Democratic Progressive Party	PSA	Public Service Agreements
DTLR	Department of Transport, Local Government and the Regions	RDEC	Research, Development and Evaluation Committee
EFQM	European Foundation for Quality Management	ROC	Republic of China
EMTC	Eight ministries and two Committees	SCS	Senior Civil Service
FBOAC	Taiwan Provincial Government Functions, Business and Organisation Adjustment Committee	TPG	Taiwan Provincial Government
FMI	Financial Management Initiative	TQM	Total Quality Management
GIO	Government Information Office	UK	United Kingdom
IPF	Institute of Public Finance	ZBB	Zero-Base Budget

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Chapter 1 Introduction

1.1 Definition of Civil Service

The meaning of 'civil servants' in the UK mainly refers to government employees working for the central government, but not including soldiers, schoolteachers, diplomatic representatives, employees of the National Health Service and government employees for the local governments. The 'civil service' in the UK is concerned with the conduct of a whole range of government activities as they affect the community, ranging from policy formulation to carrying out the day-to-day duties of public administration (UK Central Office of Information, 1995). This includes affairs related to the organisational management of the central government, civil servants and the daily duties of these civil servants. In Taiwan, having just swept authoritarianism and centralisation into history, there is no obvious boundary between central and local government. In this thesis, I will define the Taiwanese civil service as affairs concerning Taiwanese central government, in order to match the UK's definition.

1.2 Motive of Study

There is no doubt that every country needs an efficient and stable civil service system for its own government to support policy-making and policy implementation. The question is, however, how to set up and run a more streamlining and effective civil service.

For many years, the British civil service has had a good reputation internationally for its standards of integrity, impartiality and loyal service to the government of the day. During recent years, it has carried out a wide range of reforms such as the Next Steps Programme, Citizen's Charter, Modernising Government and so forth to improve its efficiency, effectiveness and quality of service. In turn, new organisational structures and management techniques have been introduced. The private sector has been increasingly involved in the provision of public services, playing indispensable role in resetting the boundaries of the civil service. All of these changes have caught the attention of other countries around world. It is

therefore also worth looking further into what results these changes cause. Do they work smoothly? Or do they result in an adverse influence? Traditionally sticking with the useful process of benchmarking, the UK experience should be an important reference for other countries.

In Taiwan, the government has also been very keen to implement civil service reform since 1993. Concepts such as effectiveness, innovation, convenience and so on are stressed to bring the movement forward. Particularly, for the civil service itself, the government has strictly been reviewing organisational structures of agencies in order to downsize the scale and make reductions to the number of personnel. There have also been some other measures such as implementing work simplification, strengthening training programmes for civil servants, developing participatory management, contracting out and privatisation...etc. As Taiwan has only recently become modernised, these could be feasible for effectively reforming the civil service, as long as the learning experience comes from the outside frequently.

Actually, the term civil service can be interpreted as a collection of concepts, skills, systems and organisations, with policies and strategies that are utilised to deal with problems through the use of human resources in the public sector. Owing to different cultural backgrounds, every country may have its own specific viewpoints about the way to handle its civil service. Although the world is becoming smaller due to increasingly frequent communication, the differences in the civil service systems between countries still remain.

What is the reality of the UK experience? Can the difference provide further lessons? What stage has the Taiwanese civil service reform reached? Are there any problems in the Taiwanese civil service? What strategies should be developed for this reform? Does the Taiwanese civil service have a bright future? As a civil servant working for the Taiwanese civil service for more than two decades, I am very keen to find out the answers. Indeed, these are interesting questions which deserve an empirical study.

1.3 Scope of Study

As the civil service contains a huge area of government affairs, it will not be possible to look at everything in the civil service system. In this research, I will only focus on the Taiwanese civil service itself as a whole, rather than the detailed analysis of particular departmental affairs. The main purpose of this research is designed to examine the overall and general measures the Taiwanese government has adopted as reform strategies for improving its own civil service and related values, with reference to the UK experience to discover a better and more feasible approach for the future.

This research forms part of a longitudinal study of Taiwanese civil service reform, focusing on the period from 1993, when the reform was first introduced, up to 2003. For the purpose of making the research internationalised and outwards-looking, the prestigious development of British civil service reform is referred to as a means of developing related useful ideas and strategies. The question of finding the correct way to figure out the right context of this research is a highly challenging matter.

Furthermore, during the period between 1993 and 2003, the ruling political parties were replaced in both the UK and Taiwan, which underlines the changeable nature of this research, but enriches the study by offering an opportunity to see how these changes have affected civil service reform on both sides. Those political changes are comprised of unpredictable effects on the direction of civil service reform and so demand further observation.

This research is also highly concerned with the study of management. Management research has a broad focus, with an underlying theme being the processes by which management occurs in organisations. Unlike other areas of social science where there has been a long-term history of epistemological debates, this civil-service-oriented research explores with the spirit of a pioneer.

As the civil service system provides administrative functions to the society it serves, it influences this society and yet is also simultaneously affected by the encompassing

environment. The internal subsystems of the civil service system affect each other as well. Thus, the study of civil service reform needs to be based on flexibility and agility. Sometimes it should treat the service as an entire entity; and sometimes cut it into particular events to analyse and compare them separately. The related follow-up normally has to cross system boundaries in order to pursue the empirical result of the relevant interactions. Most importantly, this research tries to analyse the Taiwanese civil service reform from different aspects or functions, which demands multiple methods to critically judge whether it is value-added and finding the facts, impacts and key links.

1.4 Objectives of Study

This research is mainly designed to examine the Taiwanese civil service reform strategy and its value, with reference to the UK experience, to seek out a better and more feasible future approach for Taiwan. Based on this major objective, it is extremely important to use valid ways to discern the correct context of this research. This leads to the questions: What sort of methodology should be adopted in order to explore and solve the related issues concerning this research? What is the reality of the UK experience? Can the perceived comparative results provide further lessons? What phases have the Taiwanese civil service reform been through? Are there any problems with the Taiwanese civil service? Do the reform events make sense? What are the results of the reform? Where has change occurred? Is the change valuable? What strategy should be developed for this reform? Does the Taiwanese civil service have a bright future?

For the purpose of seeking out appropriate answers, the objectives of this study are set out chapter by chapter as the following:

1. Chapter 1 is titled Introduction, and tries to clarify some fundamental concepts and issues concerning this research.
2. Chapter 2 is titled Methodology, and explores the correct approach to this research, including the selection of methodology, the research design, data collection and analysis.

3. Chapter 3 is titled The Experience of UK Civil Service Reform, and examines the development of the British civil service reform in an attempt to obtain lessons as reference for the latter study of Taiwanese civil service reform.

4. Chapter 4 is titled Taiwanese Civil Service Reform, and introduces a general picture of Taiwanese civil service reform during the period 1993 to 2003. This chapter also provides the foundation for further discussion in this research.

5. Chapter 5 is titled Review and Analysis of Civil Service Reform in Taiwan, and examines the strategy and reality of Taiwanese civil service reform further. This is done by analysing and reviewing from such varying aspects as policy objectives, leadership style, organisational structure, management methods and organisational culture.

6. Chapter 6 is titled A Critical Evaluation of Taiwanese Civil Service Reform, and tries to evaluate the real results of the Taiwanese civil service critically and synthetically. This chapter will touch upon the soul of Taiwanese civil service reform to see if it is appropriate, valuable, what is missing, its impact and lessons.

7. Chapter 7 is titled Future Approach for Taiwanese Civil Service Reform – with Reference to the UK Experience, and focuses on finding a bright future approach for this reform. Particularly, for the purpose of making the selected approach more feasible, it is necessary to create more pragmatic ideas based on a critical evaluation and on the British experience.

8. Chapter 8 is titled Conclusion, and draws concise conclusions on the research results of this thesis.

Taken together, the eight chapters will paint a complete picture by accomplishing the objectives that this thesis has systematically set out for examining the Taiwanese civil service reform. Following the principles of qualitative methodology, it has successfully touched the soul of the reform by using a longitudinal approach and accessing different aspects of the related strategies. Finally, with reference to the experience of UK civil service reform, some particular measures such as the transplantation of Best Value model, the establishment of a “change management system”, the strengthening of the strategy concept and the pursuit of

political impartiality, are considered as a possible future approach for Taiwanese civil service reform, which also contributes to the social sciences.

1.5 Why the Civil Service Needs Reform

The nature of reform is certainly a kind of change. Before clarifying the proper direction of civil service reform, the causes of a need to change for the civil service system in a modern environment should be first discussed. Wright (1994, pp.104-10) identifies five types of administrative reform in Western Europe: continuous adjustment; response to specific political crises; pragmatic structural change; reform as its own cause; and comprehensive programmes. He argues that six factors fuelled the changes:

1. Economic depression and fiscal pressures leading to budget deficits.
2. The 'New Right's' ideological distrust of 'big government' and accompanying determination to redraw the boundaries of the state.
3. International interdependence, especially 'Europeanisation', which further increased regulation and introduced new administrative pressures (for example, regionalisation).
4. Public expectations about and disenchantment with government performance. Government does too much and whatever it does, it doesn't work.
5. International management fashions, especially the New Public Management (NPM).
6. Information technology, which made it easier to introduce NPM.

Pollitt and Summa (1997, pp.13-15) also identify four factors: economic pressures; the nature of the political system; administrative structures; and party political doctrine. They favour an institutional approach, concluding that the most convincing explanations appear to rest upon the characteristics of the political and administrative systems that are already in place.

The above views have roughly outlined the causes as to why the civil service has to be reformed. Actually, as a system of a democratic society, the improvement of the civil service

concerns public accountability. Citizens deserve to have a useful civil service system that provides good services for them, because they are the owners of the society and they pay taxes to maintain the civil service system as well. Particularly, as civil service reform has become a global trend, it is important to effectively carry out this sort of reform to raise national competitiveness when facing external challenges.

The process of civil service reform in Taiwan is usually handled by political appeals. Historically, it also has its own particular background to support this sort of huge movement. In Taiwan, after 1987, political democratisation and constitutional reform centred on the lifting of a curfew, and the termination of “the period of mobilisation for suppression of the Communist rebellion” allows the diverse competition based on political parties to replace the one-party dictatorship of an authoritarian government; meanwhile, the rise of social groups and diverse cultural developments also relegate the authoritarian control to the history books. The necessity of civil service reform in Taiwan is due not only to the need of meeting international challenges, but also for meeting the huge domestic, political and economic transformation. The predomination and leadership of an authoritarian government over the civil society has disintegrated due to the political democratisation, economic liberalisation and social diversification, which have since developed further. However, within the civil service system, the organisational structure, legislation and the quality of civil servants are supposed to still follow the old thinking based on the previous authoritarian governance, which leads to the fading of the official power of the government, lowering of public confidence and raises doubts to the ability of the public services. Accordingly, the basis of social order is seriously undermined. For the purpose of sweeping away this negative image, the Taiwanese civil service system undoubtedly needs a radical and prompt reform.

1.6 Explanation of the Taiwanese Central Government Structure

According to the constitution of the Republic of China (ROC, Taiwan), under the authority of the president, the central government is composed of the five Yuans, which are the Executive

Yuan, the Legislative Yuan, the Judicial Yuan, the Examination Yuan and the Control Yuan. They are in charge of various government affairs.

The president is elected directly by citizens for a four-year term and can be re-elected only once for another term. As the head of the state, the president represents the country both in foreign relations and in national functions. He/she has the supreme command of the land, sea and air forces of the whole country. The law permits him/her to own the powers of promulgating laws and issuing mandates; declaring martial law; appointing civil officials and military officers; conferring honours and decorations; granting general amnesties, special amnesties, commutation of sentences, and restitution of civil rights. According to the constitution, he/she has the powers of concluding treaties, declaring war and making peace. The president carries out his/her powers through the presidential office.

The five Yuans have their different functions as follows:

1. The Executive Yuan

The Executive Yuan is the highest administrative organisation of the state. The Yuan has a president, whose status is similar to that of the prime minister in the UK. The Yuan can organise the so-called cabinets to implement administrative affairs, which includes the vice president (deputy prime minister in the UK), ministers of various ministries, chairmen of various commissions and several ministers without portfolio. According to the Organisation Act of the Executive Yuan, under the Yuan, there are eight ministries, two main commissions, and some other directly subordinated departments, separately in charge of managing the relative administrative affairs. Currently the Yuan totally 'owns' 35 of the above-mentioned ministries, committees and departments. The administrative function of the Taiwanese central government is mainly implemented by the Executive Yuan. Thus, the Executive Yuan takes command of most of the central government (approximately 95%). This Yuan mainly controls the civil service system and conducts Taiwanese civil service reform.

2. The Legislative Yuan

The legislative Yuan is the highest legislative organisation of the state. It holds the legislative power on behalf of the people. The status of this Yuan is similar to Parliament in the UK. The Yuan consists of legislators elected for a three-year term by the citizens of Taiwan. The chairman and vice chairman of this Yuan are elected by and among its members.

3. The Judicial Yuan

The Judicial Yuan is the highest judicial organisation of the state, and has a president and a vice president. Under this Yuan, various levels of courts (the Supreme, Higher and District Courts, the Administrative Court and the Committee for the Discipline of the civil servants), are in charge of the judgement on civil, criminal and administrative suits, and the discipline of the civil servants.

4. The Examination Yuan

The Examination Yuan is the highest examination organisation of the state. It is responsible for the national examinations and the legal system of all civil service personnel in Taiwan. It builds a legal foundation for Taiwan's civil service system, and enjoys equal status with the other Yuans. The constitution stipulates that the qualifications for civil service appointment and for practice in specialised professions or as technicians shall be determined through examination by the Examination Yuan, which include civil service examinations and professional and technologist examinations. Thus, this Yuan virtually involves some administrative functions. Under this Yuan, there are some executive organisations including the Ministry of Examination, the Ministry of Civil Service, the Civil Service Protection and Training Commission and the Supervisory Board of the Public Service Pension Fund. Among them, the Ministry of Civil Service was originally in charge of all personnel affairs in the civil service. Subsequently, as the Central Personnel Administration was created in the Executive Yuan, this ministry is now only in charge of the public functionaries' qualification screening, tenure and retirement, as well as legal matters concerning their appointment, discharge, performance evaluation, pay scale, promotion, commendation and reward. As the functions of

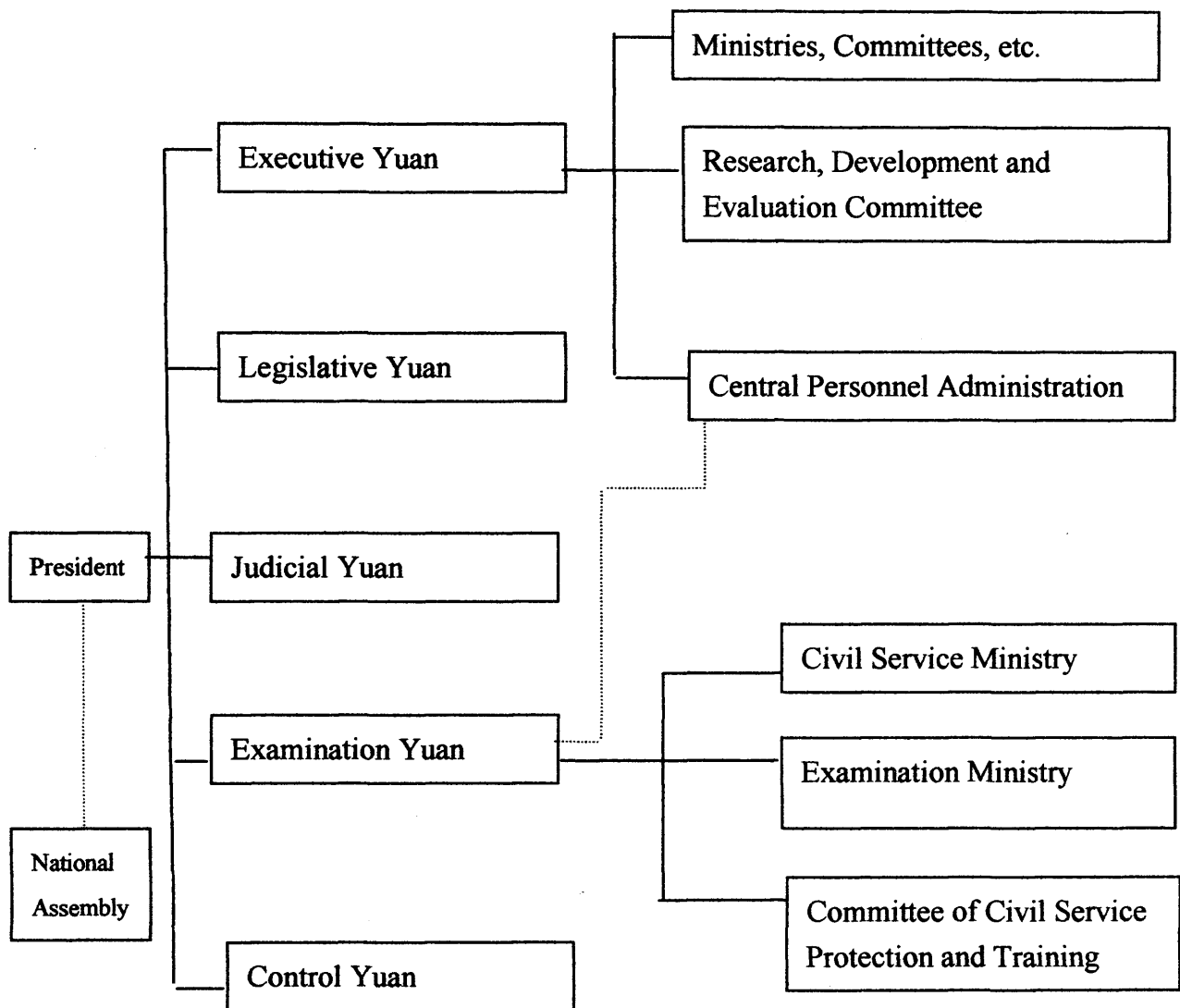
this ministry are highly concerned with personnel affairs, there are a lot of communications, meetings and cooperation between the Executive Yuan and this ministry in conducting civil service reform. For example, during the past decade, this ministry has been drafting a Civil Service Standards Law, Civil Service Administrative Neutrality Law and Political Appointees' Law, in order to meet the need of the reform.

5. The Control Yuan

The Control Yuan is the highest supervisory organisation of the state. Its powers include consent, impeachment, censure and auditing. For the need of auditing, there is a Ministry of Audit, which is subordinated to the Control Yuan.

Figure 1.1 illustrates the main structure of the Taiwanese central government:

Figure1.1 Central Government Structure of the ROC (Taiwan)



Source: Based on the Constitution of ROC

Two main departments are currently charged with the Taiwanese civil service reform; the Research, Development and Evaluation Committee (RDEC) and the Central Personnel Administration (CPA). They are situated in the Executive Yuan, playing the role of planning, strengthening, inspecting and evaluating the reform. Mainly, the RDEC is in charge of organisation and business. And the CPA is in charge of human resources and personnel affairs. Particularly, according to the CPA Organisational Act, the examination and personnel matters of the CPA should be supervised by the Examination Yuan. The director-general of the CPA therefore is usually required to attend Examination Council meetings in order to better

address related civil service issues. The CPA also plays a role of bridging the gap between the Executive Yuan and the Examination Yuan.

1.7 Thesis Outline

Having established the institutional background, chapter 2 will elaborate on the methodology used in this thesis. As this thesis uses the UK experience as a reference to study the Taiwanese civil service reform, chapter 3 is designed to explore the real picture of the British civil service reform. In chapter 4, the general development of the Taiwanese civil service reform will be described generally in order to provide a foundation for further review in the following chapter, Chapter 5, which looks in depth at key areas of Taiwanese civil service reform from different aspects. In chapter 6, there will be a critical evaluation of the Taiwanese civil service reform that touches the main themes of the reform. Chapter 7 will establish specific models of “value” in an attempt to pave future approaches to reform. Finally, in chapter 8, the important essences will be concisely concluded.

Chapter 2 Methodology

2.1 Introduction

This research forms part of a longitudinal study on Taiwanese civil service reform and focuses on the period 1993, when the reform was first introduced, to 2003. For the purpose of grounding the research in an international context, the prestigious development of the British civil service reform is also referred to as a means of developing useful strategies for further reform in Taiwan. As a foreigner to the UK system totally ignorant of the UK civil service reform at the very beginning of this study, I did worry about the difficulty of digging out what is really needed for this research. Learning about the UK reforms was a veritable challenge.

This chapter encompasses three main parts. Firstly, it discusses the selection of methodology. In clarifying the nature and justifications of different research designs through the comparison of assumptions, purposes, approaches and other prepositions, the characteristics of qualitative methodology have been differentiated from quantitative design. It explains why I chose a qualitative methodology to undertake the whole project, which academic disciplines I adhered to, and what research techniques I used to achieve the outcomes of in order to pursue answers for the related research questions.

Secondly, this chapter states the research design and data collection by following the doctrines of qualitative methodology. It details the reasons why I have chosen in-depth interviews, observation and documentary approach as the main methods for data collection, what the advantages and limitations of these approaches are, what documents I have collected and some selection bias and authenticity issues related to the documents. It also focuses on the justifications and criteria for selecting the interview types and the interviewees, the procedure that I carefully implemented in order to provide changes and adjustments to my interview questions, and how my interview questions relate to my research viewpoints.

Thirdly, this chapter examines the data analysis by which the foundations of the research results have been further explored. It introduces the methods that the research has adopted for the data analysis. The approach to data analysis has played a key role in building up the explanations, presenting the outcomes, and hopefully, answering the questions which arose as a result of the research. In this research, the data are collected mostly from in-depth interviews, observation and textual documents. The analysis of the qualitative data is based on theoretical analysis and a comparative approach. 'Theoretical analysis' refers to the ways in which data are analysed according to some political, economic, social and cultural theories instead of constructing a new theory as a result of obtaining new data. Comparing analysis is again not the totally 'traditional' comparative study of different strategies: this research particularly introduces some related reform strategies undertaken in the UK civil service which may be useful references for the Taiwanese civil service reform.

2.2 Selection of Methodology

Researchers have long debated the relative value of qualitative and quantitative inquiry (Patton, 1990). The present prevailing argument over the relative merits of what are generally referred to as qualitative and quantitative research is clouded by two problems: the lack of coherent definitions, and the focus of most discussions on methods instead of on the basic assumptions of these two stances. The second problem could be at the root of the confusion and the first could be a manifestation of it. Specific methods, particularly data gathering methods, are not necessarily linked with one set of assumptions as opposed to another. The question underlying differences of research stances (or paradigms) should be their ontological and epistemological assumptions.

General definitions of 'qualitative' and 'quantitative' are linked closely to method. The applicable *Oxford English Dictionary* definitions of 'quantitative' are:

“...2 That is, or may be, considered with respect to the quantity or quantities involved; estimated or estimable by quantity. 3 a Relating to, concerned with, quantity or its measurement; ascertaining or expressing quantity.” (OX2)

These definitions indicate possibilities of data gathering, whether measuring or estimating. The definition of 'qualitative' cites 'quantitative' as its implied opposite, therefore, also implying its links to data gathering:

“a Relating to, connected or concerned with, quality or qualities. Now usually in implied or expressed opposition to quantitative.” (OX2)

Qualitative research, or phenomenological inquiry, uses a naturalistic approach that seeks to understand phenomena in context-specific settings. Quantitative research, logical positivism, uses experimental methods and quantitative measures to test hypothetical generalizations. Each represents a fundamentally different inquiry paradigm, and researcher actions are based on the underlying assumptions of each paradigm.

Creswell (1994, p.5) presents us with the assumptions of quantitative and qualitative paradigms based on a study by Guba and Lincoln (1988) (see Table 2.1)

Table 2.1 Quantitative and Qualitative Paradigm Assumptions

Assumption	Question	Quantitative	Qualitative
Ontological Assumption	What is the nature of reality?	Reality is objective and singular, apart from the researcher.	Reality is subjective and multiple as seen by participants in a study.
Epistemological Assumption	What is the relationship of the researcher to that researched?	Researcher is independent from that being researched.	Researcher interacts with that being researched.
Axiological Assumption	What is the role of values?	Value-free and unbiased.	Value-laden and biased.
Rhetorical Assumption	What is the language of research?	Formal Based on set definitions Impersonal voice Use of accepted quantitative words.	Informal Evolving decisions Personal voice Accepted qualitative words.
Methodological Assumption	What is the process of research?	Deductive process Cause and effect Static design-categories isolated before study Context-free Generalizations leading to prediction, explanation, and understanding Accurate and reliable through validity and reliability.	Inductive process Mutual simultaneous shaping of factors Emerging design-categories identified during research process Context-bound Patterns, theories developed for understanding Accurate and reliable through verification.

Source: Based on Guba & Lincoln (1988).

The five assumptions (the ontological, the epistemological, the axiological, the rhetorical and the methodological) illustrate the contrasting characteristics of the quantitative and qualitative paradigms. In the ontological issue, quantitative researchers regard the world “reality” as an objective existence in itself and believe that reality can be measured, explained and displayed by objective factors and statistics. To qualitative researchers, reality can be comprehended and interpreted in many different aspects simultaneously, according to the informants who are participating in the making of the meanings of the reality. Hence, there will be many different voices that the researchers will encounter, and they have the responsibility of recording and demonstrating as many of these multiple realities as possible.

Table 2.2 comes from *Understanding and Conducting Qualitative Research* by Stainback and Stainback (1988, p. 8-9). They compare qualitative research to quantitative research from different dimensions.

Table 2.2 Comparison between Qualitative and Quantitative Research

Dimensions	Quantitative	Qualitative
Purpose	Prediction and Control.	Understanding- seeks why.
Reality	Stable- reality is made up of facts and do not change.	Dynamic- reality changes with people's perceptions.
Viewpoint	Outsider- reality is what quantifiable data indicates.	Insider-reality is what people perceive it to be.
Values	Value free- values can be controlled with appropriate methodological procedures.	Value bound- Values are important and need to be understood during the research process.
Focus	Particularistic- selected, predefined variables are studied.	Holistic- a total or complete picture is sought.
Orientation	Verification- Predetermined hypotheses are investigated.	Discovery- Theories and hypotheses are evolved from data as it is collected.
Data	Objective- data are independent of people's perceptions.	Subjective- Data is perceptions of the subjects in the environment (context).
Instrumentation	Non-human- reconstructed instruments such as surveys, questionnaires, rating scales, tests, etc.	Human- the human person is the primary data collection instrument such as observing and reporting on behaviour and expressed feelings.
Conditions	Controlled- Investigations are conducted under controlled conditions.	Naturalistic- Investigations are conducted under natural conditions.
Results	Reliable- the focus is on design and procedures to gain replicable data.	Valid- the focus is on design and procedures to gain rich, real and deep data.

Source: Stainback and Stainback (1988, p. 8-9).

Qualitative research, broadly defined, means "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification" (Strauss and Corbin, 1990, p. 17). Where quantitative researchers seek causal determination, prediction, and generalisation of findings, qualitative researchers seek instead illumination,

understanding and extrapolation to similar situations. Qualitative analysis results in a different type of knowledge than does quantitative inquiry. Miles & Huberman (1994) also synthesise the features of qualitative and quantitative research as the following (see Table 2.3):

Table 2.3 Features of Qualitative & Quantitative Research

Qualitative	Quantitative
"All research ultimately has a qualitative grounding" - Donald Campbell	"There's no such thing as qualitative data. Everything is either 1 or 0" - Fred Kerlinger
The aim of qualitative analysis is a complete, detailed description.	In quantitative research we classify features, count them, and construct statistical models in an attempt to explain what is observed.
Recommended during earlier phases of research projects.	Recommended during latter phases of research projects.
Researcher may only know roughly in advance what he/she is looking for.	Researcher knows clearly in advance what he/she is looking for.
The design emerges as the study unfolds.	All aspects of the study are carefully designed before data is collected.
Researcher is the data gathering instrument.	Researcher uses tools, such as questionnaires or equipment to collect numerical data.
Data is in the form of words, pictures or objects.	Data is in the form of numbers and statistics.
Qualitative data is more 'rich', time consuming, and less able to be generalised.	Quantitative data is more efficient, able to test hypotheses, but may miss contextual detail.
Researcher tends to become subjectively immersed in the subject matter.	Researcher tends to remain objectively separated from the subject matter.

Source: Miles & Huberman (1994, p. 40).

However, it is not necessary to pit these two paradigms against one another in a competing stance. Patton (1990) advocates a "paradigm of choices" that seeks "methodological

appropriateness as the primary criterion for judging methodological quality." This will allow for a "situational responsiveness" that strict adherence to one paradigm or another will not (p. 39). Furthermore, some researchers believe that qualitative and quantitative research can be effectively combined in the same research project (Strauss and Corbin, 1990; Patton, 1990). For example, Russek and Weinberg (1993) claim that by using both quantitative and qualitative data, their study of technology-based materials for the elementary classroom gave insights that neither type of analysis could provide alone. Casebeer and Verhoef (1997) even criticise that, unfortunately, the ability to combine research expertise across traditional methodological boundaries is often thwarted. Qualitative and quantitative researchers often operate with a different set of assumptions about the world and ways of learning about it. These assumptions may be seen as mutually and inevitably irreconcilable. Researchers are often taught to master only one type of method and so, become comfortable with their expertise in handling either quantitative or qualitative analysis, but not both. The result is that the two major approaches (qualitative and quantitative) are seldom combined and their respective strengths are ignored by adherents of each approach.

In short, qualitative research involves analysis of data such as words (e.g., from interviews), pictures (e.g. video), or objects (e.g., an artifact). Quantitative research involves analysis of numerical data. The strengths and weaknesses of qualitative and quantitative research are a perennial, hot debate, especially in the social sciences. The issues invoke classic 'paradigm war'. The personality/thinking style of the researcher and/or the culture of the organisation are under-recognised as a key factor in the preferred choice of methods. Overly focusing on the debate of "qualitative versus quantitative" frames the methods in opposition. It is important to focus also on how the techniques can be integrated; such as in mixed methods research. More good can come of social science researchers developing skills in both realms than debating which method is superior. Thus, this research mainly involves the use of qualitative methodology and doesn't mean to join any related debate.

This research is highly concerned with the study of management. Management research has a broad focus, with an underlying theme being the processes by which management occurs in organisations. Unlike other areas of social science where there has been a long-term history of epistemological debates and an increased use of qualitative methods, these methods are still considerably under-represented in the key outputs of the field (Buehring et al., 2003).

The decision to use qualitative methodologies should be considered carefully; by its very nature, qualitative research can be emotionally taxing and extraordinarily time consuming. There are several considerations when deciding to adopt a qualitative research methodology. Strauss and Corbin (1990) claim that qualitative methods can be used to better understand any phenomenon about which little is yet known. They can also be used to gain new perspectives on things about which, much is already known, or to gain more in-depth information that may be difficult to convey quantitatively. Thus, qualitative methods are appropriate in situations where one needs to first identify the variables that might later be tested quantitatively, or where the researcher has determined that quantitative measures cannot adequately describe or interpret a situation. The ability of qualitative data to more fully describe a phenomenon is also an important consideration (Hoepfl, 1997). Qualitative research reports are typically rich with detail and insights into participants' experiences of the world and, "may be epistemologically in harmony with the reader's experience" (Stake, 1978, p. 5) and thus more meaningful.

There are some other reasons which are taken into account for deciding methodology in this research. First of all, this research is trying to analyse events concerning civil service reform, which relate a lot of policies and strategies. Normally the value judgement for policies and strategies within a political environment could be dependent upon observation and getting involved directly inside related activities. Particularly, the perception of tendency on policies and strategies or the review of civil service reform events may not purely and easily be calculated through statistical procedures due to the tangle of countless factors. Secondly, this research will serve as a whole, looking into some phenomena concerning Taiwanese and

British civil service reform activities. As the research targets are huge, it cannot be experimented with by controlling all the related conditions. The appropriate ways of implementing this research seem suited to qualitative methods. Thirdly, during the period between 1993 and 2003, there were changes of ruling political parties in both the UK and Taiwan, which indicates the changeable nature of this research. Those political changes comprise unpredictable effects on the direction of civil service reform and demand further observation.

As the civil service system provides administrative functions to the society it serves, it influences the society and is also affected by the encompassed environment simultaneously. The internal subsystems of the civil service system affect each other. Thus, the study of civil service reform needs to be flexible. Sometimes it should treat the service as an entire entity; and sometimes cut into some particular events, to analyse them separately. The related follow-up normally has to cross system boundaries in order to pursue the empirical result of relevant interactions. Most importantly, this research tries to analyse the civil service system from different aspects of function, which demands multiple methods to discover the facts. The focus on method should not drive research. The needs of the research should decide method. Taken together, following a qualitative methodology for implementing this research seems appropriate.

2.3 Research Design and Data Collection Strategies

This section will discuss the research design and data collection strategies of this study abiding by the ethos of qualitative methods. As discussed above, qualitative research involves the researcher in the lives of his/her subjects - observing, participating and reflecting on what happens within the context of the study environment. Based on several writers' consideration, the prominent characteristics of qualitative research from an operational aspect can be further described as the following: (Hoepfl, 1997)

1. Qualitative research has an emergent (as opposed to predetermine) design, and researchers focus on this emerging process as well as the outcomes or product of the research.
2. Qualitative research uses the natural setting as the source of data. The researcher attempts to observe, describe and interpret settings as they are, maintaining what Patton calls an "empathic neutrality" (1990, p. 55).
3. The researcher acts as the "human instrument" of data collection.
4. Qualitative researchers pay attention to the idiosyncratic as well as the pervasive, seeking the uniqueness of each case.
5. Qualitative research has an interpretive character, aimed at discovering the meaning events have for the individuals who experience them and the interpretations of those meanings by the researcher.
6. Qualitative research reports are descriptive, incorporating expressive language and the "presence of voice in the text" (Eisner, 1991, p. 36).

These are not "absolute characteristics of qualitative inquiry, but rather strategic ideals that provide a direction and a framework for developing specific designs and concrete data collection tactics" (Patton, 1990, p.59). For the purpose of implementing this research skilfully, the practical research design and data collection strategies are mainly following the above conceptions.

2.3.1 Research Design

The particular design of a qualitative study depends on the purpose of the inquiry, what information will be most useful, and what information will have the most credibility. There are no strict criteria for sample size (Patton, 1990). "Qualitative studies typically employ multiple forms of evidence...[and] there is no statistical test of significance to determine if

results ‘count’” (Eisner, 1991, p. 39). Judgments about usefulness and credibility are left to the researcher.

According to Lincoln and Guba (1985), before conducting a qualitative study the researcher must prepare a research design that utilises accepted strategies for a naturalistic inquiry. They also provide a fairly detailed outline for the design of a naturalistic inquiry, which includes these general steps: (Lincoln and Guba 1985)

1. Determine a focus for the inquiry. This should establish a boundary for the study, and provide inclusion/exclusion criteria for new information. Boundaries, however, can be altered, and typically are.
2. Determine the fit of the research paradigm to the research focus. The researcher must compare the characteristics of the qualitative paradigm with the goals of the research.
3. Determine where and from whom data will be collected.
4. Determine what the successive phases of the inquiry will be. Phase one, for example, might feature open-ended data collection, while successive phases will be more focused.
5. Determine what additional instrumentation may be used, beyond the researcher as the human instrument.
6. Plan data collection and recording modes. This must include how detailed and specific research questions will be and how faithfully data will be reproduced.
7. Plan which data analysis procedures will be used.
8. Plan the logistics of data collection, including scheduling and budgeting.
9. Plan the techniques that will be used to determine trustworthiness.

This research focuses on the review of Taiwanese civil service reform between 1993 and 2003 with reference to the UK experience. It represents a longitudinal research and is also a synchronising study, i.e. the study and the development of reform is happening almost simultaneously. The research design can be essentially described in Table 2.4:

Table 2.4 Research Design

Items	Major works
Research focus	The strategy of Taiwanese civil service reform and its value and feasible better approach in the future, which are involved with reference to the UK experience.
Methodology	Mainly following qualitative research because this study involves a big portion of value judgement. Still keeping objective as possible as I could when collecting and analysing collected data (e.g. the sampling strategy combines the adoption of probability sampling and purposeful sampling).
Place of data collected	Both in the UK and Taiwan. In the UK, through visiting some agencies, regularly tracing some journals such as Public Administration, Parliamentary Affairs and Public Policy and Administration and in particular visiting the Cabinet Office's civil service reform website frequently. In Taiwan, through organising teams to evaluate some agencies, joining reform activities directly and gaining documents directly

	from related agencies.
Successive phases of the inquiry	In the UK, having been extremely unfamiliar with the civil service system, mainly focussing on fact-finding and then trying to build up the whole picture of this system and tracing its advanced developments closely. In Taiwan, having been familiar with the researched target, mainly focussing on strategy analysis and finding new ways to create a bright future with reference to UK's experience.
Additional instrumentation	Using the model of the competing values framework to evaluate Taiwanese civil service reform. Adopting a best value model to find out the better future approach for the Taiwanese civil service reform.
Data collection and recording modes	Interview, observation, case study, document analysis, and team assessment, by constructing field notes (including jotting notes as a memory aid) and using tape to record data. The prepared questions for interviews initially comprise of a whole range of related points, but subsequently specialised on certain matters which need to be discovered further.
Data analysis procedures	Using inductive data analysis to put interview transcripts, field notes and documents into conceptual categories and grouping phenomena through open coding, and building a conceptual

	model and determining whether sufficient data exists to support interpretation through the process of axial coding. Finally, translating the conceptual model into the story line giving an account that "closely approximates the reality it represents" (Strauss and Corbin, 1990, p. 57).
Logistics of data collection	Keeping close contact with the interviewees or related organisations in order to get constant support for this research. For the purpose of clearly observing empirical developments of the reform, this research is designed as a decade-long study and was supported by my previous working agency, the Central Personnel Administration, which is the main implementation agency of Taiwanese civil service reform.
Techniques for trustworthiness	Utilising the interviewees' voice in the text and important essential government documents and figures to increase the degree of trustworthiness.

Eisner claims there is a "paucity of methodological prescriptions" for qualitative research, because such inquiry places a premium on the strengths of the researcher rather than on standardisation (1991, p.169). The above research design is not standardised but trying to match the need for formulating the whole picture of fact-finding and tendency-pursuing. During the process of implementation, the suitable adjustment for detailed events is necessary. Particularly, according to the specific characteristics of this study, two important research methods - 'action research' and 'comparative research' - will significantly affect the

implementation of the above research design, and need to be discussed further as the following:

1. Action research:

As the main purpose of this research is designed to examine the strategy of Taiwanese civil service reform to find a better and more feasible future approach for Taiwan, it is revealed that the study is keen to look for various solutions for the reform, which will position this thesis as a piece of action research. In particular, as a manager working for the Taiwanese civil service system, I need to pay more attention to the nature of action research when detailing or implementing the research design.

In theory, action research mainly focuses on solving problems. Action research can be interpreted as a process of participation, which is directly involved with real working environments. In another words, action research is usually designed to explore the reality and solutions for specific issues. Normally, action research stresses that the obtained research results will be valuable only when they can be implemented in the real world. This type of research functions on the basis of combining theoretical judgment and practical implementation. Its main purpose is not only expected to define the related phenomena and actions, but also to accomplish the end of pragmatically changing or reforming the targeted phenomena.

The process of action research is cyclical and involves a non-linear pattern of planning, acting, observing, and reflecting on the changes in the social situations (Noffke & Stevenson, 1995). Action research is often described as an informal, qualitative, formative, subjective, interpretive, reflective and experiential model of inquiry in which all individuals involved in the research are active and contributing participants (Hopkins, 1993). As action research is a holistic approach to problem-solving, it usually uses multiple methods for collecting and analysing data. Thus, it allows for several different research tools to be used together while the project is conducted. These various methods are generally common to the qualitative research

paradigm, including keeping a research journal, document collection and analysis, observation recordings, questionnaire surveys, structured and unstructured interviews, case studies and so on, which have actually been calculated within the above-mentioned research design.

With action research, the researcher's role is normally to produce a mutually agreeable outcome for all participants. To accomplish this end, the researcher may necessitate the adoption of many different roles at various stages of the process, including those of planner, leader, catalyser, facilitator, designer, listener, observer, synthesizer and reporter. The main role, however, is to nurture the related participants to the point where they can take responsibility for the process. Another distinguishing characteristic of action research is the degree of empowerment given to all participants. Involvement is of a knowing nature, with no hidden controls or presumption of direction by the researcher. All participants negotiate meaning from the data and contribute to the selection of fruitful strategies.

Moreover, when conducting action research, there might be some problems occurring within the research process. These problems could intensify, particularly where the researcher works simultaneously as a manager. The possible problems are:

(1). The transference of distorted messages: for the purpose of obtaining benefits, the participants might provide the messages the manager feels happy to hear and, as such, could seriously distort the facts. Another possibility, of not telling the truth, could be caused by the fear of being punished when unveiling shortcomings. Undoubtedly, the bias that results from misled perceptions as to the research targets could also cause the transference of wrong messages.

(2). The concealment of needed information: participants who worry about causing detrimental results for themselves or their departments by offering correct information might hide the needed information in order to mislead the relevant conclusion. The concealment of needed information normally affects the correctness of pursuant judgments and seriously hinders the research.

Referring to Richard Winter's (1996) idea, there are a number of principles that deserve further scrutiny when solving these problems:

- (1). Making sure that the relevant persons and units have been fully consulted, and that the principles guiding the work are accepted in advance by all.
- (2). Allowing all participants to influence the work, and respecting the wishes of those who do not wish to participate.
- (3). Keeping the development of the work visible and open to suggestions from others.
- (4). Obtaining permission before making observations or examining documents produced for other purposes.
- (5). Describing the work and points of view of other participants after negotiating with those concerned.
- (6). Promising responsibility for maintaining confidentiality.

In addition, decisions made about the direction of the research and the probable outcomes should be collective. Researchers should be explicit about the nature of the research process from the beginning, including the perception of personal biases and interests. There should be equal access to information generated by the process for all participants. The researcher must create a process that maximises the opportunities for involvement of all participants. That is, all participants must be knowing, active members of the research process. These are essential to the implementation of action research, and will be followed when carrying out the above research design for this study.

2. Comparative research:

As this study involves the UK and Taiwan civil service systems, it is inevitable to use comparative research methods for arranging the detail of the thesis. Comparative research has long been used in cross-cultural studies to identify, analyse and explain similarities and

differences across societies. The comparative approach to the study of society has a long tradition. Particularly in the social policy area, it often works as a means of evaluating the solutions adopted for dealing with common problems or to assess the transferability of policies between different states.

For most qualitative studies, comparison usually serves as a tool for developing classifications of social phenomena and for establishing whether shared phenomena can be explained by the same causes. This approach may combine surveys, secondary analysis of national data, and also personal observation and an interpretation of the findings in relation to their wider social contexts, which indeed will play an important role in finding a better and more valuable way to achieve the research goals.

As comparative research crosses national boundaries, it needs to take account of socio-cultural settings, such as institutions, customs, traditions, value systems, lifestyles, language and thought patterns, which can easily cause problems. Reluctance may be explained not only by a lack of knowledge or understanding of different cultures and languages but also by insufficient awareness of the research traditions and processes operating in different national contexts (Hantrais and Letablier, 1996).

Comparative research is a more interpretative, culture-bound approach, which means that linguistic and cultural factors, together with differences in research traditions and administrative structures, cannot be ignored. If these problems go unresolved, they can likely affect the quality of the results of the whole research. The possible problems are as the following.

Firstly, the collection of data is not easy to handle. When conducting a comparative research, the country selection will affect the quality and comparability of the data. The countries concerned may stand at very different stages of economic and social development, and be influenced by different cultural value systems, assumptions and thought patterns. Since much of the work is not strictly comparative at the design and data collection stages, the findings

cannot then be compared systematically. Data collection is strongly influenced by national conventions. The source, the purpose for which they were gathered, the criteria used and the method of collection may vary considerably from one country to another, and the criteria adopted for coding data may change frequently.

Sometimes, related records may be non-existent or may not go back very far. For certain topics, information may be routinely collected in one country, whereas in another country, it may be more limited because the topic has attracted less attention among policy-makers. Particularly, official statistics may be produced in a highly exaggerated way and may not have been collected systematically. In many comparative researches, much time and effort is expended on trying to reduce the relative differences.

Secondly, different cultures generate different value judgments. Particularly, cross-national comparisons are too often rendered ineffectual by the lack of a common understanding of central concepts and the societal contexts within which phenomena are located. Agreement is therefore difficult to reach over research parameters and units of comparison. Furthermore, these problems are compounded when comparisons are based on advanced analysis of existing national datasets, as it may not always be possible to apply agreed criteria unanimously.

Thirdly, another major obstacle is language differences. As language is not simply a medium for conveying concepts, but part of the conceptual system that reflects institutions, thought processes, values and ideology, and implies that the approach to a topic, and interpretations of it, will differ according to the expression of language. The misunderstanding caused by language always makes comparative research more difficult to reach its objectives.

As mentioned above, comparative research gives researchers a means of confronting findings in an attempt to identify and illuminate similarities and differences, not only in the observed characteristics of particular institutions, systems or practices, but also in the search for possible explanations in terms of national similarities and differences. Thus, cross-national

comparative research by its very nature demands greater compromises in methods. Attempts to find solutions to the related problems involve a sound knowledge of different national contexts, intellectual traditions and familiarity with the concerned language.

In addition, the adoption of comparative research should be supplemented with the provision of descriptive accounts of trends and developments derived from national data sources, which is expected to keep data collection in the right direction. When conducting this approach, it should, theoretically, be possible to replicate the research design and use the same concepts and parameters simultaneously in two or more countries on matched groups.

The problems of comparative research can often be resolved only by a process of trial and error, and the path of pursuing quality for the contributions to this approach may be very uneven. The researcher needs to remain alert to the dangers of cultural interference, to ensure that discrepancies are not forgotten or ignored and to be wary of using what may be a sampling bias as an explanatory factor. For the purpose of interpreting the results, wherever possible, findings should be examined in relation to the wider societal context and with regard to the limitations of the original research parameters. In this thesis, the work of minimising misunderstanding is the top priority when making a comparison between the UK and Taiwan. Although this study doesn't stress a complete comparison of the civil service reforms of both sides, it will still be unavoidable to largely involve a comparative approach in dealing with matters related to the process of data collection, data analysis and creating the related theories. Thus, the abovementioned problems and solutions concerning the comparative research should be carefully calculated when putting this study into practice.

2.3.2 Data Collection

According to Hoepfl (1997), interview and observation are the two most important prevailing forms of data collection associated with qualitative inquiry. As this research is designed to examine the strategy and possible valuable future approach of the Taiwanese civil service reform with reference to the UK experience, the data collection should be progressed both in

Taiwan and UK. Accordingly, the above data collection methods have to be modified in order to match the researcher's different recognition to these two countries. The following section introduces the details separately:

1. The methods progressed in the UK:

As the researcher is a foreigner to the UK, the picture-building of the UK civil service reform was a highly challenging work. Thus, the related major work which has been done focused on fact-finding and then trying to build up the whole picture of this system and tracing its advanced reform developments closely as a way providing a reference pointed to Taiwanese civil service reform. To this end, the adopted data collection methods mainly focus on interviews, but also combine some other methods such as case study and document analysis. They are explained as the following:

(1). Interviews:

Interview is a key research tool for those who use qualitative methods. Within the social sciences generally the interview has had a long history, and it is not difficult to see why. Within this research, this method indeed plays a key role in collecting data from the UK. The researcher has conducted a great deal of interviews since 1995. Table 2.5 illustrates the detail of these interviews.

Table 2.5 Progressed Interviews in the UK

Date	Location (organisation visited)	Interviewees (code name)
24/08/1995	Leicester City Council	LCC1
30/08/1995	Leicester County Council	LCN1
26~27/09/1995	The Scottish Office	SO1 SO2
29/09/1995	Department of Finance & Personnel (Northern Ireland)	NI 1
4/10/1995	Cabinet Office Office of Public Service and Science	OPS1 OPS2
6/10/1995	Civil Service College	CSC1
16/10/1995	National Union of Civil and Public Servants	NUCPS1
13/10/1996	Civil Service College	CSC1
27/10/1996	Office of Public Service and Science	OPS1
20/10/1997	Cabinet Office	OPS3
21/10/1997	Institute of Public Policy Research	IPPR1
7/10/1998	Employment Tribunals Service (Region Office of Leicester)	ETSL1
9/10/1998	Companies House	CHJ1
23/10/1998	Office of Public Service (Cabinet Office)	OPS3
23/10/1998	Employment Tribunals Service (Headquarter)	ETSH1
16/10/ 2000	Scottish Executive	SCE1
25/10/2001	Civil Service College	CMPS1
5/11/2001	Scottish Executive Civil Service Reform Unit	SEC2

There are some aspects of the above interviews which need to be discussed further:

A. Sampling strategy:

In quantitative inquiry, the dominant sampling strategy is “probability sampling”, which depends on the selection of a random and representative sample from the larger population. The purpose of probability sampling is subsequent generalisation of the research findings to the population. By contrast, “purposeful sampling” is the dominant strategy in qualitative research. Purposeful sampling seeks information-rich cases which can be studied in depth (Patton, 1990). Patton (1990) points out further that this qualitative strategy aims at capturing and describing the central themes or principal outcomes which cut across a great deal of participation or programme variation. For small samples a great deal of heterogeneity can be a problem because individual cases are so different from each other. The maximum variation sampling strategy turns that apparent weakness into strength by applying the following logic: Any common patterns that emerge from great variation are of particular interest and value in capturing the core experiences and central, shared aspects or impacts of a program (p. 172). In spite of the apparent flexibility in purposeful sampling, researchers must be aware of three types of sampling error that can arise in qualitative research. The first relates to distortions caused by insufficient breadth in sampling; the second from distortions introduced by changes over time; and the third from distortions caused by lack of depth in data collection at each site (Patton, 1990).

In referring to Patton’s points, this research adopts “purposeful sampling” as a strategy to draw a picture of the UK civil service reform, which means the selection of agencies or organisations. The interviewees who are involved are mostly recommended by their agencies or organisations due to necessary politeness (but I usually express my purpose beforehand and clearly, in case of visiting the wrong persons). The visited agencies or organisations include units of central government and local governments. From different dimension of observing the government as a whole, they contain higher, middle and lower level of organisation reflecting on different views of reform. This is also necessary to spell the entire picture of the UK civil

service reform, because the researcher originally was unfamiliar with this system. That is, the sampling strategy of this research has to combine sufficient sampling breadth and in-depth data collection. Examining Table 2.5 further, it is easy to see that at the beginning of this study, I chose Leicester city council and Leicester county council as the initial targets of interview, which was designed to clarify the boundary of the UK civil service system. For the purpose of grasping the content of the reform, I visited the Cabinet Office, Scottish Office and Personnel Department in Northern Ireland. The objectives of visiting the Civil Service College three times were focussed on the role change of training when carrying out the reform, and even on the measures of creating a new organisational culture for the reform. For the need of tracing the change of policy and strategy concerning the reform, I also visited the Cabinet Office four times. As I chose Companies House and the Employment Tribunals Service as the targets of a case study, I gave interviews there in order to dig out the reality of creating executive agencies for the famous Next Steps Programme in the UK. As to the purpose of visiting the Scottish Office three times, I was trying to understand how the policy and strategy of reform can be transferred from the heart to nerve endings, and how the reform obtained splendid results far from London. In short, the selection of interviews reveals that the direction of sampling strategy went from fact-finding to further exploring specific issues, which in turn enriches the main themes for the study and provides useful experience for the selection of team assessment targets in Taiwan as well.

B. Interview procedure:

The interview can be used in many different formats and has been categorized in numerous different ways. For example, interviews can be structured, semi-structured or unstructured (King, 1994); or can take a particular theme, for example life histories (Musson, 1998); critical incidents (Chell, 1998); informal (conversational), semi-structured or standardized (open-ended) (Patton, 1990); or the generation of personal construction (Cassell et al., 2000). When conducting the related interview, I normally followed the following procedure:

- (A). Contacting interviewees frequently through emails, phone calls or written letters before interviews were implemented.
- (B). Collecting relevant information or documents in order to set up a related thinking picture.
- (C). Preparing questions and sending them to the interviewees for the purpose of narrowing down the possible scope of the interview and assisting the interviewees to prepare useful talking data.
- (D). Jotting notes and recording conversation with a tape-recorder when an interview was in progress.
- (E). Managing field notes and making transcripts.
- (F).Analysing data and citing voice in order to formulate or develop theories.

C. Role of interviewer:

More recently there has been an increased focus on the interview as an interactive process where meaning is co-constructed (e.g. Denzin, 2001; Holstein and Gubrium, 1997). Within this framework the interview is seen as an arena where both interviewer and interviewee are actively constructing and interpreting the process, potentially in different ways. As a qualitative researcher, being aware of the interview process and even the climate for the interview is extremely important. The concepts and behaviour of the interviewer could strictly and virtually affect the result of interview. That is why the role of the interviewer needs further discussion.

According to Cassell (2005), the identity of the interviewer (and indeed the interviewee) is actively constructed through the interview process. In focusing mainly on the interviewer the significance of the interviewee should not be neglected. It is difficult to discuss the role of the researcher without some critique of epistemological perspective and the paradigms that

underlie that perspective. Clearly the role of the interviewer is different given the epistemological approach used, and different types of interviews are used within a variety of epistemological approaches. This is something rarely considered within the literature, where the interview is often treated as an epistemologically neutral device for data collection where technical expertise is the most important issue. However, the interview itself as a process means something different given the epistemological assumptions held by the researcher.

From the range of texts available, we can learn about such issues as how to develop rapport, enable our interviewees to feel comfortable enough to talk to us about sensitive data, or, alternatively, stop them from going off the point (Cassell, 2005). Researchers are more likely to gain successful access to situations if they avoid wasting interviewees' time by doing advance research for information that is already part of the public record; and if they treat respondents with courtesy. Because qualitative research is asking participants to grant access to their lives, their minds, even their emotions, it is also important to provide interviewees with a straightforward description of the goals of the research.

In this research, the involved interviewees were mainly very articulate and confident men and women in management or senior management positions. During the interviewing period, I could not speak well as a foreigner and this seemed to have a significant impact on how the interviewees constructed my identity. The construction of my identity however, as 'the sincere fact-seeker' decreased the ambiguity of my role on the research for both the interviewees and me. It created a role for me that we all felt comfortable with. It also provided some guidelines for how people within the research could interact with me. In my state I clearly had become a very unthreatening equal opportunities researcher, and therefore someone it was safe to confide in.

During the research, due to my insecurities about deviating from the positivist norm, when I conducted interviews with officials I actually asked them explicitly about what they thought about the impact of the civil service reform on their day-to-day work. I was keen to establish some kind of consultation trail and therefore account for my own actions. It was interesting

that the majority of responses to these questions referred to my role as the work-oriented researcher. That means the appropriate role-playing has built up the concrete foundation for such interviews.

D. Preparation of questions:

A successful interview needs to use a guide or schedule, which could be a list of questions or general topics that the interviewer wants to explore during each interview. Although it is prepared to insure that basically the same information is obtained from each person, there are no predetermined responses, and in semi-structured interviews the interviewer is free to probe and explore within these predetermined inquiry areas. Interview guides ensure good use of limited interview time; they make interviewing multiple subjects more systematic and comprehensive; and they help to keep interactions focused. In keeping with the flexible nature of qualitative research designs, interview guides can be modified over time to focus attention on areas of particular importance, or to exclude questions the researcher has found to be unproductive for the goals of the research (Lofland and Lofland, 1984).

In this research, I prefer to emphasise the preparation of appropriate questions for guiding the interviews, as it is an empirical way with which interviewers can effectively play a better role in handling interview process. The research questions being asked are also able to heavily affect the implementation of entire research design. Most importantly, we must rise to the challenge to find and use rigorous, appropriate research techniques that address the significant questions facing the field. Normally, at the first stage qualitative interview utilises open-ended questions that allow for individual variations. Namely, qualitative research proposals should first, specify primary questions to be explored and plans for data collection strategies. However, when following up some sort of issues or advancing research objectives, the related questions need to be concentrated on a specific area in order to raise research quality. For the purpose of collecting useful data, I prepared questions following the above principles. Their contents vary depending upon the change of interviewees and the purpose of the interview, which are shown in appendix 1.

E. Data recording:

Normally, a basic decision before going into the interview process is how to record the interview data. Whether one relies on written notes or a tape recorder appears to be largely a matter of personal preference. For instance, Patton says that a tape recorder is "indispensable" (1990, p. 348), while Lincoln and Guba "do not recommend recording except for unusual reasons" (1985, p. 241). Lincoln and Guba base their recommendation on the intrusiveness of recording devices and the possibility of technical failure. In this research, I preferred to use a tape recorder to record the process. As I am not a native English speaker, tape recordings have the advantage of capturing data more faithfully than hurriedly written notes. That might and could make it easier for me to focus on the interview. For the convenience of making transcripts after the meeting and making a quick response to the interviewees for promoting interaction during interview process, I also jotted notes as a memory aid. However, when I asked to make tape recordings, most of the interviewees revealed a feeling of hesitation, although they allowed me to do so. As I have been working in the Taiwanese civil service for a long period, I am familiar with the mentality of civil servants. Thus, I usually promised not to mention their name when citing their words in this thesis, and of course not to display the recorded voices as well. After doing so, I could feel that each interviewee could talk more freely without any mental barriers. For the purpose of keeping my promise, I will therefore use a code name (see Table 2.5) when citing the interviewees' words in the later chapters.

(2). Case study:

The case study normally is designed as an attempt to shed light on a phenomenon by studying in-depth a single case example of the phenomena. The case can be an individual person, an event, a group, or an institution. Within this research, I select two agencies to study further the reality and advanced development of the Next Steps Programme, which are Companies House and the Employment Tribunal Service.

Companies House was established as an executive agency on 3rd October 1988 and was the second selected target as a newly launched agency when the Next Steps programme was just commencing to operate in 1988. It was chosen as a target of a case study, because it has a prominent history within the Next Steps programme's doctrine. It joined this programme at the very beginning, which reveals that it enthusiastically supported this policy. Particularly, this agency might develop a lot of positive measures to extend the content of the above programme that will be worth exploring for the evaluation of this policy. As for the Employment Tribunal Service, it is an agency of the Department of Trade and Industry (DTI), and was created on 1st April 1997. The reason I chose this service as a second study target, was due to the fact that this service became an executive agency very late, from which we can observe the preliminary methods of creating an agency and we also can perceive the responses coming from its staff when they first face this important policy initiative. More importantly, as the Next Steps programme was designed as a ten-year long programme, in 1997 the related methods could be deemed as becoming more mature, which is worth further observation. Particularly, as these two executive agencies are different types in many ways, we can compare them to find out the diverse effects of the Next Steps Programme, which will provide lessons for the restructuring of the Taiwanese civil service system.

For the purpose of implementing these case studies, I tried to collect some information concerning the background and the then performance situation of these agencies including budget, organisational chart and working procedure...etc. Furthermore, I asked to conduct interviews with staff that come from different levels (higher, middle and lower) of these agencies. Particularly, I gave my wish to Companies House that I expected to discuss questions with staff that had been in senior positions for more than ten years inside this agency, because under such a condition I thought I would be able to recognise the change from the dimension of history. After finishing the related interviews, I still used letters and emails to keep in touch and continue to obtain further data from these agencies. Companies House usually enjoys a higher degree of consumer satisfaction. The Employment Tribunal

Service is very keen to establish its reputation on efficiency. The experience of implementing the Next Steps programme could provide useful concepts for the creation of a Public Corporation in Taiwan, which will be discussed in chapter 5.

(3). Document analysis:

Document analysis is also an important method for data collection for this research. In general, documents not only cover a broad array of sources that deal with how the concepts and events are constructed, they also provide the researcher with evidence of the concepts and events related to the research, and allow them to make comparisons with their own findings (May, 2001). Basically, there are two categories of documentary data: text-based documents and non-text-based documents. Text-based documents are among the major qualitative resources for social research and include Acts, Parliamentary papers, written policies, statements, agency reports, minutes of meetings, handbooks, guidelines, manuals, archival materials, computer files and documents, newspapers and magazines, newsletters, memoranda, rough notes and scribbles, advertisements, charts, tables and lists (Glesne and Peshkin, 1992; Mason, 1996). The non-text-based documents include 'photographs; films; video and television; music; display; graphic representations; sculptures; drawings and pictures; visual arts and artefacts; style and fashion; diagrams and maps' (1992: 54; 1996: 71). For using documents as sources of research, four criteria for assessing the quality of documents are the 'authenticity', 'credibility', 'representativeness' and 'meaning'. These are the decisive factors that should be taken into account; especially nowadays we use a lot of information from the internet which brings about some particular and problematic issues with regard to reliability and validity (Stein, 1999).

The documents collected for this research are mainly text-based and include official documents, books, journals, magazines, newspapers, newsletters, handbooks, guidelines, department self-evaluation data and material taken from the internet. As this research is a long-term study with in-depth observation covering more than one decade, the collected documents are voluminous. There are some main journals which were constantly referenced

and which focus heavily on civil service reform, such as Public Administration, Parliamentary Affairs and Public Policy and Administration. Also, in particular, the Cabinet Office's civil service reform website is an important place which I frequently visited to collect up to date data.

2. The methods progressed in Taiwan:

The main purpose of this research is to examine the strategy of the Taiwanese civil service reform and its value, with reference to the UK experience to find out a better and feasible approach in the future. As I have been working for the Taiwanese government as a civil servant for many years, I am not a stranger to the Taiwanese civil service system. In particular, I originally worked for the Central Personnel Administration, which is one of the more important of the two agencies for devising and implementing Taiwanese civil service reform. I was in charge of operating the civil service staff cutback programme. Accordingly, the main focuses of data collection in Taiwan are placed in areas of the results of the implementation of the reform measures and their impact across the boundaries between the civil service system and external environment in Taiwan, or the boundaries between the internal subsystems, in order to obtain concrete and recommendable suggestions for future approach. For the purpose of matching the above viewpoints I mentioned, the methods of data collection in Taiwan, except comparison and document analysis, essentially concentrate on team assessment (based on observation) and a modelling approach, which are explained in the following:

(1). Team assessment (based on observation):

Within the initiative of the Taiwanese civil service reform, there is an event issued by the Executive Yuan called the Organisation and Manpower Assessment Programme, which plays an important role for understanding the implementation results of the reform especially in the area of organisation adjustment and staff cutbacks. As I was virtually in charge of this programme, I used so-called team assessment to accomplish this part of the research

programme. It is fortunate for me because this activity also provided the function of data collection directly for my research. Normally, such big assessments cannot be arranged for personal study. When implementing this sort of assessment, I usually played the role of organiser and executive official to supervise the entire process of operation. I designed the related plans and operation steps mainly based on an observation method. Although team assessment was implemented collectively and also involved a small number of interviews, it contained a great deal of observation activities.

Theoretically, the classic form of data collection in naturalistic (or field) research is observation of participants in the context of a natural scene. Observational data is used for the purpose of description—of settings, activities, people, and the meanings of what is observed from the perspective of the participants. Observation can lead to deeper understandings than interviews alone, because it provides knowledge of the context in which events occur, and may enable the researcher to see things that participants themselves are not aware of, or that they are unwilling to discuss (Patton, 1990). A skilled observer is one who is trained in the process of monitoring both verbal and nonverbal cues, and in the use of concrete, unambiguous and descriptive language (Hoepfl, 1997).

According to Schatzman and Strauss (1973), there are several observation strategies available. In some cases it may be possible and desirable for the researcher to watch from outside, without being observed. Another option is to maintain a passive presence, being as unobtrusive as possible and not interacting with participants. A third strategy is to engage in limited interaction, intervening only when further clarification of actions is needed. Or the researcher may exercise more active control over the observation, as in the case of a formal interview, to elicit specific types of information. Finally, the researcher may act as a full participant in the situation, with either a hidden or known identity. Each of these strategies has specific advantages, disadvantages and concerns, which must be carefully examined.

In addition, the presence of an observer is likely to introduce a distortion of the natural scene which the researcher must be aware of, and work to minimise. Critical decisions, including the degree to which the researcher identities and purposes will be revealed to participants, the length of time spent in the field, and specific observation techniques used, are wholly dependent on the unique set of questions and resources brought to each study. In any case, the researcher must consider the legal and ethical responsibilities associated with naturalistic observation (Hoepfl, 1997).

As for data recording, normally researchers rely most heavily on the use of field notes, which are running descriptions of settings, people, activities and sounds. Field notes may include drawings or maps. Acknowledging the difficulty of writing extensive field notes during an observation, Lofland and Lofland (1984) recommend jotting down notes that will serve as a memory aid when full field notes are constructed. In addition to field notes, researchers may use photographs, videotapes and audio tapes as means of accurately capturing the reality of observation.

The operation steps and sampling strategy of team assessment were designed according to observation principles and the specific need of the Taiwanese civil service reform as the following:

A. Operation steps:

(A) Drawing up an action plan and informing the selected agency. Normally such a plan includes goals of assessment, targeted agencies or departments, members of assessment team, assessment procedure, activity schedule, provision of expected data and other administrative events. A sample is shown in appendix 2.

(B) Setting up an assessment team: to observe based on the combination of viewpoints from theorists and practitioners.

- a. Inviting related professors or experts from universities or academic institutions to join the plan according to the specific needs of the planned assessment. That was designed to observe from the dimension of academic theorists.
- b. Requiring representatives from other reform-related agencies such as the Research, Development and Evaluation Commission (RDEC, which is another agency for devising and implementing Taiwanese civil service reform, working closely with the CPA), the Executive Yuan Secretariat (or Cabinet Office Secretariat in the UK) and the Directorate-General of Budget, Accounting and Statistics (DGBAS, which controls the budget). This was designed to observe from the dimension of practitioners based on functions for the agencies they come from.
- c. Requiring representatives from the targeted agency's managerial ministries or departments. That was designed to observe from the dimension of supervision.

(C) Arranging assessment schedules.

(D) Implementing the assessment procedure:

- a. Briefing – by the headquarters or selected departments of the targeted agency.
- b. Interviewing and implementing questionnaires. Normally, the targets are selected randomly but look at the balance of representation from different grade levels and working sections. The number of interviewees and takers of questionnaires was set at 5-10 % of all staff. The assessment team was usually divided into several small groups in order to implement interviews simultaneously. I normally joined one of the groups.
- c. Observing on sites. The purpose was to realise the reality of working procedures and achievements of the targeted agencies, which will be taken into account for related reform measures (e.g. organisational adjustment, reallocation of staff, work simplification...etc). The selection of observed sites was based on the review of the

organisational mission and looked at the balance from different working levels or regional needs.

d. Meeting for discussion.

e. Collecting needed information.

(E) Analysing collected data and formulating a report draft.

(F) Arranging a team meeting to discuss report formulation.

(G) Finalising report (which is in the formal shape of field notes).

(H) Holding formal meetings to negotiate the assessment results by inviting the representatives of the assessed agency and entire team members.

(I) Delivering the approved improvement recommendations to the assessed agency.

(J) Tracing and evaluating the implementation results of assessment recommendations.

B. Sampling strategy:

The targeted agencies which I have conducted team assessments with are listed in Table 2.6. The sampling strategy was also designed to match the main theme of this research by adopting 'purposeful sampling'. The selection of a target mainly focuses on agencies, which have potential for organisation adjustment, staff cutbacks, privatisation, contracting out and work simplification. Among them, the assessments of the Taiwan Forestry Bureau and the National Property Bureau are also combined to look at the impact of the restructuring of the Taiwan Provincial Government, which is designed to re-clarify the area of the civil service system and reduce the overlapping affairs between the central and Taiwan provincial government. As for the targets of interviewing and giving questionnaires during the assessment procedure, these were usually selected randomly by me when the assessment team had just arrived at the targeted agency, which obviously involved quantitative research's probability sampling strategy. The selection of site observation was, however, still maintained with the adoption of

‘purposeful sampling’. Furthermore, from the dimension of function, the selection reasons of the targeted agencies are designed to explore the major results of Taiwanese civil service reform. As they are all quite big in organisation size, structured by different levels from their headquarters to subordinate departments, their function varies, including policy, strategy and the front-line service, which are suitable objects for testing whether the reform is successful or not. For the purpose of connecting with the interviews that took place in the UK, the targeted agencies were selected to compare the reform results and to calculate the possibility of copying the UK experience.

Table 2.6 Progressed Team Assessments in Taiwan

Period	Agencies assessed	Notes
April to June / 1996	Occupational Training Service of the Council of Labour Affairs	This assessment includes its three subordinate training centres.
June to August / 1997	Taiwan Area National Expressway Engineering Bureau	This assessment includes its four subordinate engineering departments.
March to May / 1998	The Third Group of Security Police	This assessment includes its headquarters and the deployed units according to the need of mission.
April to June / 1999	National Expressway Police Bureau	This assessment includes its headquarters and the deployed units according to the need of mission.
July to September / 1999	Taiwan Forestry Bureau	This assessment includes its subordinate managing departments, which spread throughout the whole area of Taiwan.
May to July / 2000	National Property Bureau	This assessment includes its four subordinate managing departments.

This assessment framework for organisation and staff efficiency has hereafter been transplanted into the Organization of Central Government Agencies Guidelines Act and recently approved by the Legislative Yuan. According to Article 15 of this Act, "each level 1

agency (e.g. the Executive Yuan) must regularly assess its organisation and staffing levels, and thereby provide reasons for the establishment, adjustment or closure of agencies or adjustments to staff levels." Furthermore, Article 7-1-4 of the draft of Central Government Agency Personnel Quota Act also states "when staff levels are decided to reduce or adjust as a result of relevant assessment, the staff level of the agency involved must be reduced or the involved agency needs to transfer its personnel to other agencies." This draft hasn't yet been approved by the Legislative Yuan, but has revealed the firm stance of the Taiwanese government. After getting total legal approval, such assessments will become regular activities in the Taiwanese civil service, the organisation and staffing levels of each agency will be adjusted flexibly and timely according to the agency's exact needs. This will maximise the efficiency of each agency and allow human resources to be allocated in the most reasonable way. That is an unexpected development for this research method.

(2) Model approach:

For the need of examining the implementation of the Taiwanese civil service reform measures in this research, the model of "competing values framework" will be used frequently. The Competing Values Framework contains four major culture types (hierarchy, clan, market and adhocracy) developed by Cameron, K. S. and Quinn, R. E. (1999), and has been found to have a high degree of congruence with well-known and well-accepted categorical schemes that organise the way people think, their values and assumptions, and the ways they process information. This congruence of frameworks occurs because of an underlying similarity in people at the deep psychological level of their cognitive process. This model can be used to diagnose and assess organisational culture and is also helpful in organising the various aspects of total quality management (TQM) and highlighting its comprehensive nature. The detailed use of this approach for evaluating Taiwanese civil service reform is shown in chapter 5.

Furthermore, for the purpose of seeking a feasible and recommendable model to find out the better future approach for Taiwanese civil service reform, I try to look into the Best Value model (again with reference to the UK experience) in chapter 7. The Best Value model was

originally presented by the Department of Environment, Transport and the Regions (DETR) as a means of promoting improvements in the UK local government services. Best Value seeks to deliver services to clear standards-covering both cost and quality-by the most effective, economic and efficient means available' (DETR, 1998). I use an inductive process to identify and conclude its core value, and even figure out its shape, and then modify it as a new shape of model in order to match the characteristics of the Taiwanese civil service. That is, totally following the assumptions and features of qualitative research.

2.4 Analysis of Data

Within this research, the data was mainly collected from in-depth interviews, team assessment and documents. Therefore, the methods I apply for the data analysis are also qualitative methods of data analysis. I use inductive data analysis to put interview transcripts, field notes and documents into conceptual categories and grouping phenomena through open coding, building a conceptual model (see chapter 5) and determining whether sufficient data exists to support interpretation through the process of axial coding. Finally, translating the conceptual model into the story line giving an account that "closely approximates the reality it represents" (Strauss and Corbin, 1990, p. 57).

Normally, analysis begins when the data is first collected and is used to guide decisions related to further data collection. Hoepfl (1997) suggests that qualitative researchers predominantly use inductive data analysis. Bogdan and Biklen define qualitative data analysis as "working with data, organising it, breaking it into manageable units, synthesising it, searching for patterns, discovering what is important and what is to be learned, and deciding what you will tell others" (1982, p. 145). Patton (1990) also points out that a qualitative researcher tends to use inductive analysis of data, meaning that the critical themes emerge out of the data. Qualitative analysis requires some creativity, as the challenge is to place the raw data into logical, meaningful categories; to examine them in a holistic fashion; and to find a way to communicate this interpretation to others.

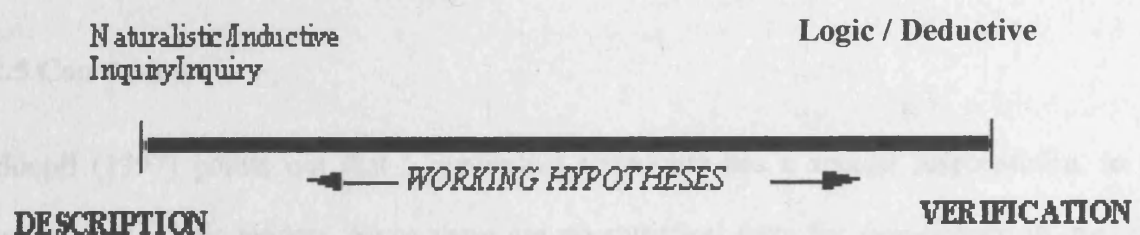
Organising a pile of raw data can be a daunting task. It can involve literally hundreds of pages of interview transcripts, field notes and documents. Analysis initiates with identification of the themes emerging from the raw data, a process sometimes referred to as "open coding" (Strauss and Corbin, 1990). During open coding, the researcher must identify and tentatively name the conceptual categories into which the phenomena observed will be grouped. The goal is to create descriptive, multi-dimensional categories, which form a preliminary framework for analysis. Words, phrases or events that appear to be similar can be grouped into the same category. These categories may be gradually modified or replaced during the subsequent stages of analysis that follow (Hoepfl, 1997).

As the raw data is broken down into manageable chunks, the researcher must also devise an "audit trail"—that is, a scheme for identifying these data chunks according to their speaker and the context. Qualitative research reports are characterised by the use of "voice" in the text; that is, participant quotes that illustrate the themes being described. The next stage of analysis involves re-examination of the categories identified to determine how they are linked, a complex process sometimes called "axial coding" (Strauss and Corbin, 1990). The discrete categories identified in open coding are compared and combined in new ways as the researcher begins to assemble the "big picture." The purpose of coding is to not only describe but, more importantly, to acquire new understanding of a phenomenon of interest. During axial coding the researcher is responsible for building a conceptual model and for determining whether sufficient data exists to support that interpretation. Finally, the researcher must translate the conceptual model into the theory that will be read by others. Ideally, the research report will be a rich, tightly woven account.

According to Hoepfl (1997), the stages of analysis in practice may occur simultaneously and repeatedly. During axial coding the researcher may determine that the initial categories identified must be revised, leading to re-examination of the raw data. Additional data collection may occur at any point if the researcher uncovers gaps in the data. In fact, informal analysis begins with data collection, and can and should guide subsequent data collection.

The positivist ideal of the independent researcher is unattainable (Cassell, 2005). It is not necessary to insist that the product of qualitative inquiry be a theory that will apply to a "multitude of diverse situations" (Hoepfl, 1997, p. 56). Examples of a more flexible approach to qualitative inquiry can be gained from a number of sources. For example, both Patton (1990) and Guba (1978) state, in the same words, that "naturalistic inquiry is always a matter of degree" of the extent to which the researcher influences, responds and imposes categories on the data. Hoepfl (1997) uses the following figure to illustrate one interpretation of the relationship between description, verification, and generation of theory - or, in this case, the development of what Cronbach (1975) calls "working hypotheses," which suggests a more tractable form of analysis than the word "theory." According to this interpretation, a researcher may move between points on the description/verification continuum during analysis, but the final product will fall on one particular point, depending on the degree to which it is naturalistic.

Figure 2.1 Description, Verification and Generation of Working Hypotheses in Qualitative Research



Source: Hoepfl (1997, p. 56)

As keeping a naturalistic stance is needed, we might conclude that, to the extent that findings are based on information from a variety of diverse situations, they may be applicable to a larger substantive area. However, their applicability to a particular situation is wholly

dependent upon the conditions of the situation and the usefulness of the research findings to individual interpreters.

In addition, for the purpose of matching the above analysis procedure, within this research I construct the coding table to include the codes generated from the collected data, and set up three core categories, which are the 'UK civil service reform', the 'Taiwanese civil service reform' and the 'future approach'. Subsequently, under the 'Taiwanese civil service reform', there are five subcategories: 'objectives', 'Leadership style', 'organisational structure', 'management' and 'culture'. Those are put respectively into different boxes before finishing data collection and analysis. Then, I use different coloured highlighters to distinguish the codes and put them into different coloured boxes. For the interview transcripts, I also find the codes that match the ones accumulated from the documentary analysis, and mark them down with the same colour system which would be discussed, analysed and interpreted together on a certain issue. Those themes are in turn discussed in different chapters, and are based on the political, economic and social theories, examples of specific policies, regulations and rules, opinions of agencies and policy makers, strategy designers, findings and the comparisons between the UK and Taiwan (just for reference). Alternatively, they could become the subjects of future research.

2.5 Conclusion

Hoepfl (1997) points out that a qualitative researcher has a special responsibility to their subjects and their readers. Since there are no statistical tests for significance in qualitative studies, the researcher bears the burden of discovering and interpreting the importance of what is observed and of establishing a plausible connection between what is observed and the conclusions drawn in the research report.

Indeed, qualitative methodology is a tool used in understanding and describing the world of human experiences. As we maintain our humanity throughout the research process, it is largely impossible to escape the subjective experience, even for the most seasoned of

researchers. When we proceed through research process, our humanness informs us and often guides us through such subtleties as intuition or subjective judgements. A major strength of the qualitative approach is the depth to which explorations are conducted and descriptions are written, usually resulting in sufficient details for the reader to grasp the idiosyncrasy of the situation.

The ultimate aim of qualitative research is to offer a perspective of a situation and provide well-written research reports that reflect the researcher's ability to illustrate or describe the corresponding phenomenon. One of the greatest strengths of the qualitative approach is the richness and depth of explorations and descriptions. As this research mainly approaches the strategy of the Taiwanese civil service reform, by choosing a qualitative methodology I will be able to delve deeper and grasp the whole picture more easily. When carrying out the research process, the related methods naturally follow typical requirements of qualitative research. Technologically, there also could be a slight modification in the designing of research details according to the need of suiting some events. Patton (1990) argues that the terms objectivity and subjectivity have become "ideological ammunition in the paradigms debate". He prefers to "avoid using either word and to stay out of futile debates about subjectivity versus objectivity". Instead, he strives for "empathic neutrality" (p. 55). While admitting that these two words appear to be contradictory, Patton points out that empathy "is a stance toward the people one encounters, while neutrality is a stance toward the findings" (p. 58). A researcher who is neutral tries to be non-judgmental, and strives to report what is found in a balanced way. The research attitude sometimes sways between subjectivity and objectivity, but we don't wish to get involved in the traditional arguments between qualitative and quantitative inquiries.

Chapter 3 The Experience of UK Civil Service Reform

3.1 Introduction

In this chapter, we have traced the historic development of the British civil service reform. From this dimension, we have found that civil service reform in the UK is ongoing. The most important reforms were initiated from the 19th century onwards. The now internationally renowned structure of the British civil service system has evolved profoundly.

The British civil service has been under constant reform since its origins in modern form with the court servants who accompanied England's monarchs on their travels around the country. These officials were clerics (in Saxon England, only priests could read and prepare accounts) and were concerned with raising, recording and storing money on behalf of the Crown. In the early days of centralised administration, ministers, secretaries and advisers to the Sovereign recruited and employed their own staffs that, because of the personal nature of their appointments, were liable to lose their positions when their patrons lost theirs. From the 16th century onwards, a tradition of permanency gradually permeated the service, but there was still no question of uniformity. Under Henry VIII, Thomas Cromwell, who obtained many key state offices between 1532 and 1540, reformed English public administration by combining Henry VII's household financial structure with the more permanent and judicially-based medieval exchequer system. Cromwell also made the inner part of the King's Council into a formal institution called the Privy Council. By the time William Cecil (Lord Burghley) became secretary of state to Elizabeth I in 1558, a national – as opposed to a household – system of government had been created (Central Office of Information, 1995). During the 17th and 18th centuries, the British civil service in turn created the Treasury and other important departments, thus moving toward a more organised system. However, the most important reforms were initiated from the 19th century onwards. The now internationally renowned structure of the British civil service system has evolved through this long period of reformation. There are five stages in the process of the most important reforms:

The 1st stage: Based on the 1853 *Northcote-Trevelyan Report*, the British civil service system was reformed and transformed into its modern form with characteristics of fairness, correctness, political impartiality and emphasis on generalist recruitment.

The 2nd stage: On the basis of the 1968 *Fulton Report*, the British civil service placed emphasis on specialists.

The 3rd stage: Based on the Improving Management in Government - the Next Steps programme of 1988, the organisational structure, management and culture of the British civil service was completely examined and reorganised.

The 4th stage: According to the 1994-1995 white papers, *The Civil Service: Continuity and Change* and *The Civil Service: Taking Forward Continuity and Change*, the UK government summarised the results of legislation bringing about changes to the civil service, continued to implement the Next Steps programme and pointed out the policy direction of future civil service reform.

The 5th stage: Based on the Labour Party's modernisation policy, the British civil service continues to consolidate its reform results.

We will in turn introduce the related reforms according to the above different stages.

3.2 The Northcote-Trevelyan Reform

During the second half of the 19th century, the British civil service was reformed and reorganised according to general principles, which still hold good. The most important event in its history during this period was the publication, in 1853-54, of the *Report on the Organisation of the Permanent Civil Service* produced – after a series of inquiries into departments – by Sir Charles Trevelyan, then the senior permanent official at the Treasury, and Sir Stafford Northcote, who later became Chancellor of the Exchequer. The main recommendations of this report were:

1. To provide, by a proper system of examination, for the supply of the public service with

a thoroughly efficient class of men.

2. To encourage industry and foster merit by teaching all public servants to look forward to promotion according to their deserts and to expect the highest prizes in the service if they qualify themselves for them.
3. To mitigate the evils which result from the fragmentary character of the service, and to introduce into it some elements of unity, by placing first appointments upon a uniform footing, opening the way to promotion of public officers to staff appointments in departments other than their own, and introducing into the lower ranks a body of men (the supplementary clerks) whose services may be available at any time in any office whatsoever. (Central Office of Information, 1995, p.12)

Sir Stafford Northcote and Charles Trevelyan (1854, p.9) indicated in their report that, 'the general principle, then, which we advocate is that the public service should be carried on by the admission into its lower ranks of a carefully selected body of young men, who should be employed from the first upon work suited to their capacities and their education, and should be made constantly to feel that their promotion and future prospects depend entirely on the industry and ability with which they discharge their duties, that with average abilities and reasonable application they may look forward confidently to a certain provision for their lives, that with superior powers they may rationally hope to attain to the highest prizes in the service, while if they prove decidedly incompetent, or incurably indolent, they must expect to be removed from it.'

The first significant step towards practical reform to follow the *Northcote-Trevelyan Report* was the setting up of the Civil Service Commission in 1855. The Commission was given the duty of testing the qualifications of 'the young men proposed to be appointed' to any of the junior posts, and was able on this basis to build up an effective system of limited competition during the next ten years. Under Treasury guidance, the commission could work out a pattern of staff grading on an all-service basis. The Treasury's powers of staff control were confirmed

and extended by giving it the duty of approving the rules relating to age, health, character, knowledge and ability which the Commission and the departments were to frame for each examination.

Following the vision of the *Northcote-Trevelyan Report*, the British civil service smoothly developed its own structure. Uniformity of salaries, working hours, sick leave and holidays had also been introduced at this period. Furthermore, in 1918 the Treasury appointed a commission called the National Whitley Council to intensively consider the organisation of classes in the service. From the time of the *Northcote-Trevelyan Report*, successive commissions had agreed that no system of examination was likely to provide men as well qualified for professional posts in the service (those for instance of solicitor, doctor of medicine and engineer) as might be obtained by appointing people who had already gained some standing and experience in their profession. After the Second World War, the developments were very different. With a new approach to such matters as social welfare and the administration and control of industry, the machinery of government continued to expand. Actually, post-war changes in the British civil service were not limited to its structure. Other important developments included: the introduction of planned schemes of training; the establishment of independent bodies to review pay and other conditions of service; and the increase in the delegation of authority by the Treasury to departments with regard to staff numbers.

3.3 The Fulton Reform

The Fulton Commission was established in 1966 by the Wilson government, and its chairman was Lord Fulton, the then vice chancellor of the University of Sussex. The commission consisted of twelve members most of whom were affiliated to the Labour Party, including the members of the Fabian Group R.R. Neild and Shirley Williams. The establishment of the Fulton Commission was in response to the call for the reform of the British civil service. Therefore, its main task was to examine the structural framework of the civil service and its

methods of employment, training and management in order to give suggestions for improvement. This commission had investigated all submissions in private and listened to the suggestions of all sub-groups or individuals with different backgrounds from the government or the civil service trade unions. In addition, the commission also entrusted the civil organisations with six research projects, and 158 proposals were finally adopted. This was the famous *Fulton Report*, which was made public on 26th June 1968.

The proposals of the *Fulton Report* were characteristic of broad and principled suggestions and aimed to change the culture of the British civil service. As shown in chapter one of the report, the British civil service system was the result of the 1853 *Northcote-Trevelyan Report*, but the civil servants were unable to cope with the new changes in the face of the complicated phenomena of the late 20th century. There were six main problems, including:

1. The lack of emphasis on specialisation of recruitment: the executive officers in particular lacked specialised education or professional training and had no administrative efficiency because of frequent job shifts.
2. The over-subdivision of official duties: for example, the majority of the departments had 47 categories of jobs whereas there were more than 1400 kinds of jobs in other small departments. The over-subdivision of jobs prevented exchanges of civil servants from different departments and also resulted in the inflexibility of the civil service system.
3. The incomplete emphasis on specialised technocracy: scientists, engineers and other technocrats did not receive due respect.
4. The lack of management: most of the civil servants were not experienced managers, and, in particular, executive officers had to spend much time in dealing with explanatory documents and materials for reports for their superiors and Parliament.
5. The lack of interaction between the civil servants and society: civil servants were quite closed off from society, thus resulting in unnecessary misunderstandings and isolation.

6. The shortcomings of personnel management: for example, the civil servants had no clear career planning, and there was no contact between the Civil Service Commission and the personnel departments or the Ministry of Finance. Besides, the executive officers lacked specialised education.

The *Fulton Report* had suggested adopting the following measures to improve the shortcomings mentioned above:

1. To simplify the categories of jobs on a large scale by means of the adjustment of salaries
2. To offer specialised technocrats more opportunities to participate in decision-making and management tasks.
3. To strengthen civil servants' management training.
4. To bring in the Accountable Management system. The organisations or the civil servants should be made responsible for their own tasks by means of objective evaluation standards. In addition, various centres within the organisations were set up in order to clearly calculate cost effectiveness and to locate the officers' responsibilities.
5. To create the Civil Service Department to take over all official functions belonging to the Civil Service Commission and handle civil servants' salaries and personnel management originally handled by the Treasury (the Civil Service Department was established on 1st November 1968, but was abolished in 1981 due to a five-month strike called by the civil servants).
6. To set up management service units within the organisations to improve management skills.
7. To carry out long-term executive plans and assign a senior policy advisor to every administrative officer.
8. To promote the opening-up of government. In order to promote the exchange between

civil servants and society, civil servants were given more photo opportunities and encouraged to have more interactions within industrial and business circles. A more flexible annuity system was established for this purpose.

9. To establish the Civil Service College to train middle and high civil officials (the Civil Service College was established in January 1970 with three centres located in London, Sunningdale and Edinburgh, but only the one in Sunningdale is still left and considered to be privatised).
10. To recruit a large number of graduates from Oxford and Cambridge Universities (this measure was called into question and thus changed).

3.4 The Next Steps Programme

The Next Steps Programme, following the *Fulton Report*, played a far-reaching role in influencing British civil service reform because it caused fundamental changes in the organisation and culture of the civil service and deeply influenced the organisational structure of governmental departments. This initiative, officially announced by the then Prime Minister Margaret Thatcher at the House of Commons on 18th February 1988, aroused considerable interest in a programme aimed at improving the effectiveness of the civil service.

The following is the main introduction to this programme:

1. The origin of the programme

Actually, the modification of British civil service system was triggered by the previous Labour government in 1979, it intended to reduce the scale of the service because the mechanism of government was considered too large and complicated to manage effectively and had become an unnecessary burden on tax-payers. Therefore, it was considered necessary to make a fundamental reform of the civil service. This followed the demand for the reform of the British civil service made by the *Fulton Report* and the 1982 Financial Management Initiative (FMI), which required civil servants of all levels to carefully

analyse the cost effectiveness of their work and paved the way for the Next Steps Programme.

In the autumn of 1986, Mrs Thatcher appointed Sir Robin Ibbs as a consultant to lead an efficiency unit to investigate the efficiency of the civil service. Sir Robin found that, ever since the Labour Party came to power in 1979, the scale of the civil service had been cut by 19%, saving up to one billion pounds, with all kinds of management methods and budget-controlling technologies having been widely used as a means of achieving the objectives of each organisation. Nevertheless, the personal participation of civil servants was still not enough to improve efficiency and management skills. There was a lack of leadership and correct inducement to work within the civil service system. The basic and middle civil servants, in particular, thought the inadequate power to delegate authority had been detrimental to carrying out the requirements of government. What the civil servants really needed, as suggested by Sir Robin, were changes in the management methods rather than more systems or new work procedures. At that time, Mrs Thatcher was dissatisfied with the existing work procedures in the British civil service system, and requested that Sir Robin and the efficiency unit perform a thorough investigation into the reasons why civil servants left their jobs. After the investigation and discussion with private companies and public departments, the efficiency unit finally completed the programme called Improving Management in Government—the Next Steps in 1987, with its proposed implementation announced by the prime minister in February 1988.

2. The main content of the programme

(1) Basic opinions on the civil service system

A. The concern of civil servants was how well they could provide service.

B. The speciality of senior managements was more in formulating policies than in directly providing service.

- C. The executive officers were too heavily burdened with their work.
- D. The results of work-improvement programmes did not receive enough emphasis.
- E. As a result of size and complexity, the civil service system could not be managed and evaluated as one unit.

(2) The major procedures

A. Senior managers of the departments should focus on strategic management instead of controlling day-to-day work.

B. The official responsibilities of all organisations should be reviewed. If necessary, the government should help reorganise some organisations in order to establish agencies. An agency has the following characteristics:

(a). The chief executive is to be given delegated powers to take full responsibility for departmental results and he/she will operate under the supervision of the minister in his/her department. Since the minister will report the results supervised to Parliament, the agency is in fact under the supervision of Parliament through the minister.

(b). The agency has autonomy in assigning personnel and distributing finances, but the government can still control it by setting up its task goal and giving it a certain budget, the amount of which should be approved by the Treasury.

(c). The work framework is drawn up to be the basis for the operation of the agency. This framework is drawn up by the minister and the chief executive, but needs reviewing and amending regularly to adapt to changes of the environment and to meet the practical needs of its official function, including the clear goal of the agency and arrangements for finance, accounting, payments and other personnel matters.

(d). The main purpose for establishing this agency is to provide the most effective and efficient service with the limited resources. This service must be of maximum benefit to

tax-payers, customers and to the staff.

(e). Anyone not within the civil service system can be appointed as chief executive, but he/she must be totally committed to the objectives of the agency.

(3) The effectiveness

The success or failure of a plan depends entirely on the creation of an organisation capable of implementing the objectives. Mr Peter Kemp, a senior official in the Treasury who has had work experience in both public and private sector organisations, was appointed as project manager. He and another three persons made up a project group to be in charge of carrying out the project. Mr Kemp was also the head of the Office of the Minister for the Civil Service. He had to regularly meet and report on the details and progress of the project to the prime minister through the Cabinet Secretary, Head of the Home Civil Service. In addition, the project executive and liaison group were to help the project manager to effectively promote the project to every department (Goldsworthy, 1991). Figure 3.1 details the process of how the project was carried out.

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graph TD; PM[The Prime Minister] --- CS[The Cabinet Secretary]; PM -.->|Meeting regularly to discuss the results.| PMN[Meeting regularly to discuss the results.]; CS -.-> PMN; PMN -.-> P[The Parliament]; PMN -.-> PMG[Project Manager]; PMG --- F4P[The Four-Person Project Team]; F4P --- PEX[The Project Executive]; F4P --- LG[The Liaison Group];
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The diagram is an organizational chart showing the hierarchy of the project management structure. At the top is 'The Prime Minister'. A solid line connects to 'The Cabinet Secretary'. A dashed line from 'The Prime Minister' points to a text box: 'Meeting regularly to discuss the results.' A solid line from 'The Cabinet Secretary' also points to this text box. From this text box, dashed lines point to 'The Parliament' and 'Project Manager'. A solid line connects 'Project Manager' to 'The Four-Person Project Team'. From 'The Four-Person Project Team', solid lines branch out to 'The Project Executive' and 'The Liaison Group'.

The Prime Minister

The Cabinet Secretary:
reporting to the prime minister any time and reporting to the Cabinet every six months.

Meeting regularly to discuss the results.

The Parliament:
providing opinions of organisational structures and the control of public expenses.

Project Manager

The Four-Person Project Team:
apart from the project manager, the other three people have to cooperate, share tasks and contact the supervising departments on behalf of the project manager.

The Project Executive:
consisting of the efficiency unit of the Treasury and staff assigned by the Office of Head of the Home Civil Service; meeting and discussing once a week; responsible for resolving important problems during the process of implementation.

The Liaison Group:
consisting of representatives from every department; meeting with the project manager once a month; being the communication channel between the project manager and every department.

The implementation of the Next Steps programme initially chose 12 organisations as the target of reform. These 12 organisations all had a close relationship with the daily life of the

public at large. Included among the 12 was the Vehicle Inspectorate, which was the first to complete the required reform, and led the way in setting up as an agency on 1st August 1988. The second agency, Companies House, was established on 1st October 1988 and subordinated to the Department of Trade and Industry. As of 1st October 1996, there were 375,110 civil servants incorporated into the system of the agencies of the Next Steps programme, accounting for 71% of the total number of British civil servants. In total, 125 agencies were created.

After New Labour took political power, the policy changed to focus on improving performance, not on the creation of new executive agencies (according to interviewee OPS3). But until 2001, the total staff numbers for executive agency were still rising. Table 3.1 shows the detailed numbers:

Table 3.1 The Distribution of the Number of Organisations and Civil Servants as the Target of Reform

Items Agencies	Number of Agencies		Number of Staff		% of the total Number Staff	
	1996(year)	2001(year)	1996(year)	2001(year)	1996 (year)	2001(year)
Agency	125	128	300,505	288,513	57%	59%
Executive Unit	24	4	22,945	91,290	4%	19%
Executive Office	27	0	51,660	0	10%	0%
Total	176	132	375,110	379,903	71%	77%
Agency-to-be	32	0	30,030	0	6%	0%

Source: Cabinet Office (Civil Service Year Books)

According to the Treasury and Civil Service Commission hearing attended by Peter Kemp in May 1988, three quarters of the civil servants would be assigned to the agencies within ten

years with the Next Steps programme. As shown by the above numbers, it is clear that the goal had been achieved ahead of schedule. There is a voice showing the satisfaction of this policy, because the organisational culture has been changed accordingly:

“...I have witnessed a change here and in the main it is a cultural change, people have become more willing to participate. They are getting used to taking a responsibility themselves, rather than passing responsibility up the line. There is a genuine team environment appearing... particularly younger people are more adaptive to change...I think as time goes by we are accelerating up the steep curve.” (CHJ1)

Simultaneously, there is another voice showing the anxiety of unsteadiness, which is:

“The framework and budget of the agency will be reviewed within five years. The status of this agency could be reconsidered. During the reconsideration, of course, the staff will be anxious with the result. Most of the staff feels better job security working in the civil service. They prefer to stay in the public sector. Actually, the civil service has made very few people redundant...” (ETSL1)

3.5 John Major's Reform

1. Citizen's Charter

Based on the requirement that the ‘customer is king’, the Citizen's Charter was drawn up and put into effect in July 1991. The main purpose of this charter was to require all organisations providing public service to set the service standards from the user's point of view. This charter could also apply to schools, and privatised gas and electricity companies.

(1). The main requirements

- A. Setting service standards: all organisations should specifically set service standards according to the users' reasonable requirements and promulgate concrete measures to reach the standards set.

- B. Making information public and open: all kinds of public services should provide adequate and correct information by presenting the service procedures, costs, effects and the persons in charge in an easily understandable written format.
- C. Choice and consultation: public service departments should offer the users as many choices as possible and often consult with them to place high priority on their suggestions and benefits when setting service standards.
- D. Courtesy and helpfulness: those who engage in public service should wear ID cards, provide courteous service and treat those who need services equally.
- E. Putting things right: if there are mistakes in the service provided, apologies should be made immediately and full explanations and remedies be provided. Besides, all public service departments should establish a channel for complaints and assign a fair judge in order to ensure the users' benefits.
- F. Value for money: public service should be economical, effective and reasonable without putting a burden on national resources.

(2) The main function and implementation

The main function of drawing up the Citizen's Charter is to offer the public the opportunity to exert pressure on public service departments, so they can be provided with better services. This is similar to the pressure resulting from business competition in the private industries. Its ideal originates from the fact that tax-payers have the right to expect that their money is used to good effect and that the government should positively carry out the reforms necessary to improve public services. The implementation period of the Citizen's Charter movement is 20 years. In practice, the public service departments had drawn up many charters. For example, the courts in England and Wales, NHS organisations, railway management organisations, among others, have formulated charters relevant to their services. The organisations with charters are labelled by the government

with the charter mark. The movement is seen to be effective in demonstrating the spirit of the 'customer is king'.

2. Market testing

In October 1991, the British government published a white paper called *Competing for Quality* to examine every official responsibility of government departments. It was hoped that market testing can help compare the cost and effectiveness of official activities undertaken by the private sector compared to government departments in order to find out which can do a better job and to enhance administrative efficiency by means of competition. The Treasury formulated the regulations for the procedures of market testing in March 1992.

(1) The main procedures

- A. Does the task need to be continued or abolished?
- B. If the task needs to be continued, does it have to be done by the public sector? Can it be privatised?
- C. If the task should be done by the public sector, can it be done through contracting out or market testing?
- D. If the task belongs to the central government, is it necessary to have an independent organisation undertake it?
- E. How to improve the quality of the service according to the requirements of the Citizen's Charter?

(2) The implementation

The value of the official activities chosen for market testing in 1993 was worth anywhere up to £ 1,500,000,000. It was estimated that the cost could be reduced by 25% through market testing. The cost comparison should take into consideration both the direct and

indirect factors. After market testing, most official tasks became privatised, but some were still kept within the government system. It was believed that those kept in the government system would be completed more efficiently and be of better quality. Actually, this event was also implemented jointly with other events, a fact which was mentioned by a middle-level official in a central department:

“The Next Steps programme, the Citizen’s Charter and Market Testing programs are, in reality, connected together; when focusing on a market testing case, we usually send information to those related units for checking and to get their advice...” (OPS3)

In addition, market testing could cause unease among civil servants. There were some cases of anxiety, such as:

“As market testing can result in that department being privatised or becoming an executive agency, the organisation being tested usually tries hard to obtain any possible support from outside and implement policies to match the reform ethos. At the moment, we are trying to do more contracting out. Even for curriculum design... departments have to pay when sending their staff on courses. Concepts are changing quickly and broadly. That is the reality of reform...” (CSC1)

“The last strike to happen was as recent as 1993, a strike which was targeted at the implementation of market testing. Market testing usually makes civil servants nervous because it examines all the affairs of an organisation with a view to privatisation, which easily results in anxiety within the civil service system. Nevertheless, that strike didn’t get the support of the public, as public opinion deemed that the civil servants are well-paid and it is worth trying to change the civil service system. Thus, the strike failed to achieve its objectives and the reform continued.” (NI1)

3. *The Civil Service: Continuity and Change* white paper

After 1993, once the *Outon Report* was submitted by the efficiency unit of the Public

Service Office, the UK government published several documents between 1994 and 1995, including two white papers: *The Civil Service: Continuity and Change* and *The Civil Service: Taking Forward Continuity and Change*. These reports were given to Parliament by the Cabinet. Two further reports, *Responsibilities for Recruitment to the Civil Service* and *Review for Fast Stream Recruitment*, were also submitted by a group from the Public Service Office. The report, *Responsibilities for Recruitment to the Civil Service*, required that the Civil Service Commissioners be closely supervised over their choice of civil servants to ensure openness, fairness and effectiveness. *The Review for Fast Stream Recruitment* suggests that the fairness and procedure of fast stream recruitment should be improved in order to promote the quality of senior civil servants and to avoid possible censure. The newly-published white papers were the most important of all and their main aim was to summarise past civil service reform, to continue to conduct important reform and to suggest the direction for the future civil service system reflecting the changes taking place in society. The main points of the white papers are as follows (Cabinet Office, 1994):

(1) The publication of the white papers

In order to have an overall review of the British civil service system and suggest the direction for reform, the then Prime Minister John Major presented *The Civil Service: Continuity and Change* white paper in the House of Commons on 13th July 1994. He announced some measures that would be adopted and invited criticisms and suggestions to be made for the amendment of the white paper before 15th November. Later, there were 50 suggestions made by people from all walks of life. The Treasury and Civil Service Commission also gathered the opinions of all kinds of people and submitted the report *The Role of the Civil Service* to the Public Service Office in November of the same year. According to the report, while the House of Commons and the Cabinet shared many similar opinions, the former also made some detailed suggestions including proposed new regulations concerning civil servants' ethics, governance and promotion of equal opportunities. Most of these opinions were adopted by the Cabinet

and presented in the white paper *The Civil Service: Taking Forward Continuity and Change* published in January 1995 (see Cabinet Office, 1995).

(2) The content of the future civil service policy

A. Continuity

- (A). To continue to follow the basic principle of the civil service system: integrity, political impartiality, objectivity, selection and promotion on merit, and responsibility for the House of Commons through administrative officials.
- (B). To maintain the role of civil servants in assisting their administrative officials in decision-making and providing all kinds of direct services.
- (C). To specify the civil servants' basic work standards and principles by means of the regulations made by the central government.
- (D). To re-establish the civil service system with the help of the Next Steps programme which was expected to be completed by the mid-1990s.
- (E). To accept the test of the Citizen's Charter because every citizen deserves the quality of public services required by the charter.
- (F). To propose the efficiency project and seek new methods to provide high quality and suitable services in the hope that the services provided would be more competitive and of greater choice.
- (G). To continue privatisation and the Competing for Quality Programme.

B. Innovation

- (A). To strictly control costs.
- (B). To increase the departments' and managers' power to delegate authority on the condition that specific service standards would be maintained and ensure that goals

set according to the Citizen's Charter would be achieved.

- (C). To allow organisations to have more freedom to choose management technologies and methods to meet their individual needs.
- (D). To authorise organisations to deal with the salary and rank of senior civil officials below the 6th rank.
- (E). To reduce the total number of civil servants to 500,000 before the year 2000.
- (F). To establish the new high-level civil service system:

Apart from promoting the quality of civil servants and encouraging their active participation in order to assist decision-making and increase the efficiency of management and service, it is also important to place emphasis on the correct leadership of civil servants. With this in mind, the British government delegates authority to every organisation. On the other hand, it also expects to re-establish a new high-level civil service system by tightening the control and management of the high-level civil servants.

The main procedures were as follows:

- a. The main task of the new high-level civil servants, including 5th-rank officials and chief executives, is to provide advice on collective decision-making and to take responsibility for departmental official affairs.
- b. Every department should review and examine the procedures of senior-level management it belongs to, and remove unnecessary levels.
- c. Vacancies for senior officials will be filled by experienced staff within the departments, but they can also be filled by those from outside based on the professional need, or the need for new recruits to enhance the vigour of the departments. Nevertheless, the appointment should take into consideration the principles of fair and open competition, and be supervised by the Civil Service Commissioners. According to the regulations drawn up by the efficiency unit, the

filling of vacancies requires the following procedures:

- Does the vacancy have to be filled or to be filled according to the vacancy level?
 - If yes, what are the characteristics of the tasks required by the vacancy at present and in the future?
 - What kind of qualifications, skills, experiences and achievements are required?
 - What are the requirements of senior civil officials?
 - Are candidates for the vacancies available within the departments? Or is it necessary to recruit people from other departments or from outside?
 - Is it really necessary to fill the vacancies out of the civil service system?
- d. The fast stream recruitment system is still in place, but its methods will be reviewed and improved to ensure that distinguished graduates will become the main source of senior civil servants. In addition, management and development projects will be formed in order to offer civil servants of all rank the opportunity to be promoted to senior positions, including internal and external exchanges to enhance professional knowledge and skills.
- e. The work regulations of senior civil servants will be made based on real professional needs.
- f. A more flexible salary system for senior servants will be formulated according to the weight of responsibility of the position. The function of the Civil Service Commissioners will be strengthened.
- g. To supervise the recruitment of civil servants to ensure that the recruitment of every organisation is based on open competition,
- h. To handle and protect civil servants' complaints and benefits according to civil

service regulations.

i. A new Civil Service Code will be formulated to regulate the civil servants' work rules.

j. The policy of contracting out and privatisation will be implemented

4. Staff downsizing and privatisation

(1) Staff downsizing

The number of British civil servants was constantly maintained at the level of around 700,000 to 800,000 people after World War II to 1984. The main reason for having so many civil servants was to deal with social welfare and the increasing tasks of the central government. However, it was believed that the number and the scale were too big and that staff downsizing was needed. For example, the *Fulton Report* mentioned that the scale of the British civil service structure was too big and suggested cutting away non-governmental official affairs. While the previous Labour government did not follow this suggestion, however the then Conservative government led by Lady Thatcher took it seriously and adopted it. After the Next Steps programme was implemented in 1988, the downsizing of the civil servants was performed on a large scale, and the number of civil servants during the Conservative government was reduced rapidly. When the New labour government took power, the number got slightly higher. The detailed figures are presented as follows: (See Table 3.2 and Figure 3.2)

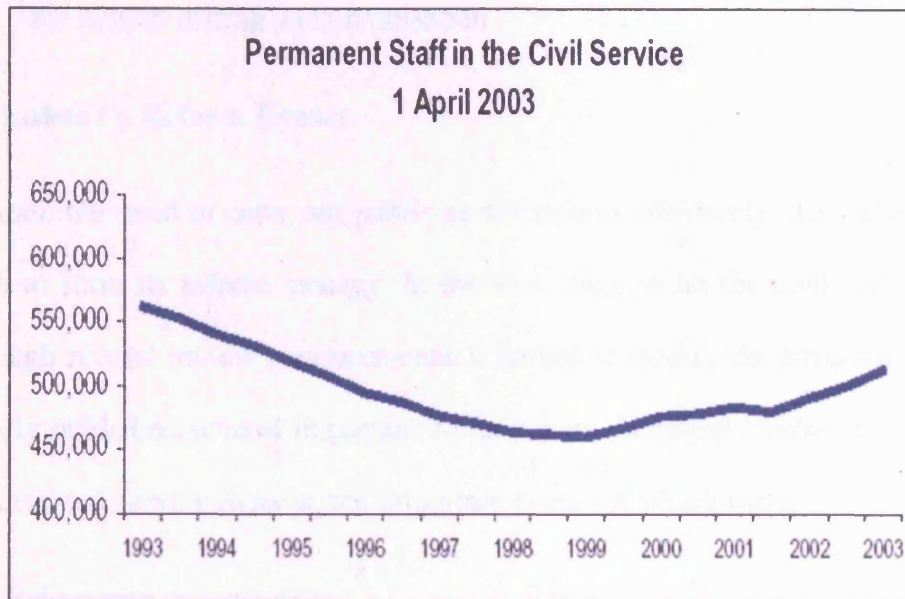
Table 3.2 UK Civil Service Staffing Trends 1993-2003

	Full Time Equivalent					Headcount		
	Non-Industrial Permanent Staff	Industrial Permanent Staff	Total Permanent Staff	Casual Staff	All Staff	Full Time Permanent Staff	Part Time Permanent Staff	All Permanent Staff
Staff in Post at:								
Apr-93	508,760	51,680	560,440	16,780	577,220	529,050	50,330	579,380
Apr-02	462,960	27,280	490,240	12,550	502,790	438,910	77,130	516,040
Oct-02	472,930	26,700	499,630	11,680	511,310	445,750	81,140	526,900
Apr-03	491,300	21,110	512,400	9,640	522,050	453,780	88,990	542,770
Changes								
10 Years	-17,460	-30,570	-48,030	-7,140	-55,180	-75,270	38,660	-36,610
1Year	28,340	-6,170	22,160	-2,910	19,260	14,870	11,860	26,730
Six Months	18,370	-5,590	12,780	-2,040	10,740	8,020	7,850	15,870
Percentage changes								
10 Years	-3.4%	-59.2%	-8.6%	-42.6%	-9.6%	-14.2%	76.8%	-6.3%
1Year	6.1%	-22.6%	4.5%	-23.2%	3.8%	3.4%	15.4%	5.2%
Six Months	3.9%	-20.9%	2.6%	-17.5%	2.1%	1.8%	9.7%	3.0%

Note: Owing to the rounding off of figures, there may be an apparent discrepancy between the totals or trends presented and the sum or difference of the constituent items as shown.

Source: Cabinet Office website (at www.civilservice.gov.uk/statistics/ 2004)

Figure 3.2 UK Civil Service Staff Numbers



Source: Cabinet Office website (at www.civilservice.gov.uk/statistics/ 2004)

(2) Privatisation

Privatisation policy played a very important role in British civil service reform. After Lady Thatcher became prime minister, she made great efforts to promote the privatisation of government-owned enterprises. Those enterprises which have been privatised completely include British Aerospace, Amersham International, Britoil, Onshore Oil, Cable & Wireless, British Telecom, International Aerodio, British Air, National Freight Co., the National Bus Company, Associated British Ports, Sealink and Jaguar. In addition, British Rail has been privatised largely on a regional basis. The subjects of privatisation include not only government-owned enterprises but also government administrative organisations. The Next Steps programme and the market-testing project mentioned the need for privatisation of the official duties of relevant organisations. Even agencies needed to be privatised also, if suitable for privatisation. For example, the National Engineering Laboratory was privatised in 1993. In 1996, seven organisations were privatised, including the Chessington Computer

Centre, the Occupational Health and Safety Agency, and the Recruitment and Assessment Service Agency. The Civil Service College was also considered a candidate for market testing and privatisation

3.6 Labour's Reform Events

Despite the need to carry out public sector reform effectively, the Labour government didn't rush to form its reform strategy. In the first stage, it let the civil service run normally. But through several review measurements, it started to modify the government system. In 1999, it finally published several important white papers including *Modernising Government* and the report *Civil Service Reform*, the important events of which were:

1. Modernising government:

Originally, the Labour government was very keen to introduce a white paper called *Better Government* and set its main themes as: cleaning up politics and opening government out; rooting out waste and getting results; listening to people and delivering services to match their needs; breaking down institutional barriers and working better together. But eventually, as both the prime minister, Tony Blair, and the then minister for the Cabinet Office, Dr. Jack Cunningham claimed, 'modernising government is to create better government to make life better for people'. In March 1999, the white paper was formally introduced under the title of *Modernising Government* (Cabinet Office, 1999b).

The main points of *Modernising Government* are:

(1). One purpose: to make life better for people and business.

(2). Three aims:

A. To ensure that policy making is more "joined up" and strategic.

B. To make sure that public service users, not the providers, are the focus, by matching services more closely to peoples' lives.

C. To deliver public services that are high quality and efficient.

(3). Five key commitments:

A. Policy making: to be forward looking in developing policies to deliver outcomes that matter, not simply reacting to short-term pressures.

B. Responsive public services: to deliver public services to meet the needs of citizens, not the convenience of service providers.

C. Quality public services: to deliver efficient, high quality public services and not tolerate mediocrity.

D. Information-age government: to use new technology to meet the needs of citizens and business, and not trail behind technological developments.

E. Public service: to value public service, not to denigrate it.

(4). The present new package of reforms:

A. To ensure that public services are available 24 hours a day, seven days a week.

B. “Joined-up” government in action.

C. A new drive to remove unnecessary regulation.

D. A new target for all dealings with government being deliverable electronically by 2008.

E. New ‘Learning Labs’ to encourage new ways of front-line working by suspending rules that stifle innovation.

F. Taking a more creative approach to financial and other incentives for public service staff.

G. Within Whitehall, a new focus on delivery.

“Modernising government means bringing services closer to the public,” said Public Service Minister Peter Kilfoyle on 27 May 1999 (Cabinet Office Press Office). The above initiative also means setting out the channels policy that will help realise the vision of easy-access, 24-hour services.

In order to put the white paper into practice, the Labour government launched a Modernising Government Action Plan in advance, on 27 July 1999. Dr. Jack Cunningham said people would be able to access on-line government services and information and carry out their business with government on-line much more easily in future by using a single “gateway” point of access. The commitment was one of 62 listed in a detailed action plan for the first two years of the *Modernising Government* programme (Cabinet Office Press Office, CAB 164/99).

The action plan details specific commitments in a wide range of key areas. It mainly includes:

- A. Running a trial of a single electronic “gateway” to open up a range of one-stop shop services.
- B. Putting standards in place covering the length of time users should wait to be seen in public offices, and for calls to be answered by telephone enquiry points. They will also establish an e-mail enquiry point.
- C. Publishing a report on the way ahead for the civil service. This will include a vision of the Service’s future direction in the light of modernising government and recommendations on pay and incentives to reward high-quality service and act as an incentive to innovate.
- D. Helping the public judge government’s progress against key commitments in delivering their services set out in Public Service Agreements (PSA).
- E. Organising regular meetings for front-line staff to tell senior civil servants what it takes

for policies to work in practice.

F. Setting up a programme of peer reviews to help Whitehall departments provide feedback to one another about the progress they are making in modernising how they work.

G. Setting out the right incentives and financial management to get departments working better together to deliver joined up services and tackle difficult cross cutting issues.

2. The *Civil Service Reform* report:

Civil Service reform is the centre-piece at the heart of the modernising government policy. On May 1999, Sir Richard Wilson pointed out that “the *Modernising Government* white paper signals a change of course for the civil service over the next ten years. With its emphasis on better policy making, better responsiveness to what people want and more effective public services, it gives a clear strategic sense of direction to a new phase in the development of the civil service” (Cabinet Office Press Office, CAB 100/99).

For that reason, Sir Richard Wilson also described a vision for the civil service as:

A modern service would be committed to top class performance, innovation and teamwork. It would genuinely value and develop the diversity of its staff. It would nurture bright young rising stars, put greater emphasis on individual development, gain good practice knowledge from the private sector and enhance a sense of corporate unity within the civil service (Cabinet Office Press Office, CAB 100/99).

On 15th December 1999, after consultation with the permanent heads of the main departments, Sir Richard Wilson introduced his report to the prime minister on civil service reform, which summed up the whole picture of reform actions. The main points are the following (Cabinet Office, 1999c):

- (1) The aim: to help make the UK a better place for everyone to live in, to support its success in the world and to be the best at everything the civil service offers.

(2) Action principles:

- A. To act with integrity, propriety, and political impartiality, and to select on merit.**
- B. To put the public's interests first.**
- C. To achieve results of high quality and good value.**
- D. To show leadership and take personal responsibility.**
- E. To value the people worked with and their diversity.**
- F. To innovate and learn.**
- G. To work in partnership.**
- H. To be professional in all functions**
- I. To be open and communicate well.**

(3) Six key themes and their key actions:

- A. Stronger leadership with a clear sense of purpose:**
 - a. Provide leadership to the civil service on the change programme and on the statement of civil service.**
 - b. Start a debate in every department and agency on the vision and values agreed by the Civil Service Management Board (CSMB).**
 - c. Embed the new approach through strengthened leadership.**
 - d. Promote a successful, high-achieving civil service.**
 - e. Design benchmarks within and outside the civil service to measure progress and operation.**
 - f. Define the leadership qualities required for the Senior Civil Service (SCS) and for the rest of the service subsequently.**

- g. Introduce compulsory 360-degree feedback for development purposes starting with the top 150 civil servants then moving down through the SCS, with accompanying personal development programmes.
- h. Launch a public service leaders' scheme.
- i. Develop leadership-training modules.

B. Better business planning from top to bottom.

- a. Review business planning systems to ensure that they include bold aspirations and long- and short-term targets.
- b. Establish independent quality assurance for business planning systems on a three yearly basis.

C. Sharper performance management.

- a. Review performance management systems and appraisal systems against the principles in the *Performance Management Report*, and align them where necessary.
- b. Ensure pay systems, based on the principles in the *Performance Management Report*, and effectively incentivise and reward high achievers, both individuals and teams.
- c. Revise and pilot a competency framework for the Senior Civil Service then moving down through the all service.

D. A dramatic improvement in diversity.

- a. Set personal objectives on diversity for Permanent Secretaries linked to Public Service Agreement objectives and agree personal accountability for the departmental action plan, targets, and shifts in staff perception.
- b. Set targets in departments for under-represented groups (women, the disabled, and the ethnic minorities) at all levels, nationally and regionally.

E. A service more open to people and ideas, which brings on talent.

- a. Bring in people with fresh ideas and ways of working.
- b. Invest in people; develop talent, and value people with wider experience.
- c. Establish the presumption that, before reaching the SCS or progressing through it, civil servants should have experience of working in frontline delivery or operational management, and at least one of the following areas: another departmental culture, the wider public/voluntary sector, partnership working, the EU or other international postings, regional activity, or the private sector.

F. A better deal for staff.

3. Renewing the Charter Programme:

The new Charter Programme is one of the main ways in which the government delivers improvements in front-line service delivery. This new programme was launched to focus on the needs of the user, placing an obligation on providers of services to consult in a meaningful way. New charters have been developed and the Charter Mark scheme has also been extended and improved.

The Cabinet Office reviewed this event on 12th February 2001 and said (Cabinet Office, CAB 037/O1):

Charter Mark is a central part of the Modernising Government programme to improve the quality of public services, making them more accessible and user-friendly by listening and responding to users.

Charter Marks are awarded for three years, after which organisations must apply to renew their award. To win another Charter Mark, organisations must show real improvements in service. A Charter Mark may be withdrawn at any time by the judging panel if standards fall below the high quality expected of a Charter Mark holder.

To win a Charter Mark, organisations must demonstrate that they meet ten criteria:

- (1). Set standards of service.
- (2). Be open and provide full information
- (3). Consult and involve.
- (4). Encourage access and the promotion of choice.
- (5). Treat all fairly.
- (6). Put things right when they go wrong.
- (7). Use resources effectively.
- (8). Innovate and improve.
- (9). Work with other providers.
- (10). Ensure user satisfaction.

Any public service providing a service direct to the public and which manages its own staff and budget can apply for a Charter Mark. Voluntary organisations which receive more than 10% of their income from public funding and commercial organisations which are sub-contractors to the public sector can also apply for a Charter Mark.

Charter Mark is the government award scheme designed to recognise exemplary delivery of public services. Charter Marks are awarded only after rigorous assessment by accredited assessors. Final decisions are made by a panel of independent judges.

4. Creating the People's Panel:

The People's Panel provides a new and innovative way in which departments and agencies can find out what people think, and how services might be improved.

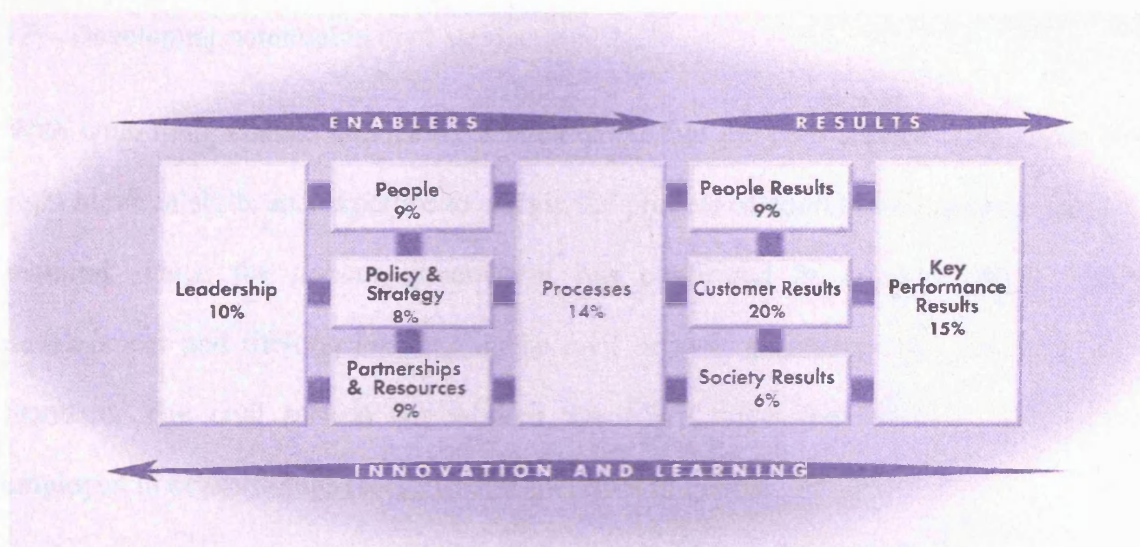
The People's Panel was designed as a method of consultation focusing on how public services

are delivered and how that delivery can be improved from the point of view of the user. The panel complemented other new initiatives to seek the views of front-line staff about how services can be improved. In short, the panel provides a database of individuals that can be used for a wide range of research and consultation activities, both quantitative and qualitative. It would enable the better tracking of attitudes and opinions over time, looking at the reasons for change, and researching the views of both users and non-users of particular services. It was set to encourage more public consultation before decisions are taken.

5. The EFQM Excellence Model:

The Labour government is very keen to encourage civil service about the use of the EFQM Excellence Model in order to achieve better business and quality management (Cabinet Office, 1999a). The EFQM Excellence Model is a non-prescriptive framework based on nine criteria. Five of these are 'Enablers' and four are 'Results' shown below.

Figure 3.3 The EFQM Excellence Model



Source: European Foundation for Quality Management (1999), the EFQM Excellence Model

The 'Enabler' criteria cover what an organisation does. The 'Results' criteria cover what an organisation achieves. 'Results' are caused by 'Enablers'. The model, which recognises there are many approaches to achieving sustainable excellence in all aspects of performance, is

based on the premise that, “Excellence results with respect to Performance, Customers, People and Society are achieved through Leadership driving Policy and Strategy, People, Partnerships and Resources, and Processes”. The arrows emphasise the dynamic nature of the model. They show innovation and learning helping to improve enablers that in turn lead to improved results (European Foundation for Quality Management, 1999).

6. Other special events:

(1). Launching an overall review:

In June 1997, the Labour government announced a Comprehensive Spending Review of all Government Departments, together with a number of cross-departmental reviews on certain priority issues such as criminal justice. These reviews have completed their final reports, which will form the basis for allocating resources to achieve the government’s objectives. Ministers have been asked to ensure that their departmental reports set out clearly their priorities and objectives and how they intend to achieve them.

(2). Developing potential in civil service:

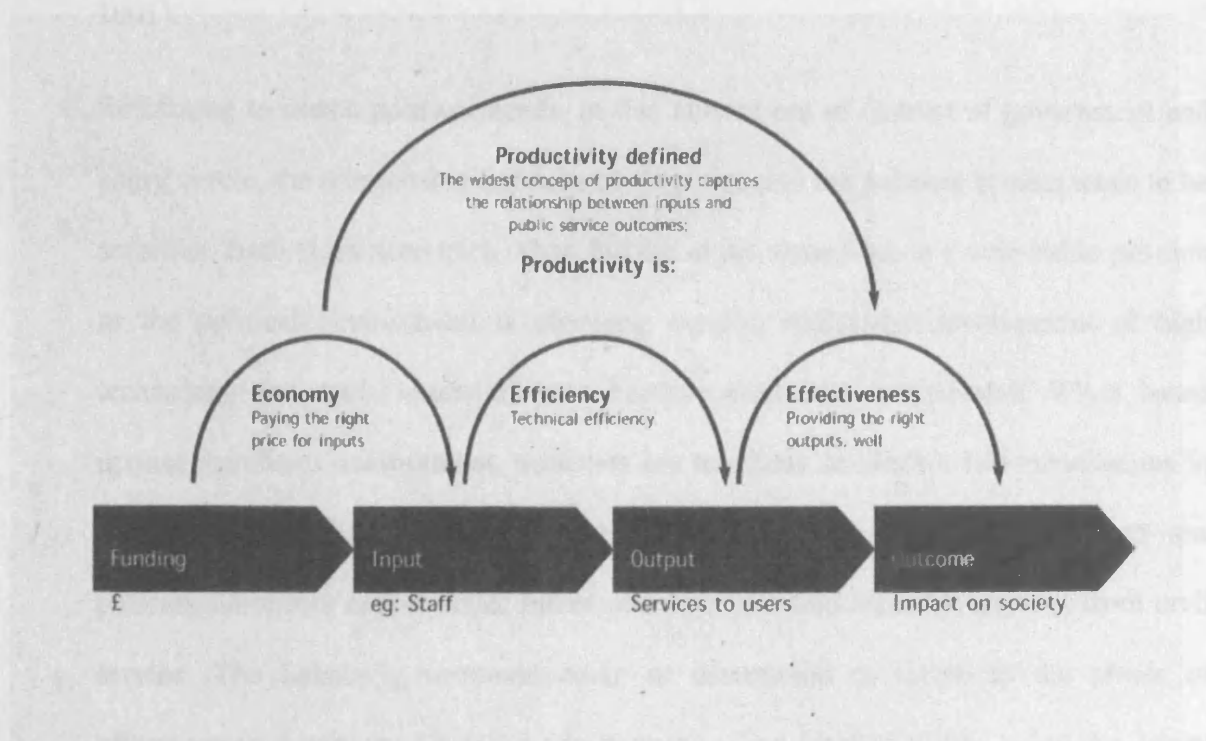
With continuing change inevitable, it is essential that the civil service is equipped with the right blend of skills and expertise to sustain the process of continuous improvement, which is required. Thus, the Labour government has confirmed its commitment to continuous development and lifelong learning in the civil service, centred on the Investors in People Standard. The civil service has worked towards a target that all civil servants will be employed in organisations recognised as Investors in People.

(3). Raising service productivity:

In introducing a joint report called *Public Service Productivity: Meeting the Challenge*, the Chief Secretary to the Treasury, Rt. Hon. Andrew Smith argued: “Government can and must learn from the private sector. What matters is what works, and a partnership between the public and private sectors is often the best possible way of achieving our goals of economic

efficiency and social justice. That's what the work of the Public Service Productivity Panel is all about: looking at ideas and techniques which do work, which can make a real difference – and applying them across the public services in order to generate change and raise performance.” For the purpose of raising public service productivity, the Labour government created a Public Service Productivity Panel to bring together a small team of business and public sector leaders in order to provide a new perspective on some of the difficult issues that public services face in their drive to improve performance. Alongside this mechanism, an important question emerged, this being the need to clarify what the definition of public service productivity should be. According to the above panel, Public Service Productivity is defined with the following chart: (the Treasury, 2000)

Figure 3.4 Definition of Public Service Productivity



Source: The Treasury (2000) Public Service Productivity: Meeting the Challenge

Checking the above events, we will be able to identify a certain tendency relating to this reform, which can be explained further as follows:

A. Maintaining the traditional core value: over a long time, the UK civil service has been

reputed to have established its core value, which is to act with integrity, propriety, and political impartiality, and select on merit. In his report of *Civil Service Reform*, Sir Richard Wilson reiterated the importance of continuing this core value, but by adding some more modern concepts such as responsiveness, innovation, and putting the public's interests first (Cabinet Office, 1999i).

B. Adjusting the market emphasis: the Labour government halted and, in many areas of public service supply, reversed the trend which had been set by the previous Conservative governments of moving from hierarchy to markets. But the emphasis shift from markets back to hierarchy doesn't signal a return to unfettered hierarchy. Rather, New Labour's reforms, whilst making a relatively greater use of bureaucratic supply, recognised the need for a greater degree of regulation of bureaucracy (Jackson, 2001).

C. Reforming to match political needs: in this current era of distrust of government and angry voters, the relationship between civil service and the political system tends to be sensitive. Both sides need each other, but are at the same time in a vulnerable position as the political environment is changing rapidly, whilst the development of high technology and social demands have become extremely complicated. When based upon a manifesto commitment, ministers are less keen to receive full submissions in the traditional manner for civil servants investigating and challenging proposed new policies. Ministers expect better information systems and research services from civil service. The Labour government came in determined to return to the levels of effectiveness it saw the Thatcher administration had reached but to avoid the errors which in the end brought her down. It takes a long time to build up the capability required but the Wilson reforms lay great stress on doing so (Foster, 2001b).

3.7 Conclusion

The British civil service system is characterised by its huge size and its high level of

autonomy. In fact, ministers do not have much effective influence on the civil service system itself. The reason is that they have to play the role of political leaders and they usually hold the same position in the government for less than two years. As a result, they are not very familiar with the day-to-day operation of internal affairs within the civil service system. In the interests of decision-making and the need for implementation, these ministers have to obtain the civil servants' support. British civil servants are generally very neutral when facing political decision-making and are not influenced by the change of the political party in power. Normally, they recognise that they are chosen to hold a certain position based on professional procedures not on political identification or patronage.

Although it is good for national continuity and development to have such politically neutral and powerful civil servants in the central government, it is disputable in terms of the democratic process. Some politics researchers or experts in administrative management even worry that the decision making of the elected government will be discarded by the bureaucrats and that the civil servants may abuse their power, by monopolising information and increasing the level of expenses, for their own benefit or interests.

However, with the changing of the times and the maturity of democracy, the aforementioned problems are solvable. The British civil service reform seems to provide a new direction of thinking. The characteristics of transparency, effectiveness, simplification, industrialisation, human-friendliness and flexibility required by the reform have shown the confidence and resolution to regard the civil service system as a pure implementation tool. It is expected that the British civil service system can now play a more active and positive role in national affairs

As a result of the recent changes enacted, British civil servants are no longer remote and mysterious; instead, they are much closer to the general public. The reforms have therefore had a very positive effect on enhancing the basic spirit and implementing the practical requirements of the democratic process.

Chapter 4 Taiwanese Civil Service Reform

4.1 Introduction

In the previous chapter, we summed up the general picture of UK civil service reform. This chapter is designed to introduce the general picture of the Taiwanese civil service reform during the period from 1993 to 2003. In chapters 5 and 6, we will look into the reform further and make a critical evaluation. In this chapter we introduce the general substance of this reform. Considering the different backgrounds in terms of political systems, cultures and perhaps even different value judgment, we do not make a complete comparison between the UK and Taiwanese civil service reform. Nevertheless, as the experience of the UK civil service reform can provide useful lessons, from this chapter on we will take this experience as a reference in examining the Taiwanese civil service reform. In addition, in Taiwan, civil service reform has some different titles such as “Administrative Reform”, “Government Reinvention” or “Government Reform”. But their purpose - reforming the civil service - is the same.

The period after the second half of the twentieth century saw a rapid development of technological progress and specialization from which the body of civil servants has emerged to become the real masters in the process of making state policies. Indeed, having an influential position in the national policy-decision making process, civil servants undoubtedly play a crucial role in the development of a constitutional state as well as the establishment of democratic principles. Accordingly, while facing the current global tendency of pursuing political democratization, economic liberalism and social diversification, creating a flawless civil service system becomes a major task in leading the nation to stability. Therefore civil service reform will be the foundation of a state’s political system and also an essential process for creating national stability and long-term development (Tsai Lieng Wen, 1998).

As a result of Taiwan’s rapid economic growth and political democratisation in recent years,

Taiwanese people not only have substantially improved their standard of living, but have also apparently enhanced their sense of democracy. These factors naturally draw people to pay more attention to the government's operations, which means that the public become very keen to demand that the government provide more and better public services. Under this pressure, the government has to consider not only the necessity of national development but also the public's demand to develop a modernised administrative ability in order to enhance its administrative efficiency and public-service quality. The achievement of these tasks depends increasingly on the efforts of all civil servants because their performance directly links to the government's image. Therefore, the government, in order to adapt to change, must take steps to produce modernised civil servants with a correct service attitude, skilled working ability, self-driven working convictions and a clear understanding of the rule of law. The production of eminent civil servants relies therefore on the operation of a flawless civil service system. Accordingly, Lee Teng Hui, the former president of the ROC (1988-2000), in his New Year's Day congratulatory message in 1995, stressed that the creation of a flawless civil service system would be the nation's first of the four leading re-construction projects. In this message, he made clear that 'the government must first build a flawless civil service system and enforce administrative innovation, and then according to a modernised administrative principle and state practical experience, establish a comprehensive administrative structure covering both central and local governments. Finally, based on this proposed perfect civil service system, a corruption free and intelligent civil service can be produced which will help create a capable and modernized government'.

The purpose of reforming the civil service system is to enable it to adapt to public management and people's requirements (Matzel, Jr. 1984). The direction of civil service reform consists of re-shaping organisations, setting up an ideal salary system, improving the method of job recruitment and adjusting the civil service system. No matter what method of civil service reform is chosen or adopted, however, the main target is to enable the civil servants to adapt to new

environmental changes in society and to be able to respond to any kind of challenge. Therefore, the reform of civil service system is expected to play a decisive factor in improving the efficiency of all government operations.

In contrast to the earlier period, the ROC government after 1949, the year when the Nationalist (KMT) regime lost control of Mainland China to the Communists and re-established its central government in Taipei, saw the promulgation of many new personnel laws and regulations and also the amendment of several old systems. This clearly shows that the ROC government was making efforts at that time to reform its civil service system. Accordingly, Professor Chao Chi Wen, a former committee member of the Examination Yuan, argued that the ROC government's large civil service reform only started in the period after the KMT government switched its regime from Mainland China to Taiwan in 1949. In his analysis, he divided the development of Taiwan's post-1949 civil service reform into three stages.

The first stage covered the years from 1953 to 1969. The main points was to promulgate and enforce 'New Three Acts' (i.e. the Civil Service Employment Act, Civil Service Pay Act and the Civil Service Performance Evaluation Act), and also to establish a civil service system based on recruiting staff through a fair examination system. The second stage started in 1969 and ended in 1987. Its main feature was to promulgate the 'Position-Classification Act' which was designed to improve the civil service's bureaucratic structure by developing a different management approach from the original human-oriented ranking system (also known as Gen-Jen-Wei system in Taiwan). The third stage began in 1987¹. It aimed to adopt a new personnel system working to combine the original human-oriented ranking system with the later-established position-classification system (Chen Chin Kuei, 1996, pp. 126-129).

Chao's analysis provides us with information about the Taiwanese government's efforts in reforming its civil service system since 1950s. However, his study made each stage more than a

¹ Professor Chao did not indicate what year this stage of administrative reform ended.

decade long and did little to understand the effectiveness of any past civil-service reform practices. Moreover, his depictions of any civil service reform between the 1950s and 1980s showed no direct links with the development and achievement of Taiwan's civil service in the 1990s and the early years of the new century. Thus, in contrast with Chao's approach, my research will follow the direction of targeting two more up-dated and shorter periods. Moreover, this study will pay attention to those government measures, which would bring about a huge impact on administration innovation, and will examine in detail the development and achievement of the Taiwanese government's civil service reform in recent years.

4.2 Lien's Announcement in 1993 (27/02/ 1993 ~ 01/ 09/ 1997)

Considering administrative reform to be important for government operations, Lien Chan, in Executive-Yuan cabinet meeting No. 2321 (4th March 1993), only one week after becoming the Prime Minister of the ROC,² made clear that the government should immediately plan new programmes of administrative reform so as to create an incorrupt and capable government and to ensure that civil servants are dedicated to providing a law-abiding service. The Lien cabinet finally decided that the above-mentioned programmes be left to the Executive Yuan's Research, Development and Evaluation Committee to plan and design. In order to make sure that the administrative reform could be achieved successfully, Prime Minister Lien, in the following month (April, 1993) during cabinet meeting No. 2326, further ordered that 'downsizing the organisation of government agencies, legalizing government agencies, rationalizing staff management, and modernizing administrative operations' would be the four principles of the upcoming administrative reform. Accordingly, the Executive Yuan's Research, Development and Evaluation Committee, based on Prime Minister Lien's order, designed the so-called 'A Plan for the Administrative Reform' to take effect after being presented and accepted at cabinet meeting

² Lien became the ROC Prime Minister on 27 February 1993.

No. 2347 on 2nd September 1993. This plan singled out three points, i.e. 'to tackle corruption within the civil service', 'to enhance and improve the administrative efficiency and effectiveness', and 'to strengthen service delivery to the public', as the key administrative reform tasks (Sun Te Hsiung, 1993: 22). In particular, the above item, 'to enhance and improve the administrative efficiency and effectiveness' has played an important role concerning the restructuring of the civil service system.

4.2.1 Reform Measures Adopted by the Executive Yuan

Civil servants compose the main part of the administrative function and therefore they play a central part in the process of administrative reform. Accordingly, what measures should the government, who acts as employer, adopt in order to create a new image for civil servants that combines to push the public institutes, all civil servants and the general public forward in achieving administrative reform? In order to achieve this goal, the Executive Yuan's 'Scheme of Administrative Reform' presented a comprehensive picture (Executive Yuan, 1995). Those items that had special links with administrative reform were shown as the following:

1. To re-organise and improve the current structure of government administration and also to reduce the total number of existing civil servants.
- (1). In order to lead the way to a comprehensive administrative reform, each government agency must first reform itself according to four principles: the public organisation is to be downsized, government agencies are to be legalised, staff management is to be rationalised and administrative operations are also to be modernised. That is, each unit needs to adjust its own organizational structure from the perspective of the whole government administration. With regard to downsizing or merging different institutes and units, there were eight points to be followed:
 - A. To deal with the units selected to be switched to other institutes according to the re-adjustment of the Organisational Law of Executive Yuan.

- B. To tackle those units which had no legal position within the administration – that is, some organisations could be abolished or merged into other units after evaluation.
 - C. To remove those units that had already finished their phase-designed tasks or had lost their function due to changes in government policy.
 - D. To re-organise or downsize those units whose business and function have apparently shrunk or overlapped with other institutes.
 - E. To tackle the units whose services can achieve higher efficiencies if commissioned or operated by other organisations.
 - F. To restructure local units or redefine their areas of responsibility when their administration function needs re-adjustment.
 - G. To remove the mission-oriented temporary units or teams that no longer have a function.
 - H. To abolish those units deemed, through special-case evaluation, as remote from efficient and functional demand.
- (2). With regard to the reduction in government staff, there are four principles to be followed:
- A. Each institute should freeze the filling of non-essential staff vacancies. Each unit also needs to examine and tackle superfluous official issues. The guidance is that five percent of total staff numbers should be cut within three years, with no less than two per cent for the first year. The calculation of these reduction percentages is based on the 1994 government budget relating to the total official staff in each unit. However, the exact number of staff numbers to be reduced is left to the decision of each authorised institute according to its own situation. After completing the reduction of personnel, the remaining budget has first to be used for the enhancement of the remaining staff's salaries and welfare in order to improve their morale.
 - B. Each unit should immediately release employees whose contracts have expired as soon as their assignments have been completed. Similarly, the employees working on special

projects or construction programmes need to be reduced in number when the work has been completed or should be transferred to another construction unit afterwards.

C. Each institute has to establish a cost-effectiveness position over personnel recruiting and appointments. For example, whenever there is a new programme to be dealt with, the authorised unit should first put its existing staff in charge. Unless there is a large special-case construction programme to be tackled, or new units to be established, the authorised institute should not recruit any new staff.

D. Each institute needs to review and reallocate surplus staff when delegating power.

2. To reinforce staff members' training and enhance their working morale:

As the public service becomes more and more complicated, improving the government's administrative efficiency and making the best of its service function become essential. To achieve this, the government not only has to employ capable civil servants based on a fair and efficient recruiting system, but also has to reinforce staff members' training and experience, raise their salaries and improve their welfare, as well as adopt measurements for efficient personnel management. The following discussion presents the related measures in detail.

(1). To provide more and better training programmes for front-line officials:

Because the civil servants working in the front-line face the public frequently, their service attitude will have a direct and instant influence on the public's opinion about the quality of government service. Accordingly, each unit must strengthen front-line civil servants' training in order to help them build up a correct working attitude. In addition, because each unit-manager's leadership and planning ability impacts on the unit's development, each authorised institute also needs to provide special training plans for its unit-managers.

(2). To design and establish a national administration-research institute:

In order to integrate information provided by different training organisations and to cope with the changing international environment, as well as match future national construction and

development, it is necessary for the government to design and set up a national administration-research institute. This will help the government cultivate and produce excellent middle- and high-ranking civil servants who demonstrate a high policy-planning capability and leadership skills in order to improve the government's administration efficiency.

(3). To undertake a position-experience arrangement and career-management programme:

The civil servants' re-education and job training has long been overlooked. One of the main reasons is that the achievement of civil servants' re-education and job training was formerly not strongly connected to their personal experience and promotion. This resulted in most civil servants having a career which lacked a systematic plan. To deal with this failure, the government needs to introduce a comprehensive plan and measures to combine the civil servants' training and re-education with their long-term career development.

(4). To design computer training courses:

Each authorised unit has to investigate the working necessities of its staff from which it can set up an annual target to be used as a principle for training all personnel with basic computer skills. Each unit also needs a plan to finally achieve the target of a computerised administrative service, and entrust professional organisations with training and cultivating a certain number of skilled staff members in computing.

(5). To push forward the legalisation-conviction training for civil servants:

In order to strengthen civil servants' conviction of legalization- and the related knowledge, the Executive Yuan can coordinate with the Ministry of Examination to increase law-related lessons inside the basic training courses for those who have just passed the senior or junior civil service examination. It is also suggested that The Ministry of Education creates more channels for civil servants to receive law training in order to reinforce their thoughts and convictions concerning the rule of law. In addition, according to the Executive Yuan's, and its subordinate institutes', educational-industrial combination programmes for cultivating talent in the legal system, the

Executive Yuan will select suitable universities and, through the educational-industrial combination system, the government units can recommend some of their staff members who do not have law degrees to take the law-institute entry examination. Once accepted, the government should allow them to study a full-time master's course in law and at the same time keep their civil-service job with a full salary.

(6). To bind the civil-servant recruiting examination with job assignments:

In order to make the civil-servant recruitment system more scientific and flexible, the government needs to introduce a control of staff vacancies in all units and also to shorten the procedure for the recruiting examination. It is therefore suggested that the recruiting examination should be divided into two categories. Those who attend and pass the first kind of recruiting examination are called 'Essential-accept members', and everyone accepted in this way will be automatically appointed to a position in a suitable unit. This method of recruiting can be regarded as the 'appointment examination'. In contrast, the second civil-servant recruiting method is regarded as 'qualification examination'. Those who pass this kind of exam are called 'extra-accept members'. They will be offered a qualification from which they can be recruited by each unit individually after the assignment of those who are accepted as 'Essential-accept members' has been completed

(7). To be flexible in recruiting high-tech employees:

In coordination with the 'Technician Appointment Act', the Executive Yuan can suggest that the examination and personnel-authorised institutes establish selection standards and exam rules for the recruitment of high-tech staff. Moreover, in order to match each unit's different personnel demands, the staff-recruiting laws and regulations should be made more flexible. The Executive Yuan's technology and research institutes can also take part in the adjustment of staff-recruiting statutes. That is to enable them to copy the experience of education organizations, which have employed some professional teachers through an ordinary recruiting system in order to recruit

high-tech employees and researchers by special-appointment procedures rather than through routine examination.

- (8). To establish a system of enabling and encouraging civil servants to offer suggestions and to be involved in the government's policy-making process:

The achievement of any unit's innovation and reform target relies on the civil servants' involvement and cooperation. Thus, it will be useful to adopt a system of 'participation' and 'suggestion' in order to encourage civil servants to offer their ideas regarding any service-efficiency improvement. For example, those who offer suggestions of reform measures which are accepted and adopted shall be rewarded. Each unit also needs to consider and present new functional measures and then arrange them to meet their own management targets. In particular, the chief of each unit, in order to make his/her institute an organizational example of activity and creativity, needs to take responsibility for putting these new suggestions into practice.

- (9). To improve and enhance civil servants' income and welfare:

- A. To adjust and increase civil servants' salaries annually on the basis of the national economic growth rate, inflation rate, private sector's wage levels, per capita national income and the government's fiscal situation.
- B. To re-examine the current extra-payment items and then set up a reasonable payment standard according to job difficulty, required knowledge, level of duty and importance, and accident possibility.
- C. In coordination with the drive to create new towns and city-districts as part of the six-year national development and construction plan, the government should actively discuss the provision of land with the authorised units in order to build residential houses for civil servants and teachers. The government also needs to help civil servants obtain low-interest loans for buying their own residence.
- D. In order to protect responsible and brave civil servants from the risk of accidents at work,

the government, apart from following the existing survivor-relief statutes and regulations, needs to provide extra compensation for the next of kin of those who have lost their lives or those who are disabled at work. This measure also intends to raise civil servants' working morale and provide emotional support for the victims of work accidents.

4.2.2 Assistance from the Examination Yuan

The Executive Yuan was not alone in designing and proceeding with the Scheme of Administrative Reform in that period of Taiwanese civil service reform. As the authorised institute in charge of the ROC civil service recruitment examination and related issues, the Examination Yuan also took part in reforming Taiwan's civil service system.³ Indeed, having followed the former President Lee's instruction of 'Making the creation of a flawless civil service system to be one of the four major national re-inventing programmes', the Examination Yuan also made efforts to adjust and improve the civil service examination and personnel administration in order to create a constitutional, modernised and neutralised civil service system which would help the government enhance its services and efficiency. Those programmes and measures designed and carried out by the Examination Yuan in connection with civil service reform are as follows (Chiu Chuang Huan, 1995, pp. 4-5):

1. To create a Civil Service Standard Act in order to guide all personnel statutes and regulations:

It should be noted that by then there were more than one hundred and fifty personnel statutes remaining and, more importantly, some of them were in conflict with each other over civil servants' definitions, and their basic rights and duties. Therefore, in order to avoid any argument and make all personnel statutes and regulations consistent, it is necessary to consult with other

³ According to the sixth item of the ROC Constitution, the Examination Yuan is the organisation in charge of civil servants' recruiting examination, and laws and regulations regarding their efficiency evaluation, retirement and other personnel-related issues.

nations' civil service law-making bodies regarding their experience and direction to assist in drafting a proposed plan for the Civil Service Standard Act.

2. To create a politically-appointed official law for reinforcing a responsibility-oriented agenda:

In order to clearly define and classify political-officials' duties and rights, as well as assignment and dismissal regulations, and in order to enhance the government's service efficiency and function, to ensure that the nation develops under democracy and the rule of law, and also to promote a normal operation standard of party politics, the Examination Yuan should also produce a draft of the politically-appointed official law.

3. To carry on adjusting the laws and system of the civil service examination to enable the government to be more efficient in the recruitment of suitable employees:

For the national examination authorities, their personnel administration priority is to select and recruit the most talented to be civil servants. Thus, the Examination Yuan has actively coordinated with other authorised institutes to justify the laws of the civil service examination - such as the examination law for professionals and technologists, and the examination law of civil servants' rank promotion - in order to reinforce civil service examinations' openness and equality, and also to ensure that the passing of the examination is to be tied to future job assignments. In order to make the civil service recruiting system more efficient, the justification of the above-mentioned statutes also needs further consideration. That is to increase the national examination's flexibility, to clearly define and differentiate between specialists and technicians, to improve the examination methods, classification of position-promotion examination and other related measures and to help select and recruit specialists in different areas more scientifically.

4. To design and adopt an examination system for testing both special and general knowledge in order to be more efficient in selecting different types of men and women of talent and ability:

Those who pass the higher-grade civil service examination will make up the core body of national civil servants in the future. Because those who are high-ranking civil-servants-to-be will

play an important part in the government's policy-making, it is essential that they not only specialise in their own areas, but also have a certain level of general knowledge. Thus, the adoption of an examination system of testing both special and general knowledge will help the government choose the right person when recruiting and is essential for those higher civil-servants-to-be to expand their general knowledge in order to enable them to help the government make good policies, which can meet the needs of national development and cope with environmental changes in society.

5. To make sure that all civil servants retain administrative neutrality while serving the public:

In order to match the development of democratized party politics and strengthen civil servants' service commitment and business specialization, it is necessary to draft a proposed plan for creating a political-impartiality law.

6. To set up the best possible training system in order to enhance civil servants' administrative ability and quality:

In order to ensure that all civil servants have the necessary commitment to excellence in administration, it is essential to build an ideal civil-servant cultivation and training system. Accordingly, the creation of a law for civil servants' basic training and follow-up learning is certainly crucial. The government can also consider organizing a committee for civil servants' protection, cultivation and training, as well as a national civil-service institute from which to create the most appropriate civil-servant training network.

7. To reasonably adjust the civil-servant grading system in order to stimulate and encourage and reward those who work in basic or local units:

In order to encourage the talent to serve in remote areas and also to enhance basic-unit officials' working morale, the government should re-adjust the civil-servant grading system by considering the gap between those who work in local institutes and those who serve in the central government according to the difficulty and importance of their work.

8. To improve the existing civil service insurance system in order to make it fit the newly-established national health insurance system:

Since a national health insurance system has been established, it is first necessary to look to the required payment of medical treatment in the original civil service insurance system and then re-work this into the newly-established health insurance system. Then, the authorised institutes can make justifications for the existing civil service insurance law.

9. To push forward and establish a new retirement and pension system, to be used as a guideline to look after the elderly and raise orphans:

The new civil servants' retirement and pension system is named the 'fund-saving system' and is designed to build a fund with contributions from both the government and every civil servant. This new system is different from the original 'patronage-pension system' which involved payments from the government only. After the new system is adopted, the total pension and the orphans and widow care-taking funding will be increased so as to provide for the civil servants after retirement and also to effectively protect and look after their families.

10. To set up a computerised information network for personnel affairs and perform a deeper evaluation of human resources:

The Examination Yuan, in order to push forward the computerisation of personnel affairs, designed a programme to create a national personnel-affairs electronic system. Moreover, the Examination Yuan carried out an evaluation survey of the civil servants' human resources in order to fully and effectively utilise the overall civil service's human resources in order to enhance the productivity of public institutions.

Generally speaking, after becoming prime minister in 1993, administrative reform was one of Lien Chan's cabinet's chief tasks, as indicated earlier. In particular, the task was to create a modernised administration from which an incorrupt and capable government could emerge. Indeed, under the Executive Yuan's enforcement, the national administration was developing an

incorrupt, efficient and service-oriented system. The Executive Yuan's Research, Development and Examination Committee (RDEC), in its 1994 efficiency-and-result evaluation report, also listed the items of achievement regarding the government's administrative reform (RDEC, 1994). However, the United Daily News's report series titled *Return to the Economic Issues, and Love Taiwan* of September and October 1995 noted that the general public, as well as industrial and business circles, expressed little satisfaction with the government's services. Administrative inefficiency and official corruption were the two leading criticisms of the government. The United Daily News's survey aside, in November 1994, the *Commonwealth*, a well-known monthly magazine in Taiwan, issued a special edition titled *Reinventing Government* which discussed in depth Taiwan's current civil service problems. The report analysed in particular the issues of Taiwan's civil service's inefficiency and inflexibility, over-staffing, and the misuse of human resources.

This reflects two entirely different views of the results and achievements of the government's 'administrative reform' held on the one hand by official institutions and, on the other, by civilians. This leaves a question of what had gone wrong with Taiwan's civil service system, and what had happened to the past civil-service reforms. In his study, Chen Chin Kuei (1996) offers explanations for the problems of Taiwan's civil service system. He points out that the civil service system itself is a bureaucratic system, which results in most civil servants - under a static, routine and law-protecting working environment - tending to enjoy the current situation without being willing to make any substantial changes. Moreover, although many of the past civil service reforms had been carried out in order to create a just, reasonable and comfortable working environment for civil servants, it appears that these reforms lacked sufficient rewards to encourage them to make changes. Consequently, because most civil servants had not been seriously affected by the past civil service system reforms, the majority of them, apart from the chief of each unit, did not pay much attention to the Executive Yuan's programmes for administrative reform.

While there are several possible reasons to explain this situation, the key point is that while setting up reform projects, the authorities were seen to show no respect to the civil servants' opinions and, as a result, the past administrative reform programmes seldom included their voice. It should be noted that due to a rapid environmental change in society, many civil servants arrived at a new working attitude and new values very different from the past. For example, even though the civil servants would abide by their authorities' decisions and carried out their orders, in their hearts they may not have been obedient to their superiors. This attitude, accompanied by several laws, rules and restrictions, as well as outside political influence which would handicap their service flexibility, resulted in many civil servants tending to simply follow their chiefs' instructions in order to avoid any wrong-doing, instead of being aggressive. Under such a conservative and reserved working attitude, how could the government require and expect its civil servants to be brave and active in participating in any administration reform? If the government really wants to improve the civil servants' administrative efficiency, the government has to listen to their opinions and let them take part in policy-making, which would give them a core position in the whole administration. Meanwhile, a substantial change in the administrative structure is also desirable; in particular, the reinventing of the government's organisational culture is essential in order to contribute towards the success of the proposed administrative reform.

4.3 Reinventing Government – Siew's Pledge (01/09/1997 ~ 20/05/2000)

The Lien Cabinet's 'Scheme of Administrative Reform' initiated the pushing forward of a comprehensive civil service reform. In order to carry on Lien government's spirit of reforming and reconstructing the administration, the succeeding Prime Minister Vincent Siew,⁴ in his first hosting of a cabinet meeting, made clear that 'reinventing government' would be the new

⁴ Shiew succeeded Lien as the ROC Prime Minister on 1st September 1997.

government's key objective. Siew also stressed that this was the central project of the national development policy and also all government units' responsibility and mission. Moreover, the new government should first remove a past belief that 'the government can do everything' and then adopt the modern principles of business operations and management so as to enhance the efficiency of government services

4.3.1 Setting the Outline for Reinventing Government

In order to push forward the above-mentioned vision of reinventing of government and carrying out the government's projects, on 2nd January 1998 the Executive Yuan passed the 'Outline of Government Reinvention'. The chief target of this plan was to 'bring in the spirit of business management and build up a creative and flexible government capable of adapting itself to change in order to enhance national competitiveness'. Consequently the related action principles and implementing strategies were as follows (Executive Yuan, 1998a):

1. Action Principles:

- (1). To create a "small but beautiful" government whose institutional structure should be simple, active and flexible.
- (2). To simplify the civil service's personnel structure and cultivate enthusiastic, capable and experienced civil servants.
- (3). To simplify the procedure of business operations and set up a modernised and highly efficient system of laws and regulations'.

2. Implementing Strategies:

- (1). To rebuild a new organisational culture and enhance civil servants' morale through building a common vision, stimulating personal potential and encouraging group learning.
- (2). To achieve the target of reinventing government through focussing on the reforming of the government organisation and personnel and also through reshaping the administrative system.

- (3). To enable all civil servants to take part in reinventing government, including encouraging them to be creative and to be receptive to initiating changes.
- (4). To bring in private enterprises' management skills and build up a customer- and efficiency-oriented government service and management system.
- (5). To consult with public opinion in order to correctly set priorities and restore people's confidence in the government.
- (6). To combine private and public sector resources and to make the central government and local units work together in a spirit of cooperation.

Based on these main objectives, it is not difficult to see that government personnel and civil service reform was still one of the leading tasks of Siew Cabinet's 'Reinventing Government' plan. Indeed, there was a programme titled 'Reinventing Personnel and Service' within the plan for 'Reinventing Government' which linked to civil service reform. The following paragraph discusses the programme in detail.

It should first be noted that in order to efficiently push forward the plan of 'Reinventing Personnel and Service', the government had in 'An Outline of Reinventing Government' designed an action team in order to carry out the programme of 'Reinventing Personnel and Service'. It also planned that this action team would be directly under the charge of the Executive Yuan's Central Personnel Administration, with the Executive Yuan's Research, Development and Evaluation Committee serving as the institute which would help coordinate the Examination Yuan and the Ministry of Justice in working together in reinventing government. The main job of the action team is to achieve objectives such as improving the original organisational culture, setting up an anti-corruption system, enhancing personnel morale, encouraging participation and innovation, improving employee-recruiting flexibility in public institutes, building a system of promotion, transfer and performance evaluation based on each civil servant's merit, and finally reinforcing training and working experience of staff members

4.3.2 Details of Reinventing Personnel and Service

The Central Personnel Administration went ahead in designing detailed programmes in order to be more effective in carrying out the plan of ‘Reinventing Personnel and Service’. The content of important items of action is illustrated below.

1. To carry out a comprehensive reinventing of the personnel system (the Central Personnel Administration should be active in examining the current personnel system and offering suggestions to the Examination Yuan and also helping the latter adjust it). There are six key points:
 - (1). To loosen restrictions over examinations and assignments and also to create plural and multiple channels of recruitment.
 - (2). To simplify the procedure of position screening.
 - (3). To set up a system for promotion and transfer based on merit.
 - (4). To create a system for eliminating workmanship.
 - (5). To reinforce the function of encouragement in performance evaluation.
 - (6). To establish a flexible salary and welfare system.
2. To justify, simplify and loosen personnel statutes and regulations (those personnel regulations under the Executive Yuan’s charge would be justified by the Central Personnel Administration, while it was suggested that those under the charge of the Examination Yuan would be adjusted by the Examination Yuan itself):

The authorised units should first reorganise, simplify, merge and loosen restrictions of around two hundred and nine laws and regulations relating to civil service examinations and recruitment in order to achieve the target of ‘creating profit and welfare’. Accompanied by a comprehensive reinventing of the personnel system, it is also necessary to review and adjust the whole

personnel-related laws and regulations.

The key point of reinventing government lies in the reform of ideas, that is to say learning to absorb a new way of thinking, and a new attitude to solve old problems and to face the modern age. Indeed, all government personnel have to change and adjust their attitudes and in particular, they must realise that the role of government has gone from acting as the public's manager or ruler to being the servant of the people. While it is necessary for them to discard their original attitude of ruling the public, they also need to pay more attention to creating and enhancing profit and welfare for the people and the nation as a whole, but not by simply focussing on the prevention of problems. Civil servants should also be active in participating in the removal of unsuitable statutes and regulations in order to remove unnecessary controls and restrictions or, as it has been called, 'losing control' (Chiang Ping Kun, 1998). Furthermore, since civil service reform forms the basis of reinventing the government structure as a whole, and also holds the power to push public construction forward, success or failure of the government business operations depends on its civil servants' general capacity and quality. Accordingly, developing human resources and reforming the civil service system are instrumental for government-personnel reinvention, and would enable the government to raise its ability in the face of new challenges in the twenty first century (Examination Yuan, 2000, p. 393).

From the experience of civil service reform in the UK and other developed and democratic nations, we have learned that none of the reform plans could have been achieved within a short period of time. With regard to Taiwan's experience, the 1998 'Outline of Government Reinvention' and related plans were not designed to inherit and carry on the unfinished tasks of the 1993 'Scheme of Administrative Reform' and, as such, lacked consistency. Another reason why the achievement of government-reinvention projects in this period was limited was because too many administrative resources were used for the then forthcoming 2000 president election and, consequently, the government's efforts towards reinvention were largely reduced. It should also be noted that the difficulty of achieving substantial targets for reinventing government might

be linked with another important factor: only two years after the plan of the 'Outline of Reinventing Government' was pushed forward, the long-ruling KMT lost the 2000 President Election to the main opposition Democratic Progressive Party. This leaves a question of whether the major target of 'establishing a creative, flexible government being capable of adapting to changes and new challenges' could have been achieved within a very short two-year time.

4.3.3 Problems with Government Structure

It appears that problems that affected the operation of reinventing government also arose from the Taiwanese government institutional structure and function. As discussed above, the programme of 'Reinventing Government', which included the design for civil service reform, was pushed forward by the Executive Yuan. However, according to the sixth revised item of the ROC constitution, the Examination Yuan is the nation's highest authorised-institute for control of the civil service examination system. The main functions of the Examination Yuan are:

1. To be in control of civil service examinations.
2. To select and appoint civil servants, provide them with pensions and also to deal with retirement issues.
3. To deal with the laws and regulations relating to matters including civil servants' appointments and dismissals, efficiency evaluation, promotion and transfer, and merit awards.

It appears, ironically, that the Executive Yuan plays the role of planning and carrying out civil service reform, but the civil service's highest authority remains the Examination Yuan. It is worth mentioning that under the ROC's current constitution, the Executive Yuan and the Examination Yuan are two different institutes standing at the same level. Therefore, under the existing system, civil service innovation has to be negotiated and compromised, which also results in the fact that reaching a consensus acceptable to both sides takes time. Accordingly, for the purpose of pushing forward and carrying out civil service reform, it is necessary to have a higher-level administrative power to integrate the resources and power of both Yuans, which will give additional weight to

Taiwan's civil service reform.

4.4 New Measures Introduced by the DPP Government (20/05/2000 ~ 2003)

In 2000, the presidential election in Taiwan saw an unprecedented change of ruling party in the island's post-war political history, with the main opposition Democratic Progressive Party (DPP) replacing the long-ruling Nationalist Party (more commonly known as Kuomintang, or simply the KMT) which had uninterruptedly governed Taiwan for more than half a century since 1945. The new DPP Government, in order to adapt to rapid and dramatic changes in domestic and international political and economic environments that held unknown future challenges and potential risks, decided to carry on the reinvention of government in Taiwan. Accordingly, the presidential office followed the conclusions of the meeting of the Economic Development and Consultation Committee and, on 25th October 2001, invited representatives from different fields to establish the 'Government Reform Committee', chaired by President Chen Shui-bian, in order to carry out the comprehensive reinvention of the ROC government. With the vision of creating a vital and globally competitive government, the newly founded Committee sought to achieve several government reform targets which include the building of 'a flexible and simplified administrative organisation', 'a specialised and achievement-oriented personnel system', 'a decentralised and cooperative government structure', 'a parliamentary reinventing which would follow "the will of people"', and 'a benefit-created and innovative service function' (Government Reform Committee, 2002a, 2002b). It should be emphasised that the 'Government Reform Committee' is the highest delegated unit as it is directly chaired by the president. This demonstrates the new government's determination to push forward with the reform programme and the fact that it is also seeking to achieve a better coordination and integration between the different Yuans than was previously the case.

In its sixth meeting, held on 15th September 2002, the "Government Reform Committee" decided

that ‘In order to respond to a new environmental necessity, it is necessary that each government unit adopts a flexible and plural channel of recruiting and appointment so as to reinforce the policy leadership and carry out an efficiency management programme and build a flexible combination of human power with which to provide the government with an ideal environment for pushing the management of working efficiency and achievement’ (Government Reform Committee, 2002b). Further, three reform plans, regarding different systems for utilising human resources, were passed at the meeting. These were: ‘the system of political-official positions, the system of high-ranking executive positions, and the system for recruiting employees through contracts’ (Government Reform Committee, 2002b). In the following paragraphs, the DDP government’s new vision, basic concepts and major targets concerning civil service reform will in turn be introduced.

4.4.1 The DPP Government’s New Vision on Civil Service Reform

In order to adapt to becoming a full democracy and to pursue a progressive society in Taiwan, the government’s new vision for its civil service reform policy is to cultivate human resources based on civil servants’ specialisation and professionalism, as well as working achievements and efficiency. The meaning of ‘performance’ has to be considered from the people’s perspective, rather than that of the government. Indeed, tax-payers not only require that civil servants take responsibility for their working efficiency and achievements, but also anticipate that their behaviour is fair and their service of high quality. By contrast, the meaning of ‘specialisation’ has to be evaluated from the civil servants’ perspective. The government should emphasise specialisation in order to obtain high achievements and efficiencies, and to continually pursue excellence in professional innovation. It should also bestow civil servants with more independence and vitality. The vision is concluded as the following:

1. Democratic service: civil servants serve for the benefit of the public, and should honour and respect citizens and customers, carry out their obligations to provide a clean and neutral

democratic administration, and accept the policy leadership of political chiefs.

2. **Responsibility for performance:** civil servants should retain a sense of responsibility to tax-payers, and continually improve their service behaviour, output and efficiency. They should set personal, group and organisational achievements as the core of their duties, and emphasise efficiency and function in human resources management.
3. **Professional innovation:** encouraging innovation is helpful. Moreover, civil servants need to be open-minded and believe in, and be committed to, professionalism and continually pursue enhanced work-related knowledge and skills so that they will have the ability to tackle and solve public problems and, more importantly, effectively prevent serious problems from arising.
4. **Empowerment and vitality:** government organisations, managers and employees should be trusted more. That is, the government should not only provide guidance but, more importantly, should bestow them with more independent authority over the management of human resources and encourage them to be more active in serving people. To achieve this, the government has to adopt measures to make civil servants feel a sense of achievement in order to stimulate their vitality and enthusiasm for providing public services, even in the face of problems.

4.4.2 The Basic Concept for Carrying Out Civil Service Reform

In order to implement the above-mentioned four visions, the government's methods of human-resource management must adhere to the following three major concepts (Government Reform Committee, 2002b):

1. **Strategies are to be de-centralized:** to emphasise that the departments concerned are merely to play a role in designing policy direction, providing technological assistance and in performance supervision, and then providing each business-executive organisation with greater authority and more independence in the decision making process. This will help create

an ideal environment of efficiency and achievement management for both superior and inferior units.

2. Business operation is to be de-regulated: to provide business-executive organisations with a basis of carrying out strategy management and creating their independent authority so as to effectively proceed with personnel management without being over regulated or hindered by law. In short, the way of systemised management will not depend unduly on legalised regulations, but should rely on more and better leadership, communications and negotiation.
3. A dual character of management of both assets and costs: the government, on one hand, has to pay more attention to the cultivation, training and development of public-sector human resources and continually improve the assets of human power. On the other hand, the human resources must also be considered as a huge cost and expenditure for the government's management. With a dual character of responsibility for both assets and costs this will create an ideal working partner-relationship environment so as to benefit both the government-employer and the civil servants

4.5 Conclusion

Generally speaking, the Taiwanese civil service reform during the period from 1993 to 2003, has been treated as an important policy and continuously implemented by the different ruling parties. Among the related movements, the "Administrative Reform" is expected to create modernised administration and establish an incorrupt and capable government. The 'Government Reinvention' initiative is very keen to remove the conviction of 'the government can do everything' and build business-like ideas and management so as to effectively enhance the government's service, function and efficiency. After the DPP took political power in 2000, three cabinets were formed in turn. Tang Fei, Chang Chun Hsiung and Yu Shyi Kun have been the prime ministers of those cabinets. In general, their attitude towards civil service reform is similar

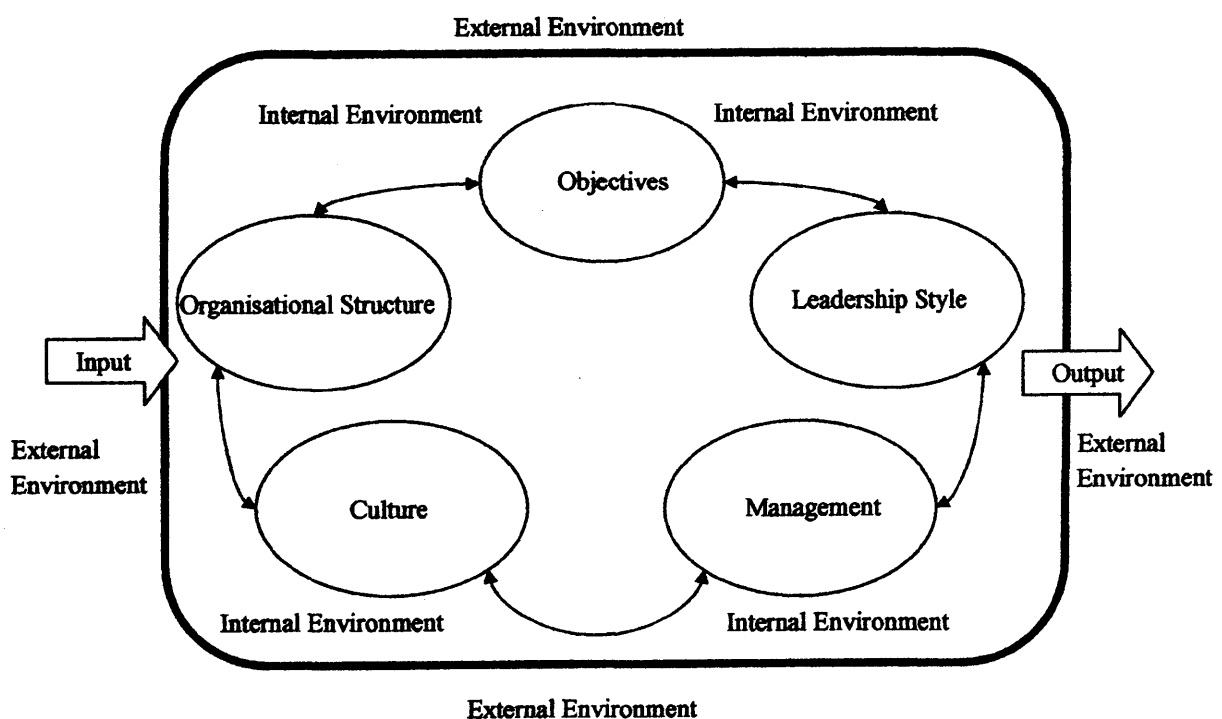
to each other, but firmly affected by the elected president. Thus, the general picture of the Taiwanese civil service reform of the DPP government can be lumped together as a whole. As for the main themes of the reform, the DPP government not only emphasises making use of the spirit of professionalism in order to obtain achievement and efficiency and continually pursue excellent professional innovation, but also bestows civil servants more independent vitality.

Chapter 5 Review and Analysis of Civil Service Reform in Taiwan

5.1 Introduction

In the previous chapter, we loosely described the overall content of Taiwanese civil service reform. For the purpose of examining the reform further, in this chapter we will review and analyse the details of this reform from different aspects. As a norm, society is a diverse system and the civil service system is one of its subsystems, which offers administrative functions to the whole community. The civil service system influences society and at the same time is also affected by its own greater environment. The internal structure of the civil service system can be analysed in different ways, including policy objectives, leadership style, organisational structure, management methods and organisational culture. In fact, internal and external environments affect all the above elements as the following illustration indicates (see Figure 5.1). This chapter will be based on this structure in analysing the detailed position of civil service reform in Taiwan.

Figure 5.1 Civil Service Structure



Source: drawn by the writer

5.2 Leadership Styles

Effective leadership is critical to organisational success. Whatever the organisational targets or objectives are, without high-quality leadership they are unlikely to achieve their objectives. The most important goal of leadership is to harmonize the various types of organisational behaviour. Undoubtedly, high-performing leadership is a key factor in successful policy-making and service delivery in collaboration across organisational boundaries.

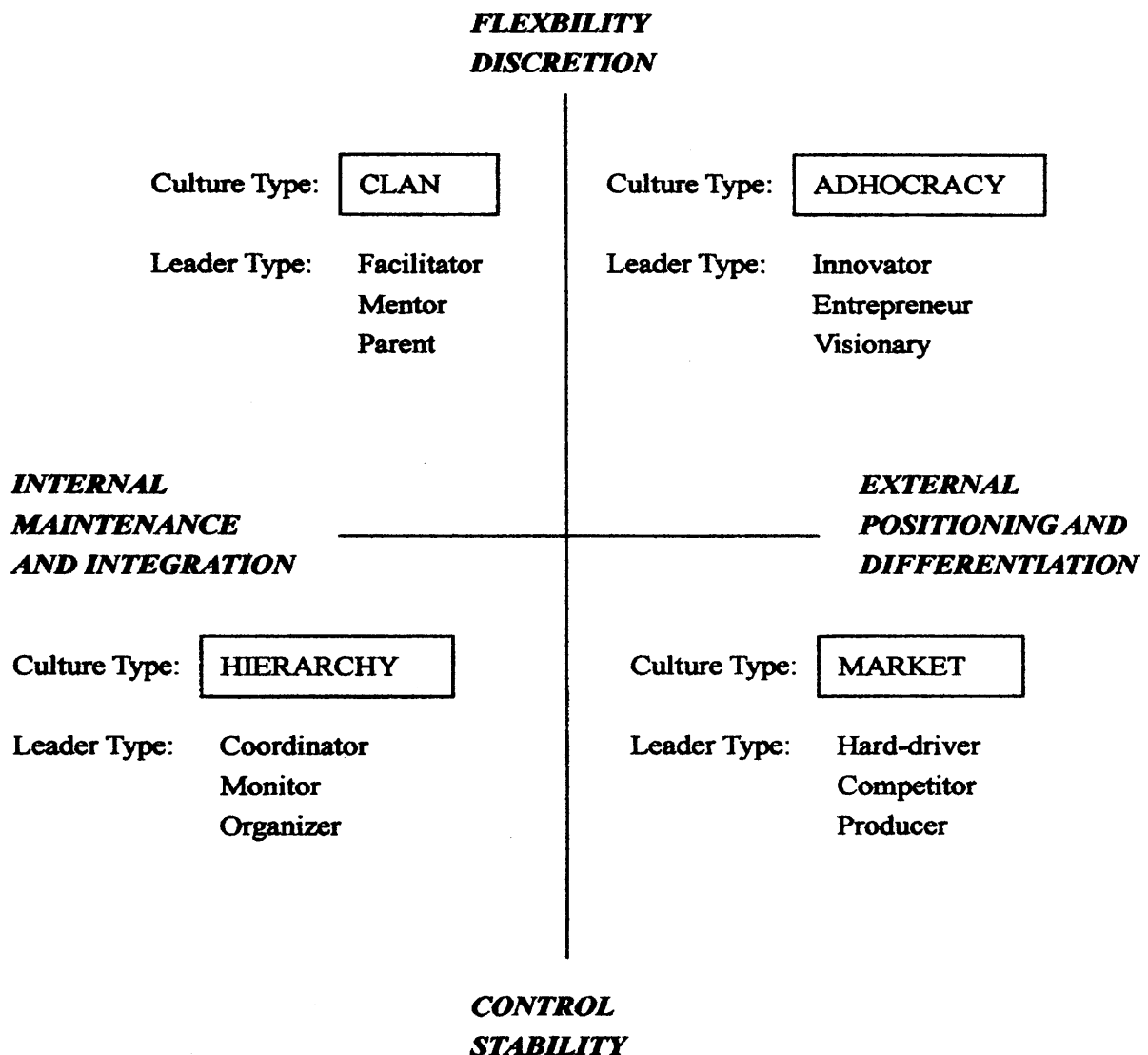
According to Cameron and Quinn's theory (1999), there are four culture types forming the Competing Values Framework which can be used to identify the characteristics of organisations. The four culture types are: Hierarchy, Market, Clan and Adhocracy.

A hierarchy culture is a formalised and structured place of work where procedures govern what people do, and effective leaders are good coordinators and organisers playing the role of monitor within the organisation. A market culture is a results-oriented workplace where leaders are hard-driving producers and competitors. They are tough and demanding. Effective leadership is judged on the basis that the leaders have to drive market organisations towards improved productivity, better results and higher profits. A clan culture is typified by a friendly place to work where people share much of themselves. It is like an extended family. Leaders are thought of as mentors and, perhaps, even as parent figures. Effective leadership is expected to facilitate loyalty and tradition for their organisations. An adhocracy culture is a dynamic, entrepreneurial and creative workplace. People stick their necks out and take risks. Effective leadership is visionary, innovative and risk-oriented.

Organisations mostly develop a dominant cultural style or, to a certain extent, combine different styles. It is easy to see that the most effective leadership styles tend to match the organisation's culture. The highest performing leaders, who are rated as the most highly effective, can usually develop capabilities and skills that allow them to succeed in each of the four types (Cameron and Quinn, 1999, pp. 32-42). Figure 5-2 illustrates the relationship between the leader types and the organisations.

Taiwan initiated its civil service reform in 1993. During the past decade, some changes occurred which affected the consequences of reform. Within this section, the leadership style of each premier (prime minister) will be examined in order to look at its possible influence on reform. In total there were five cabinets over this period. These were the cabinets of Lien Chan, Vincent Siew, Tang Fei, Chang Chun Hsiung and Yu Shyi Kun. The cabinet of Lien Chan will be examined first of all.

Figure 5.2 Competing Value Framework



Source: Cameron and Quinn (1999)

5.2.1 The Cabinet of Lien Chan

In his opening speech at the annual Exhibition of Industry Upgrade of the Ministry of Economic Affairs on 27th February 1997, Lien stated, “In order to raise the level of economic competitiveness as a strong base for moving towards the 21st century, the government on one hand emphasizes the need to improve the investment climate, and on the other hand, plans a blueprint for Taiwan’s future. It is hoped that international enterprises will regard Taiwan as a

base for developing and operating in the Asia Pacific market and enable it to become a key player in integrating the regional economy through total liberalization and the promotion of internationalisation. The government has the determination and capability to achieve this objective, however, the most important key to success for the plan lies on whether a common consensus exists in the general public” (GIO, 1998, p.30-31). The above can be categorised as having the characteristics of the Clan type.

In his opening speech at the Comprehensive Exhibition of Development of Human Resource Crossing the Century on 9th May 1997, Lien indicated, “Taiwan is a small territory with a dense population, limited natural resources, but with human resources which are its most valuable asset and are also the biggest impetus for cultivating national strength, enhancing overall industrial development and raising the level of competitiveness of the country. For more than forty years, the economy has continued to grow. Many factors have contributed towards the economic miracle within the nation, but the most important has been developing and utilizing human resources effectively” (GIO, 1998, p.70). The above comments demonstrate the focus on human resources and show the characteristics of the Clan type.

In his closing speech at the Briefing Seminar on Raising National Competitiveness hosted on 7th April 1997, Lien mentioned that, “Raising national competitiveness is the centre piece of the current national administrative reform which not only allows the nation to be upgraded in the long-term but also lets the nation stand out in international competition, which is becoming more contestable” (GIO, 1998, p.54). The above can be categorized as having the characteristics of the Market type.

In his address at the Review Conference of Administrative Reform, which pursues highly effective government, Lien stated, “With the coming of the 21st century, raising national competitiveness is the common objective of the whole nation, however, in order to achieve that, the primary work shall be to first raise governmental competitiveness” (GIO, 1998, p.128). The above can be categorized as having the characteristics of the Market type.

In a speech and Q&A time at the Vision of the 21st Century seminar on 28th March 1997, Lien mentioned: “The raising of competitiveness is the international challenge, it is expected that everyone can compete with self-concepts, time and space; and the sphere of competitiveness covers not only economic breakthroughs, but also the substantiality of non-economic factors such as politics, society, culture, education and so forth. In short, it shall cover a comprehensive implementation of government policy” (GIO, 1998, p.287). The above can be categorized as being of the Market type.

In general, the style of Lien’s leadership tends to put more emphasis on the characteristics of Market and Clan types.

5.2.2 The Cabinet of Vincent Siew

In a policy report (oral) during the first session of the fourth term of the Legislative Yuan, Siew mentioned in part four, “Start the government-reinventing construction, innovate the government service ideas”, that: “In order to build a responsible and effective government, the Executive Yuan places government reinvention as a core task. Design the Outline of Government Reinvention and commence government-reinventing construction and innovation of government service ideas” (GIO, 2000, p.34). (This can be categorized as having the characteristics of the Adhocracy type.) And that: “In addition, the work of manpower reinvention will be continuously promoted and will improve the efficient application of human resources in the government and establish a service team of civil servants of high quality and professionalism (The above can be categorized as having the characteristics of the Clan Type). The objective is to raise the productivity level of civil servants by 10% within two years” (GIO, 2000, p.48) (The above objective-setting can be categorized as having the characteristics of the Market Type).

In his address to the research class of senior-level supervisors in the Protection and Training Committee of the Examination Yuan on 13th May 1999, Siew stated that, “In order to build an effective government, the government shall be reinvented. Only an effective government can

set the direction for the development strategy of the nation properly. The welfare of the people is very important in an open society; hence, good leadership of official departments is essential. All organisations rely on human beings for the implementation of objectives. Therefore, the cultivation of morality and capability among civil servants is most important. Incorruptible, intelligent and passionate civil servants are necessary. They should be good in morality and behaviour on one hand, passionate and with a sense of mission on the other, so that the effectiveness of the government can be developed.” (GIO, 2000, p.62-p.63) The above can be categorized as the Clan type.

In the address at the Joint Open Ceremony of Basic Training for Admission Civil Servants of Advanced, General and Primary Examinations on 5th January 1999, Siew pointed out that, “In order to innovate the new government service ideas, the idea of industrial management shall be introduced through the government reinvention programme since the government is the biggest service industry, and the new service ideas of “being service-oriented” and “regarding the public as the customer” shall be created.” (GIO, 2000, p.10) This can be categorized as the Adhocracy type.

Siew mentioned in a speech at a dinner party of the International Lions Club on 17th of Nov.1999 that: “Only through the maintenance of “innovation” and “efficiency” of the enterprise, will it take the leading role and have a competitive opportunity. Bill Gates reminds the successful managers “The biggest challenge is to change previous habits and leave the model of previous success behind”. It is suitable not only for enterprises but also for the chief executives or supervising civil servants, therefore, the basic demands of innovation are to continuously reward research, encourage reform and widen investment in research and development” (GIO, 2000, p.116). The above can be categorized as the Adhocracy type.

Vincent Siew was very keen to bring enterprise management into the public sector so that attention would be devoted to addressing the characteristics of the Market and Adhocracy types.

5.2.3 The Cabinet of Tang Fei

In part of the *Aspects of Economic Construction* written report on policy direction for the third session of the fourth term of the Legislative Yuan on 2nd June 2000, Tang indicated that, “It is necessary to advance the industrialization and internationalisation of public enterprises, improve their performance efficiency, carefully plan the schedule for privatization, implement their industrial safety and environmental protection, and reduce disasters, accidents and resistance to the public” (GIO, 2001, p.17-19). On general administrative affairs, Tang also stressed that, “The government should endeavour to introduce management ideas and techniques of private enterprise, to establish a customer-oriented government service management system, to advance the comprehensive application of government information systems fulfilling the establishment of e-government, to enhance administrative efficiency and service quality, to improve the management checking of effects of policies on implementing the re-organisation of the entire government function, improve information security management and encourage the circulation of electronic information” (GIO, 2001, p.33). This can be categorized as the Hierarchy type.

In the report on policy direction (oral) for the third session of the fourth term of the Legislative Yuan on 2nd June 2000, Tang pointed out that, “The welfare of the public shall be the first consideration of government policy. We should aim at fulfilling public expectations, which are getting higher day by day, establish the “Trust Relationship” and “Partnership” between the government and the public and fulfil the beautiful vision within the limited resources of government” (GIO, 2001, p.35). This can be categorized as being of the Clan type. Further, “With globalisation, safety considerations within the Asia Pacific region, changes of cross-Strait relations and the first change of ruling parties in Taiwan, it has become necessary to look to the future, not the past. Stepping into the new century, competition lies not only across the Strait and the entire world, but is also dependent on timing. We should endeavour to occupy a place on the stage of competition and then raise national competitiveness” (GIO, 2001, p.36).

This can be categorized as Market type. Also, in part of the report *Advancing Government Reinvention, Raising Administrative Efficiency*, Tang mentioned that, “Advancing government reinvention to create an innovative and flexible government with the ability to react, is the base on which to raise national competitiveness and the threshold that must be crossed in the modern world. It contains the reinvention of the organisational structure, personnel and legal systems. It is an arduous task. The government has achieved concrete results in loosening legislation and in the liberalization of the market in recent years, but the task of government reinvention should be promoted with what we have, as we have to confront severe competition in the global economy” (GIO, 2001, p.42-43). This can be categorized as the Adhocracy type.

On 15th September 2000, in part of the Maintenance of Economic Development report on policy direction (oral) for the fourth session of the fourth term of the Legislative Yuan, Tang said, “In order to develop economic efficiency and advance continuous growth, the Executive Yuan has decided to make ‘knowledge’ the foundation of the economic development programme for the next ten years, accelerating the development of a new economy in which knowledge is the foundation” (GIO, 2001, p.81-82). This can be categorized as the Adhocracy type.

As Tang is a retired general, his leadership emphasis on Hierarchy building is natural. Yet in fact he is very keen to enforce innovation, which is closer to the characteristics of the Adhocracy type.

5.2.4 The Cabinet of Chang Chun Hsiung

In part of the report on policy direction (oral) Developing the Knowledge Economy Net with the Consideration of Permanent Development for the fourth session of the fourth term of the Legislative Yuan on 17th October 2000, Chang mentioned that, “In order to make Taiwan an island of science and technology with a high competitive advantage, we will stress the ideals of innovation, investment and opening-up as the core of public policy, and will continually encourage investment and the development of hi-tech businesses in the country, thus strengthening economic stimulation and providing an advantageous foundation, and we will

assist industry on the research and development of technology, encouraging the development of new industries with high added value, low cost of power and high industry-related effects” (GIO, 2002, p.7). And in part of the report (oral) Continuing to Fulfil the Government Reinvention and Implementing the Ideal of Serving the Public, he also mentioned that, “Government in the 21st century requires a study team which is innovative, flexible, responsible and ever-reacting. The government will play the role of navigator instead of operator with the innovated ideas and systems, will utilize the concepts and ideas of ‘knowledge management’, ‘innovating management’ and ‘reform management’ wisely, and be led by entrepreneurial management and results” (GIO, 2002, p.14). This can be categorized as the Adhocracy type.

In part of Marching to the Era of a Knowledge Economy and Enhancing the Financial Reform report (oral) on policy direction for the fifth session of the fourth term of the Legislative Yuan on 20th February 2001, Chang indicated that, “Due to the needs of the era of the knowledge economy, we will implement government reform and education reform simultaneously, not only to reform the education system, but also to establish the training atmosphere of ‘Innovation and Lifetime Study for All’ for all personnel” (GIO, 2002, p.108). Also, “Human resources are the root of national competitiveness, and innovation is the impetus for a knowledge economy; a healthy, active, innovating education system will be built in the new century, and society will be reformed to be one of lifetime study which will continuously generate high quality human resources” (GIO, 2002, p.109). This can be categorized as the Adhocracy type.

In part of the report (oral) Global Arrangement, Start the Competitiveness of Taiwan on policy direction for the sixth session of the fourth term of the Legislative Yuan on 20th September 2001, Chang stated, “With the advent of globalisation and the knowledge economy, it is inevitable for Taiwan to be faced with new competition. This is a competition of quality, innovation and speed. Therefore, the national constructive blueprint of ‘Green Silicon Island’ is drawn up to reflect the needs of the knowledge economy era and to establish an operational structure with the

competitiveness to succeed in the international economic system, which provides Taiwan with vital energy and helps the island find a better way forward” (p.137-p.138)... “Everyone in the new world of the 21st century is in the same community of life, interdependent and mutually competitive. Under the trends of democratisation, globalisation and information, it is a competition of quality, innovation and speed, wider vision and foresight, with a more active attitude necessary for cultivating worldwide opinions and raising personal and national competitiveness” (GIO, 2002, p.154-p.155). This can be categorized as having the characteristics of the Market type.

5.2.5 The Cabinet of Yu Shyi Kun

In a Q&A session at a press conference on assuming office on 1st February 2002, Yu mentioned that, “The new government shall take profound cultivation and the creation of new opportunities as the leading themes for the new policy, and fulfil the developing direction of the national economy in the new century. Moreover, three crucial points are listed as the objectives of the administrative team, which are: first, establish the knowledge economy and furthermore increase global competitiveness; second, carry through government reform and release public energy; third, deepen human care and stress the quality of life... with regard to the first part of increasing global competitiveness, it is to raise enterprise competitiveness. The government will encourage enterprises to enforce innovation and will assist them integrate research resources” (GIO, 2004, p.5-8). This is of the Market type.

Yu indicated in the report on policy direction for the third session of the fifth term of the Legislative Yuan on 24th February 2003 that, “In the past year, four basic beliefs have penetrated through all policies in reaction to the past defects and current difficulties in leading the nation to proper objectives. They are: using ‘reform’ to eradicate past defects; making ‘innovation’ reflect changing times; ‘offering benefits’ to escape the poor economic situation; and raising administrative efficiency with their implementation” (GIO, 2004, p.108-113). This can be categorized as the Adhocracy type.

In the report of *Ten New Major Constructions* for the Legislative Yuan of 12th December 2003, Yu pointed out that, “In the process of choosing the plan [for these constructions], foresight, crucial investment, landmark construction, immediate needs and balanced development shall be kept. Foresight helps in the selection of measures which fit the developing trends of the new era, measures which possess innovation value in combination with permanent development, cultural creativity, the knowledge economy and so forth” (GIO, 2004, p.162). This is the Adhocracy type.

In an address at the 25th Academician meeting of Academia Sinica on 1st July 2002, Yu mentioned that, “With the coming of the new century, Taiwan faces fierce global competition with all other countries. Since I took responsibility as prime minister, I constantly ponder how to master global trends and opportunities for expansion, break away from the heavy historical burden and internal limitations of Taiwan, reform the complete structure of the nation in order to raise the life quality of the people and create comprehensive national competitiveness” (GIO, 2004, p.229). This is the Market type. He went on further to say, “In the area of future investment, it is known that talent is the root of national competitiveness in the globalisation of the knowledge economy. Innovation is the impetus for national development, with management and planning being the key connection to the wider world; and the key element in raising the quality of life and attracting talents is the living environment. Hence, the priority of national development will be focused on construction that will strengthen the power of the nation in the future. Ten key points are chosen and put into practice according to the above-mentioned four themes in the hope of expediting the achievement of prospective national development” (GIO, 2004, p.230). The above can be categorized as the Adhocracy type.

From the above summary of the speeches of the five prime ministers, it can be observed that none of their leadership or political styles can be solely categorized in any single culture type from the Competing Values Model. In fact, the leadership or political style of each prime minister can be more or less distributed into the four main culture types. From the above

analysis, it can also be seen that two or more types are evident in any one of the speeches by any of the prime ministers. For example, Prime Minister Vincent Siew, in the policy report during the first session of the fourth term of the Legislative Yuan on 26th February 1999, mentions the beginning of government reinvention, the innovation of government service ideas and the continual advancement of personnel reinvention in order to raise the efficient application of human resources in the government and establish a service team of high quality professional civil servants with the objective of raising the productivity level of civil servants by 10% within two years. This can be categorized as containing elements of the Adhocracy, Clan and Market types. In sum, instead of a clear classification of certain prime ministers into certain types, it can only be indicated that in the political process, certain prime ministers are closer to certain culture types.

The style of leadership and the policy content of each prime minister are influenced by foreign or domestic managerial theories, meaning any valued theory that appears either within or outside the country (note: according to practical observation, foreign and domestic theories are valued the same). During their governance, each organisation belonging to the Executive Yuan echoed the relevant theory and advanced relevant policies such as Entrepreneurial Government, Reinventing Government, New Public Management, Knowledge Economy and Digital Nervous System, etc.

Accordingly, it could be perceived that there is no perfect design for each prime minister to adopt a suitable leadership style to match the cultural changes within the civil service system. The adoption of a leadership style randomly based on a leader's personality or the influence of popular theories cannot be expected to produce effective civil service reform. Furthermore, the cultural type could change when the organisation itself evolves in order to meet environmental changes. The adjustment of leadership style therefore should be evaluated frequently in response to the reality of cultural changes. For the purpose of entirely accomplishing the objectives of civil service reform, it is argued that leaders have to use their leadership style to

promote cultural changes in organisations in order to provide a concrete foundation for the success of reform. After the above examination of leadership styles, Taiwan seems to have a long way to go within this area if the related achievements are to be accomplished well.

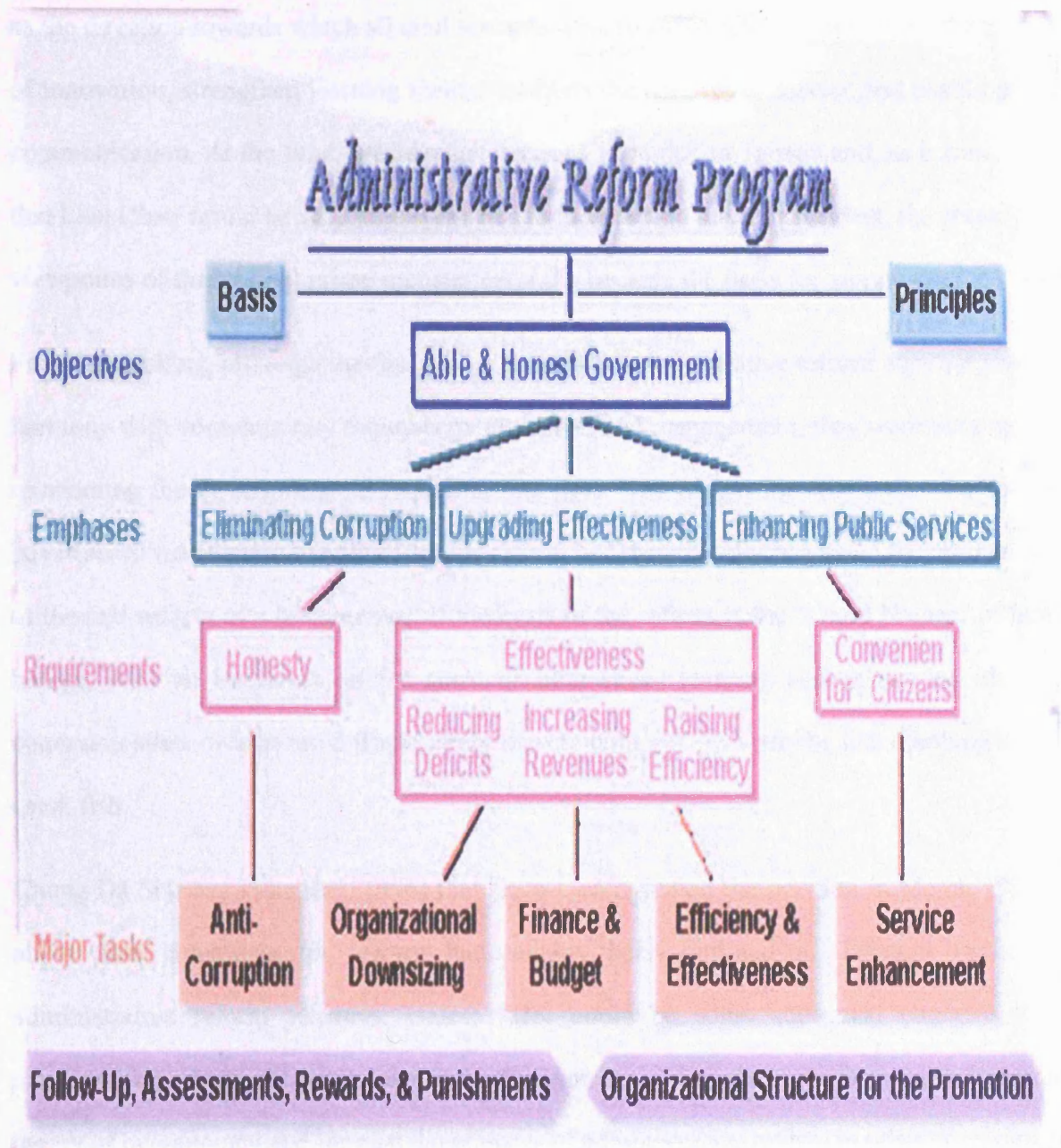
5.3 A Review of Reform Objectives

Generally speaking, the efficiency of government, practice of social justice and reasonable distribution of resources are the objectives pursued by civil service reform. However, due to different elements of time and space, or the diverse opinions of the promoters of reforms, there are different reform objectives.

5.3.1 The Kuomintang (KMT) Government Period

The implementation of civil service reform in Taiwan started in 1993. The Kuomintang (KMT) government period is from 1993 to 2000. Although there were two cabinets, those of Lien Chan and Vincent Siew, the reform objectives of the two cabinets were approximately the same, based mainly on the foundation for administrative reform started by the cabinet of Lien Chan. The succeeding Vincent Siew cabinet came up with the slogan of ‘government reinvention’; however, the primary goals were not much different from the previous ones. The Scheme of Administrative Reform (1995) was reviewed and approved in the 2397th meeting of the Executive Yuan of which the overall objective was to establish able and honest government. Honesty, effectiveness and convenience to citizens were its three key demands. Its five main items include: 1. Check and eliminate corruption and negligence, and correct civil servant ethics. 2. Carry out organisational downsizing and reduce the current number of staff. 3. Integrate government finances and reduce budget deficits. 4. Raise administrative efficiency and strengthen work effectiveness. 5. Implement system reform and strengthen service for citizens. In order to enlarge its depth and scope, the scheme was set into action from the aspects of the systems, procedures, concepts and attitudes simultaneously in order to alleviate and solve problems comprehensively and on time. The objective structure of administrative reform is listed as below:

Figure 5.3 Administrative Reform Objectives



Source: based on the *Scheme of Administrative Reform* (1995)

In 1996, the previous prime minister, Lien Chan, reviewed and self-criticized his performance in a meeting commemorating the late KMT premier, and confessed that there was still a gap between the former policies of his government and the demands of citizens; it was indicated that the coming year would be a crucial year for reinventing government, as administrative direction needed to be devised while placing citizens at the heart of policy-making. Essentially, the barriers between citizens and the government were to be removed and the gap between the

people's will and implemented policies were to be eliminated. Four demands were put forward as the direction towards which all civil servants were to strive. These were: to invoke the spirit of innovation, strengthen learning ability, establish the concept of service and enable positive communication. At the time, presidential elections were due in Taiwan and, as it was forecast that Lien Chan would be successfully elected to the position of vice president, the above policy viewpoints of this former prime minister naturally became the basis for administrative reform.

Frankly speaking, although the four new directions of administrative reform were somewhat in harmony with contemporary thoughts on organisational management, they were not urgent for reinventing the government of Taiwan at that time. The reason for this is that the so-called government reinvention or administrative reform had theoretically surpassed the rational scope of the self-reform of a bureaucracy. If the basis of the reform is the "Good Nature" of human beings, with an emphasis on the spirit of innovation, learning ability, service ideas and communication - which are difficult to objectively pinpoint - it would be like climbing a tree to catch fish.

Chung Da Shu has indicated (1996) that since Lien assumed the position in March 1993, the above four directions for reform had already been outlined in different versions of administrative reform schemes. Unless there could be some additional concrete reform measures, no additional results would be forthcoming. From the organisational management theory of bureaucracy and the past experiences of administrative reform in other countries, it is clear that proper adjustments in the government organisational structure and the effective encouragement of civil servants' morale form the foundation of comprehensively implementing policy and assuring administrative efficiency.

In addition, Lee Boad Yuah (1996) also pointed out in his organisational development study that administrative reform has to evolve with time and long-term endeavour. Only by probing into the three aspects of organisational culture, healthy finances and organisational participation, can the proper direction of administrative reform be set. As for the Scheme of

Administrative Reform of the Executive Yuan, although it is stated article-by-article, if further analysis is performed as to its structure and content, the basic theory of each administrative study can be easily seen, and it can be concluded that the reform scheme has a distinctly theoretical foundation. However, if it is evaluated from the position of an organisational development study, distinct blemishes can be seen.

Shey Neng Thay (1996) stated that the worldwide campaign for government or administrative reform from the 1980's had not receded, as seen for example in the emphasis of the National Performance Review in the USA and the Next Steps Programme progressing in the UK civil service reform. During this period, focus was put on strategic government reinvention. Firstly, the appropriateness of posts and functions of the present government would be examined, and then many of these functions and posts would be released to management by non-governmental organisations. Secondly, a great many ideas from business management were to be introduced in the remaining posts, including Total Quality Management (TQM), in order to equip the government with more of a business spirit, respect for the needs of customers and emphasis on cost.

When government imitated business, especially by introducing business management techniques and company culture, it was greeted with largely positive reactions. After all, there is a distinct similarity between the government and the enterprise, and strategies for administrative reform that address managerial ability, and problem solving and prevention, can root out the original causes of government inefficiency.

When the objective of government reform becomes raising its management ability, decision-making capabilities become of heightened importance. This is as true in the central government as it is for each local autonomous group, and so the needs of the elected chief executives and their appointed political staff should be valued, as should those of the chief civil servants of each administrative department. Overall, the focus of reform is on improving decision-making capabilities, wherein important questions pertain to properly viewing the

cause and effect of public problems, handling the changing environment sensitively, and the government's involvement in dealing with certain public problems. In fact, the improper application of decision-making will lead to overuse of public resources by government. In addition, becoming improperly or insufficiently involved in certain problem areas will consequently result in wasting resources. The damage caused by loss of resources, and subsequently the loss of opportunity, is at least as harmful as corruption.

Therefore, in order to achieve the above objective, at this stage the emphasis of the reform programme should have been placed on two vital areas: establishing an information-processing capability and problem analysis. While all kinds of management techniques can be innovatively employed in private businesses, it should never be ignored that adequate information on business opportunities and the ability to analyse working methods as an integrated operation are the core elements in assisting the survival and growth of the enterprise; similarly the government needs to improve its ability to raise its own capability.

As to the concrete strategy of improving decision-making capabilities, Shey Neng Thay (1996) indicates that improving information-processing capabilities and problem analysis should be a prior requirement before further borrowing business management techniques. This priority is especially important in Taiwan, as many policies and methods are plagued with poor-quality decision making. For example, dropping the plan to make the Six-Year National Construction the blueprint for national development is a prime example of poor decision-making, and the health insurance system implementation process for all citizens also illustrates insufficient capability in planning and decision making. The cause of the problem is the lack of a complete information system and lack of ability in high-quality problem analysis.

It is clear that in order to raise decision-making and information-analysis capabilities, the reform of human-resource management and organisational design is essential; however, the *Scheme of Administrative Reform* did not indicate methods for improving on these issues. Some of the important objectives for the strategy of human-resource reform in the government is to

strengthen the capabilities of collecting and processing human-resource information, the evaluation and analysis of problems, the ability to think, creativity, emphasis on scientific logic, the utilisation of basic statistic skills, etc. These are characteristics with which civil servants should be equipped, otherwise it is impossible to improve the quality of information analysis and decision-making. Thus, any successful strategy should clearly involve the re-education and training of the present staff to strengthen skills in these areas, while the future examination and selection policy for national civil servants should also be adjusted in order to seek such talent. Further, in order to supplement the lack of qualified manpower, each organisation should seek assistance from individuals or from external academic research institutes by aggressively building a knowledge-net with such external researchers who are knowledgeable in the main policy areas.

On the subject of reforming organisational design, the most important requirement is to establish a 'brain' or planning unit, which is led directly by the chief or vice chief of the organisation. Its function is to plan the main content of policies and develop strategies in the organisation. In other words, while taking on the above-mentioned role of information processing and problem analysis, it plans, sets and evaluates projects, thus allowing any decision and strategy of the organisation to be considered systematically. A central 'brain' is necessary for the organisation to view and offer decision analysis with a greater overall vision since, generally speaking, each department section is busy on routine work and seldom has the ability to make decisions. Even if a department section has limited decision-making and planning abilities, it will usually be hindered by narrow thinking.

The government should regard cultivating a complete set of administrative capabilities as an important objective of its reform. It is not enough to simply value management, which is also not the principle success factor in the business world, and leave decision-making behind. Indeed, raising decision-making capabilities is perhaps the most needed task in administrative reform, and the need for information analysis therein underlines the importance of establishing

a learning-type organisation.

Chung Min Shiu (1996) points out that the objectives of administrative reform did not entirely match the needs of the country since the scheme focused on technical adjustments within the organisation only, and lacked both macro control and the ability to make changes in the areas of regulation, morality, politics and society. In order to raise national competitiveness, it is essential to establish a new function of administrative reform that enables the government to build up public ability, public reliance and public power on the basis of mutual trust between government and citizens.

In early January 1996, the Executive Yuan passed a draft of annual policy principles with six main points, which were: advancing friendly cross-strait interaction, participating in international society, establishing operational centres in the Asia Pacific area, reforming education, carrying through administrative reform and establishing a fair social welfare system. The first problem for putting the plan into practice was to ascertain whether the administrative constitution and capabilities were sufficient. By observing the civil servant system in the country at that time, it is clear that continually strengthening administrative reform was the most needed task to address this problem.

The Research, Development and Evaluation Committee of the Executive Yuan published the *Report Examining Implemental Efficiency of the Scheme of Administrative Reform*, the results of which confirmed the conclusions of the public surveys and regional social indexes announced by the Directorate-General of Budget, Accounting and Statistics of the Executive Yuan in 1994, which indicated that the effects of administrative reform were yet not to be perceived by the public. Meanwhile, the sense of safety in public life decreased; the gap between rich and poor increased and the rise of a feeling of being deprived and other problems such as environmental pollution, degradation of the natural environment, improper planning of the national landscape, conservative attitudes on educational reform, contemptible trends in corruption and negligence, and so on, all caused panic, uneasiness and doubts among the public.

From these phenomena, it is observed that there was a huge gap in the perceived efficiency of the administrative reform between the government and the general public.

Generally speaking, there are three perspectives from which to observe administrative reform. First, from the managerialism perspective, the analytical focus was on administrative organisations. It was thought that the solution for administrative problems could be found and dealt with totally within administrative organisations. If a cure for their sickness and their functions could be applied, it would raise the level of administrative efficiency, purge corruption and decay, and make services for citizens more convenient. The theoretical foundation for this viewpoint was the idea that "Public administration is the active system of national will". It was hoped that the implementation of policy would serve as a diagnosis and treatment for the ailing national governance capability. The *Scheme of Administrative Reform* of the nation was a model based on this theory, which has its positives, but also contains certain blind spots.

Second, from the communitarianism perspective, the analytical focus was on civil society. It was believed that probing administrative reform from the nationhood angle was insufficient. In fact, emphasis on the re-establishment of a co-operational relationship between the nation and society is where fundamental reform of government should begin. This, in practice, involves combining the power of politics and society by rebuilding the community from the bottom up, and by shaping community consciousness in such a way as to connect civil society with a firmly-established democratic administration. The formation of such a co-operational relationship between the nation and society allows the administration to govern by providing services that benefit the people. Such views have always been at the core of public administrative theory and administrative reform activity in USA, as revealed in the popular book *Reinventing Government* by Osborne and Gaebler (1992).

Third, from the perspective of liberalism, the analytical focus is on market function. Doubts were raised regarding the self-renewal of a national system and whether the administrative

reform could be achieved by a close co-operational relationship established between the nation and society. Hence, it was believed that, except for the central plan and implementation of the national strategy, most of the administration of government should be released to operation by the market, and this was the only way for the government to focus its strength on elaborating the administrative efficiency with which society would benefit from the maximum freedom and welfare.

If the *Scheme of Administrative Reform* of the Lien cabinet is examined from these perspectives, the scheme seems to have been fairly limited to the first theoretical angle, and relatively lacking in the other two. The three key points – honesty, effectiveness and convenience for citizens – demanded by the scheme were prescriptions for administrative reform that arose solely from the perspective of improvement of internal organisational management effectiveness. There was not much room for involvement by the non-authoritative civilian sector (including market function and civil society). Even where calls to have “the authorities mobilize the civilian sector” were heard (for example, the Government Information Office was asked to promote the ongoing work of government administrative reform), adjustments and cooperation between the government and civil society was seldom discussed, let alone the rebuilding and leading of the government with civil vitality. This narrow concept of administrative reform generated huge blind spots within the new scheme, instead of remedying the situation at a time when sovereign rights newly belonged to all citizens. The reform wasted much energy on internal technicalities and minor improvements of the organisation. Even if there were some positive effects, these were powerless in transforming the government from the “Yaw-Men” (meaning bureaucratically-based office) of the autocratic political era into one with administrative direction led by citizens. Actually, more ideal and effective reform ideas and structures should dialectically have combined the above three theories, so that a more overall, extensive, wide-ranging and multi-level prescription of government reform could be offered.

A fair discussion on the effectiveness of the scheme for administrative reform should start by

loosely observing the policy plan, the implementation of policy and the methods connecting the two. From the angle of policy plan, the scheme can be regarded as a rather concrete and complete plan for improving administrative managerial skills and procedures. However, such a plan is honestly insufficient as a way of reinventing government if the country is to be transformed into one which can react to international competition. The part of policy implementation was mainly to establish the function of “participation of citizens” and inspiring “cooperation from the public and private sectors”. Relevant government systems and regulations should therefore have been substantially revised. As for the connection between plan and implementation, since they are inseparable as two sides of a whole, the method for implementation planned by the Research, Development and Evaluation Committee of Executive Yuan, through relevant individual departments, seems to have generated a sickly situation of disconnection, immovability, policy counterplotting, the contest of composition and formalism.

From the three crucial angles of administrative reform - management, society and market - it should be emphasized that:

First, under the impact of huge domestic and international changes in political and financial structures, the autocratic political system in Taiwan was democratising. The tasks, motives and plans for administrative reform surely needed to employ methods different from those employed before the lifting of Martial Law. However, the Lien cabinet was still operating under the old reform structure and the deficiencies of initiative from upper levels couldn't be avoided, and adjustments and improvements of internal organisations were minor technical aspects. The question of how to rebuild a civil society and how to engineer the co-production of “united efforts with the private and public sectors” to transform the functions of governmental, economic and social departments - even adjustments to the basic components of the constitution (such as the necessary revision on Constitution of Five Rights and Government of Four Tiers, etc.) - were all neglected. Instead, the scheme for administrative reform should have

centred on adjusting the relationship between the government function and other civil departments (such as civil participation), the reform of the basic components of the constitution and organizing a committee for administrative reform, all the combining of the public and private sectors in planning and advancing reform.

Second, the improvement in organisational design and functions of government (such as the rebuilding of the civil service system, re-formulation of relationships between central and local government, etc.), relevant legislation, revision and abolishment of policies concerning administrative reform (such as the completion and implementation of the Anti-corruption Law, the establishment of legislation of administrative procedures and legislation for the disclosure of information) seemed to not be valued in the agenda-setting of administrative reform. The improvement of organisational management and policy legislation should be adjusted concurrently.

Third, although the scheme placed much attention on administrative managerial function and improving policy capability, the level of public sector involvement was too low, and too many details which made it difficult to expect long-term improvement were included. In addition to the improvement of administrative effectiveness (such as efficiency and convenience for citizens), emphasis could have been put on the aggressive elimination of corruption, maintenance of political impartiality and non-abuse of administrative resources. Through the effective implementation of these “four negative requirements”, reform may have been generated. It would have been a saving grace if the improvement of efficiency of internal administrative organisations could have been as creative as the implementation of the Next Steps programme in UK, without the bureaucratic red tape.

Fourth, the aggressive focus should have been on the task of government transformation. The Executive Yuan tended to transform the government role from that of original operator to manager, promoter and supervisor, offering services instead of control. Yet transformation should be a complete change, breaking free from the old and embracing the new. The original

purpose of government transformation was to re-adjust national functions, and fundamental to this was the clarification of the role and function of the nation, the market and society, and to return power to the citizens as far as possible, while keeping the government functions focused on basic social welfare, maintenance of order, fairness and justice; the remaining functions should be returned to the public (such as through privatisation) and civil society (such as through non-profit organisations).

With extreme attention on formality and ceremony from upper levels, civil servants at all levels were busy filling in all kinds of reports, which went against policy. Although many senior officials held the view that reform work had almost become a movement, many citizens still could not sense the concrete start of administrative reform. In fact, it is essential to build up mutual trust between the government and citizens to encourage cooperation in establishing reform functions in order to process the reform implementation and re-establish the public capability, trust and power of the administrative system.

Synthesizing the above account, it is not appropriate that administrative reform focus only on technical adjustments within the administrative organisations; only by driving reform on overall society, politics, economy and culture can it be seen as successful. Therefore, problems of the transformation of the role of the nation, society and the market have to be taken into consideration. Also, participation and support from citizens are essential as well. Dialogue and discussion among citizens and scholars during the process of scheme implementation are fundamental. To a certain degree, although the administrative organisation itself is a service for the benefit of the public, its own ability for self-examination and correction is not strong enough to abandon those previous methodologies and beliefs that it benefited from. Therefore, reform from within is uneasy, and can only succeed through introducing the strength of society.

With regard to the reform performance of the Siew cabinet, the chief objective of the outline of government reinvention approved by the 2560th meeting of the Executive Yuan was to introduce an enterprising managerial spirit, and build an innovated, flexible government

equipped with the capability to deal with contingent cases in order to raise the level of national competitiveness. The expected actions and effects were:

1. Rebuilding the image of civil servants to raise their social status.
2. Adjusting the government role to enlarge civil participation.
3. Organizing human resources nimbly and flexibly to strengthen reaction capabilities.
4. Loosening regulations and simplifying procedures to invoke the spirit of convenience for citizens.
5. Strengthening service quality to substantially increase the degree of citizen satisfaction.
6. Settlement of government finances to raise the effectiveness of resource management.

The Executive Yuan published a special issue at the first anniversary of the Siew cabinet in August 1998 indicating that:

In order to fulfil each policy of the government, the Executive Yuan had already set government reinvention as a prime objective. The plan for the government reinvention movement approved in June 1998 - which touched on organisation, legislation, human resources and service reinvention - was issued to each organisation for enforcement in the hope of reinventing the whole government and strengthening its effectiveness with the objective of raising national competitiveness. The methods were:

1. Refining the government organisation by completing the plan and procedure of restructuring provincial government by the end of 1998, while largely adjusting the organisation of the Executive Yuan in order to meet the needs of the new era.
2. Enhancing the flexibility of the organisation and staff by finishing the drafts of the Organization of Central Government Agencies Guidelines Act and the Central Government Agency Personnel Quota Act, improving recruiting flexibility and adjusting internal mobility within the organisation to fit the ever-changing internal and external environments.

3. Reforming administrative concepts by introducing the concept of business management and service, and thoroughly transforming the government from the role of rigid governor into efficient service provider.
4. Continuously advancing the reform of the government budget system by fitting the government budget with political objectives, and elaborating on the use and effectiveness of every penny of the budget.
5. Advancing e-government by utilizing information technology and the internet to speed up the computerization of affairs in the government organisation, and establishing an information service net in order to enhance administrative efficiency and improve service convenience for citizens.
6. Advancing a “one-stop shop” administrative process in the nation by completing an integrated online household registration, military and government information system in the hope of achieving the objective of being able to access the whole service in one place.

Coordination and cooperation between central and local governments was the key to the implementation of all policies. At the start of the restructuring of provincial government, given the new political situation, the government hastened the clarification of both central and local authorities' responsibility to complete the division of financial revenues and costs, in order to allow the central and local governments to fully coordinate and cooperate.

According to the emphasis in the 1998 national construction plan approved by the 2558th meeting of the Executive Yuan in 18th December 1997, the Siew cabinet specifically indicated that in order to raise administrative efficiency, and react to the development of the social environment, the government should speed up the modernisation of the administrative system to induce the overall enhancement of national competitiveness. The key points of this task were (CEPD, 1997):

1. Advancing reform on the foundation of administrative reform and introducing a

co-operational spirit in the administrative function so as to reform the government into an organisation which is simplified, flexible, ever-innovating and equipped with the ability to react.

2. Cultivating civil servants with enterprise concepts, raising overall administrative effectiveness and offering services with customer direction.

In sum, the slogan of civil service reform of the Siew cabinet went gradually from the 'administrative reform' of the Lien cabinet to 'government reinvention'; the reform objectives at that time were mostly as follows (Executive Yuan, 1998a):

1. Organisation reinvention:

- (1). Planning the drafts of the Organization of Central Government Agencies Guidelines Act and the Central Government Agency Personnel Quota Act.
- (2). Adjusting the Executive Yuan and its organisation.
- (3). Adjusting organisations of provincial government and parliament.
- (4). Adjusting organisations of local government.
- (5). Establishing an evaluation system for organisation and staff effectiveness.

2. Human resources and services reinvention:

- (1). Proceeding with the overall reinventing of the personnel system.
- (2). Implementing the overall revision, simplification and loosening of personnel regulations.
- (3). Advancing one-stop shop activity in the nation.
- (4). Building e-government.
- (5). Raising total service quality.

3. Legislation reinvention:

- (1). Adjusting the role of government - privatising publicly-owned business, encouraging civil participation in public construction and assigning government affairs to civil organisations.
- (2). Reforming major business systems - proceeding with the reform of major legislative systems to enhance efficiency, quality, financial controls and harmonization within society.
- (3). Examining methods of control - loosening regulations, implementing rationalization of control methods, simplifying administrative processes and standardization.

The background of the Siew cabinet consists of the aggressive advancement of refining the role of the province after constitutional revision in Taiwan, and it also faced the unhappy arrival of the external and internal crisis that the Asian financial storm brought, meanwhile trying also to achieve the national objective of establishing Taiwan as both an operational centre in the Asia Pacific region and a technology island. Therefore, the Siew cabinet's objectives mainly revolved around reforming administrative organisations. The emphasis on introducing business management and service ideas in the hope of changing the attitudes of civil servants, to then in turn enhance their ability to react to the complicated environment within which the administrative system was operating, was probably a reaction to the complicated and treacherous environment at that time. However, the original transformation from the administrative body rather suited the needs of civil service reform. Former Prime Minister Siew indicated in the meeting of the Executive Yuan, which had approved the outline for government reinvention, that reform needed the participation of all civil servants, and one third of the reform committee members should come from the primary and middle ranks of civil servants. This shows that the Siew cabinet realized that only from the bottom up could the objectives of civil service reform be achieved.

5.3.2 The Democratic Progressive Party (DPP) Government Period

After the DPP took over the reins of government, the first cabinet of Tang Fei made ‘advancing government reinvention and raising administrative effectiveness’ one of six key policies. Its content is not that far removed from the ideas and strategies contained within the former outline of government reinvention that the Siew cabinet had drawn up (Chung Da Shu, 2003). In the Cross-party Consultative Committee of Economic Development meeting held by President Chen in August 2001, one of the common consensuses of reform was the suggestion for the president to invite people from all areas to form a committee to advance government reform. In October 2001, the presidential office officially formed the government reform committee, marking the first time that an organisation for advancing civil service reform came above the administrative system. The committee subsequently outlined the following reform objectives (2002a, 2002b):

1. Establishing flexible and downsized administrative organisations

In order to design a more competitive governmental organisation, the current state of administrative organisations was first examined, and the ideal basis and basic design of relevant legislation was brought into consideration. The committee indicated five main objectives:

- (1). Downsizing organisational scale.
- (2). Organising with rationalism..
- (3). Strengthening leadership and coordination in policy.
- (4). Fulfilling the appropriate division of affairs among organisations.
- (5). Making organisations more flexible.

To meet these objectives, the Executive Yuan set out the following concrete measures:

- (1). Planning drafts of the Organization of Central Government Agencies Guidelines Act and the Central Government Agency Personnel Quota Act, which were sent to the Legislative

Yuan for approval on 25th April 2002 in order to flexibly adjust organisation and staff numbers.

- (2). Planning drafts for the amendment of the Organisation Act of Executive Yuan and Temporary Regulations for Restructuring the Functions, Responsibilities and Organization of the Executive Yuan were sent to the Legislative Yuan for approval on 26th April 2002 in order to reduce the size of departments and downsize organisations at all levels.
- (3). Planning a draft of Advancing a Plan of Partnership between the Government and Civil Society in order to privatise government affairs, contract work out and set up public corporations.

2. Establishing a professional personnel system

- (1). Establishing a standard service morality and administrative neutrality, raising the ability to recognise service quality, strengthening administrative talents and senior leaders for achieving the objectives of providing honest and neutral services, and increasing responsible politics and leadership ability.
- (2). Establishing checking, examination, reward and punishment systems to enhance the effective and flexible treatment of the welfare system, and strengthening the human resources management systems in order to achieve the management objectives with primary consideration given to effectiveness and cost.
- (3). Establishing a development and lifelong learning system, with primary consideration given to work effectiveness and career development, in order to upgrade professional and innovative human resources through learning.
- (4). A personnel strategy whose objectives is to widen the loosening of personnel legislation, activate local personnel management, strengthen the service capability of the personnel system and establish diverse methods of human resource implementation in order to achieve division of power, and energise the personnel with the principle of achievement.

- (5). In order to achieve the above objectives, in the sixth meeting of the government reform committee of the presidential office, it was confirmed that reform should include flexible employment methods and the plans for a governmental ranking system for superior administrative officers and a hierarchical contractual system should be completed.

3. Establishing a Government Framework for Co-operational Power Division

In order to achieve an active government with global competitiveness, and establish central and local governments around the government framework of co-operational division of power, the objectives are as follows:

- (1). Cancelling autonomous local elections to put municipalities directly under the jurisdiction of the central government, counties and municipalities in order to organize the functions of villages and communities.
- (2). Amplifying local financial sources and examining the percentage of distribution of local tax revenue and resources.
- (3). Dividing governmental and local power and ensuring each serves its position and duties, reducing arguments on limits of authority and strengthening partnerships.
- (4). Adjusting administrative regions, raising administrative effectiveness and balancing urban and rural developments.

4. Advancing the Parliament Reform According to Civil Will

This is based on establishing the internal morality of the Legislative Yuan through pursuing transparency and rationalizing inquiries into affairs of the Legislative Yuan, promoting specialization of committees of the Legislative Yuan, and actively researching the relevant plans with the aim of successfully reforming parliament.

5. Establishing a Service System with Benefits and Innovation

By providing benefits and innovation in the service system, the main objective is to build a

service culture led by customer needs, to increase e-government applications, encourage the loosening of controls of legislation, establish administrative financing based on effectiveness, advance authorized external contractors in the provision of public services, transform organisational business and so forth. This is to say that the government shall transform from the role of providing services to delivering services. The main methods and strategies for the advancement of this agenda are:

- (1). Encouraging innovation and introducing effective measures for the convenience of citizens; building a customer-first service culture and environment by:
 - A. Encouraging research and development for chiefs and staff, and implementing a system of rewards in order to enhance service convenience for citizens.
 - B. Constantly examining and adjusting the service scope and operational procedures in order to offer effective measures for citizens.
 - C. Strengthening reform and marketing strategies of convenience for citizens, enlarging the innovative effects of services.
- (2). Raising the level of e-government and widening the use of information technology:
 - A. Government information services are listed as the main item of public construction.
 - B. Examining the operational procedures from the bottom up to raise the service effectiveness of e-government.
 - C. Establishing a basic foundation for a shared information network of e-government services.
- (3). Loosening of legislation, reducing controls and raising benefits.
 - A. Each organisation shall actively examine restrictive legislation with regard to providing increased benefits.

B. Supplementary legislation from each organisation shall provide analysis and alternative measures for the legislation.

(4). Establishing a budget and audit system based on effectiveness.

A. Effective rewards for the organisation or unit, which carry out the accumulating budget spirit and have great effect.

B. Examining and revising the budget and audit process from the perspective of providing benefits.

(5). Increasing the number of authorized external contractors for public services and strengthening cooperation between the public and private sectors:

A. Using civil resources and energy wisely to create a new environment with the combined forces of the public and private sectors.

B. Designing a stimulating system for external contractors and raising the willingness for civil participation.

C. Choosing items less controversial or commonly recognized suitable for contracting out to advance positively as a priority.

D. Examining and advancing the role and transformation of each department and its related organisations.

(6). Examining the role and transformation of each organisation.

A. According to a decision made by the Committee of Economic Development, the schedule for the implementation of privatisation of state-operated businesses should be pushed forward by central government.

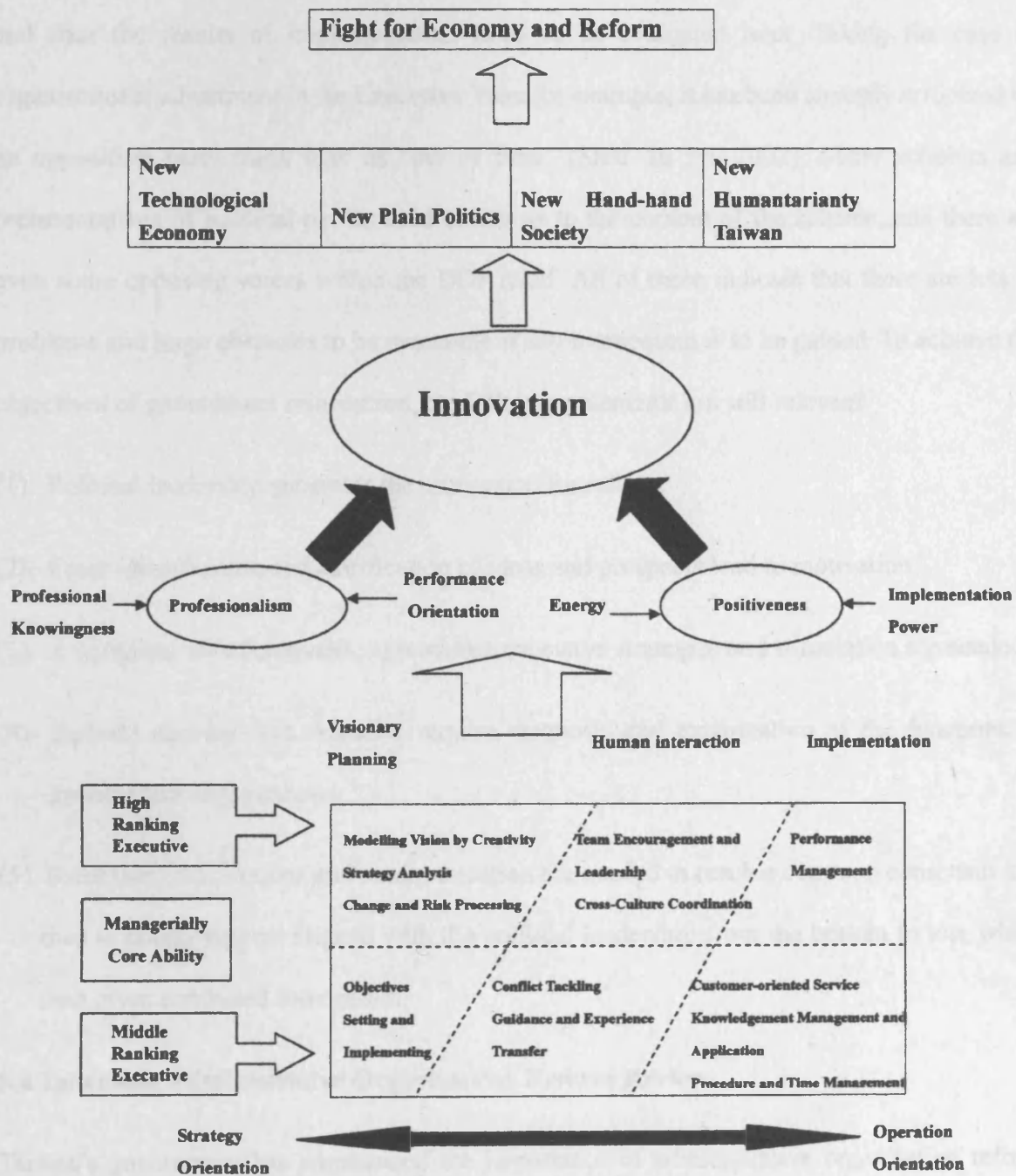
B. Emphasising privatisation and making headway in its implementation.

C. Businesses not listed for privatisation should be actively examined and evaluated with regard to efficiency, and potential reform measures and alternatives plan (such as

closure, re-organisation, division, private operation owned by the public, cooperationalization, rebirth plan, etc.).

In order to strengthen its popularity through building consensus on the reform of the whole administrative system and civil service, the DPP government illustrated the reform objectives as seen in Figure 5.4.

Figure 5.4 Objectives, Core Values and Abilities of the DDP Government



Source: CPA (2004), analysis of the selection of core values and high & middle level core abilities in administrative organisations.

Chung Da Shu (2003) indicates that a comprehensive survey of these reform objectives had been ongoing since the conclusion of the national development meeting of 1996 and the

relevant reform plan of outline of government reinvention in Siew Cabinet, with only minor revisions made to the reinvention strategy. In fact, many schemes are still at the planning stage, and thus the results of implementation need to be evaluated later. Taking the case of organisational adjustment in the Executive Yuan for example, it has been strongly criticized by an opposition party think tank as “out of tune” (Shiu Yu Pu, 2002). Many scholars and representatives of political parties hold doubts as to the content of the scheme, and there are even some opposing voices within the DDP itself. All of these indicate that there are lots of problems and huge obstacles to be overcome if any momentum is to be gained. To achieve the objectives of government reinvention, the following elements are still relevant:

- (1). Political leadership generates the motivation for reform.
- (2). Clear identification and clarification of ideas and prospects lead to motivation.
- (3). A complete set of measures, appropriate executive strategies and stimulation are needed.
- (4). Suitable case-by-case remedies require diagnosis and examination of the functions of government organisations.
- (5). Extensive consultations and communication are needed to reach a common consensus and thus to obtain support aligned with the political leadership from the bottom to top, which then gives combined momentum.

5.4 Taiwanese Administrative Organisations Reform Review

Taiwan's government has emphasized the importance of administrative organisation reform and put its utmost effort into accomplishing this goal since it triggered the idea of civil service reform in 1993. Undoubtedly, this programme has drawn a lot of attention from society and also achieved more than other programmes. In fact, the Lien cabinet used the slogan of downsizing administrative organisations as a first step in stating its reform objectives. The so-called “cutting back staff numbers by 5%” was a well-known plan for administrative organisations, which was strictly implemented for three years causing much rethinking as to the appropriate

operation of existing organisations and their related affairs. The above movement was not only expected to decrease much of the personnel budget at that time, but also mainly tried to recall the enthusiasm of reform for the entire society and attract a series of subsequent reform measures. Afterwards, organisational reform was still stressed as a key point by Lien's successors such as Vincent Siew, Tang Fei, Chang Chun Hsiung and Yu Shyi Kun, at least until 2003. In short, the main measures of administrative organisation reform have been:

1. Downsizing the scale of central administrative organisation, which includes amendments to the Organisation Act of Executive Yuan and the cutting back of staff numbers
2. The restructuring of the Taiwan provincial government, which is designed to re-clarify the scope of the civil service system and reduce the overlap between central and provincial government.
3. Creating a new flexible organisation – public corporations.

Among the above-mentioned measures, some were delayed with no further results due to the involvement of different political influences such as the amendment of the Organisation Act of Executive Yuan, while the comprehensive examination of goals for some are almost finished. As for the creation of public corporations, there are a lot of different views on their functions because of its new test. In the following section, the reality of the implementation of administrative organisation reform will be examined and analysed.

5.4.1 Downsizing the Scale of Central Administrative Organisations

The public always complains about the efficiency and effectiveness of government's policy implementation, as government agencies normally have plenty of defects such as the organisational scale being too large, inefficient staff, impolite attitudes on service delivery, corruption, inflexible operational methods, too many administrative levels, wasting too much time on decision making procedures, no clarification of power and obligations, shifting responsibility and so on. Although those defects could be improved gradually, the division

between government and the public is at risk of growing wider if improvements do not catch up with public expectations, a problem which is commonly found in other countries around the world. As many countries face the same problem, the question of how to get a government into shape and run more effectively has become a common issue. For the purpose of solving this issue, many countries have adopted such measures as privatization, downsizing, businesslike government, computerisation and contracting out in order to help their own administrative organisations get in shape.

The amendment of the Organisation Act of Executive Yuan has always been an important topic since Taiwan initiated its civil service reform. The last adjustment to the current Organisation Act of Executive Yuan was made on 29th June 1980, almost twenty-four years ago. It should be noted that over this long period, Taiwan has, both internally and externally, experienced huge change. Consequently, the long-unchanged organisation of the Executive Yuan appears to have some defects. Based on empirical observation, the shortcomings are listed as follows.

1. The content of the Organisation Act of Executive Yuan does not reflect the current administrative organisation

The first item of the third article of the Organisation Act of Executive Yuan stipulates that “The Executive Yuan shall establish the following ministries and committees: 1. The Ministry of the Interior; 2. The Ministry of Foreign Affairs; 3. The Ministry of National Defence; 4. The Ministry of Finance; 5. The Ministry of Education; 6. The Ministry of Justice; 7. The Ministry of Economic Affairs; 8. The Ministry of Transportation and Communications; 9. The Mongolian and Tibetan Affairs Committee; and 10. The Overseas Chinese Affairs Committee. In fact, apart from the above eight ministries and two committees (hereinafter referred to as “EMTC”), the Executive Yuan currently also contains another twenty-five units consisting of the Central Bank of China (Taiwan), the Directorate-General of Budget, Accounting and Statistics, the Central Personnel Administration, the Government Information Office, the Department of Health, the Environmental Protection Administration, the Coast Guard

Administration, the National Palace Museum, the Mainland Affairs Council, the Council for Economic Planning and Development, the Veterans Affairs Committee, the National Youth Committee, the Atomic Energy Council, the National Science Council, the Research, Development and Evaluation Committee, the Council of Agriculture, the Council for Cultural Affairs, the Council of Labour Affairs, the Fair Trade Committee, the Consumer Protection Committee, the Public Construction Committee, the Council of Indigenous Peoples, the National Council on Physical Fitness and Sports, the Central Election Committee and the Council for Hakka Affairs. Among these organisations, except for the Directorate-General of Budget, Accounting and Statistics and the Central Information Office - which was established according to the fifth article of the Organisation Act of Executive Yuan (hereinafter referred to as "OAEY") - the establishment of all the other departments is not regulated according to the third article of OAEY.

2. The enlargement of the Executive Yuan's organisational structure

Based on the above description, the Executive Yuan currently has established thirty-five ministries and other same-level organisations. This clearly does not match the first item of the third article of the OAEY stipulating that the Executive Yuan shall establish eight ministries and two committees. Moreover, the organisational structure of the Executive Yuan has been expanded from originally only eight ministries and two committees, along with the Directorate-General of Budget, Accounting and Statistics, and the Central Information Office, to thirty-five ministry-level organisations. This means that the scale of the Executive Yuan's organizational structure has actually been enlarged, and because the administrative structure has gradually been expanded and more and more organisations have been established, this has resulted in a large increase in the number of staff members, which has increased the government's personnel expenditure burden.

3. The overlapping and confusion of duties among different organisations

Due to the increasing numbers of the Executive Yuan's subordinate units, the division of

functions among different organisations has become more complicated, and the overlapping of governmental duties has subsequently become more serious. The result is that the journey of governmental documents among different units has slowed, thus affecting administrative efficiency. It has also resulted in the shirking of responsibilities between different organisations. Consequently, when any serious accidents happen in society, the phenomena of unclear responsibility and the failure of the operation of the command system quickly appeared. A prime example is the Ba-zhang river accident, which resulted in a huge loss of life and national wealth.

In addition, according to Nie Wun Gen's research (1994), the Executive Yuan's administrative organisation contains the following problems:

1. The structure of the EMTC is apparently rigid

After forty years of operation, the organisational structure of the EMTC under the Executive Yuan has been found to be one of stiffness and stagnation. Because the EMTC was unable to adequately deal with the current distribution of administrative business, the government required it on one hand to recruit more staff members in order to cope with the new administrative needs, and on the other hand, it had to continue to maintain and protect the original staff. As a result, these organisations are full of surplus officials, and yet simultaneously they face the contradiction of being understaffed and having inefficient human resources. Moreover, due to social, economic and technological changes, the Executive Yuan had to establish new administrative units to be in charge of new business and issues, and as such several additional committees and councils were established.

2. The overlapping of institutions' duties and the confusion of organisations' functions:

Each of the EMTC has its own duties, and other organisations were also established to meet newly perceived specific needs. However, when the government later established these specific committees and councils, it did not carefully separate their duties from those that were

originally performed by the EMTC. This consequently resulted in the confusion and overlap of the duties and functions of different organisations. The following are examples:

- (1). The National Science Council was designed to be in charge of the national scientific development policy, and this appears to overlap and be confused with similar jobs executed by the Ministry of Education, the Ministry of Economic Affairs and the Ministry of Defence.
- (2). The National Youth Committee is responsible for vocational training which overlaps with the Bureau of Employment and Vocational Training under the Council of Labour Affairs.
3. The expansion of the secretary-staff positions and authority resulted in inconsistencies in their powers and duties:

According to the principle of administrative organisation, the business-activity sector is the executive unit directly responsible for achieving the organisation's targets, while the staff-secretary sector is the unit that specifically helps or supports the business-activity sector. Accordingly, the business-activity functions contain command-making, policy-making, result-producing, and directly providing services for their stated objectives. While the function of the staff-secretary sector is to plan, research, distribute internal resources and support, and has no authority and power to command.

For example, the establishment of secretariat and counsellors, based on the Organisation Law of the Executive Yuan, belongs to the secretary-staff sector. The secretariat's duties concern the recording of meetings, the delivery and safeguarding of official documents, the composition and compilation of official documents, and the checking and safeguarding of official seals as well as being in charge of the treasurer and other general affairs. The counsellors are in charge of the composition of laws and administrative orders, the examination of administrative statutes, the inspection of plans, as well as items for editing and translating. Accordingly, neither has the authority to promulgate orders. However, the Executive Yuan's distribution of internal functions and duties has confused the differences between the business-activity sector and the

secretary-staff sector. The principle has obviously not been abided by.

In order to strengthen the functions of the secretary-staff sector, there are seven sub-groups established under the secretariat, which is itself solely in charge of the examination of the administrative plans and working reports of the Executive Yuan's organisations. Because it can deliver orders by way of the Executive Yuan's prime minister, this has enhanced its function from originally being a business-executive position to practically being an administration level.

4. The existence of a great many mission groups reveals insufficient coordination

Because of the confinement of the organisational structure of the EMTC which caused the duty overlap and poor functionality of administrative organisations, the Executive Yuan, in order to solve these problems, had to establish different mission groups in order to fully integrate and coordinate them. Nevertheless, this has resulted in more and more mission groups being created and, even worse, some appear to have overlapping duties and functions.

5. The confusion of administrative organisations' and units' titles

It should be noted that when the ROC constitution was first created in 1947, it did not set up a single standard to be followed regarding the title of administrative organisations. The ROC government, after moving its central administration to Taipei, continued to ignore the issue. Consequently, the current situation shows that there has been confusion among the government's organisations' titles. Taking the Executive Yuan's subordinate organisations for example, there are six kinds of titles used at the same administrative level, which include ministry (部), committee or council (會), department (處), office or bureau (局), administration (署), and yuan (院). This has resulted in the existence of organisations titled 'yuan' that fall under the overseeing Yuan. Furthermore, the administrative features and positions of those organisations that are titled department (處), bureau (局) and administration (署) are, in fact, similar on several levels. Moreover, taking department (處) and bureau (局) as examples, they have units titled 'department' that come under organisations titled as 'office'. Instances of this

can be seen in the Central Personnel Administration. Meanwhile, they are subordinate units titled as 'bureau' that belong to organisations titled as 'department', examples of which can be seen in the Directorate-General of Budget, Accounting and Statistics. What is more, it happens that there are subordinate units titled as 'department' that exist under organisations that are also titled 'department'. Consequently, due to the confusion of administrative organisations' titles, members of the public who often come into contact with the government find it difficult to distinguish the organisations' clear function and duties based on their official titles. Worse still, when people are dealing with administrative litigation, it is possible to experience delay which thus affects their rights and benefits because they can not clearly differentiate them from the responsible units' superior organisations or an even higher-level organisation.

6. No standard adoption of the ministry-type structure among organizations with the 'committee (or council)'

Some of the organisations outside the EMTC titled 'committee' have almost the same authority and duty as the ministries. This has created several problems. Generally speaking, ministries adopt the centralised leadership system where duties are specified and can be quickly and efficiently executed. By contrast, the 'committee' organisations adopt the collective decision-making system. Although this takes into account different opinions and suggestions, power and duties are decentralized which tends to reduce efficiency. For example, it would be better to have established the Executive Yuan's Council of Agriculture and Council of Labour Affairs as ministries. In practice, however, they have been created as 'councils' and as such they are unable to achieve centralized powers and duties.

Furthermore, from a functional viewpoint, there are five shortcomings regarding the Executive Yuan's organisational structure and practical operations (Yeh Jin Zone, 2002):

1. The superfluous number of horizontal-level governmental organisations

There is an incorrect thinking that the best way to solve public issues is to establish new

organisations, which has resulted in the continual expansion of the number of Executive Yuan's subordinate units. In general, the existence of too many horizontal-level organisations often goes beyond the boundary of the prime minister's effective control. The result is that it has not only raised the cost of coordination among organisations, but has also extended and complicated the process of administrative policy-making, as well as having resulted in an inappropriate growth of the number of civil servants.

2. The fragility of the organisational policy-integration mechanism

Because there are too many horizontal organisations as well as the insufficiency of an effective integration mechanism among these units, the Executive Yuan itself often finds it difficult to integrate policy while governing them effectively. Under these circumstances, it has been difficult for the prime minister to carry out macro policies, which has resulted in the organizations concerned with business activities being led and governed by top civil service officials who frequently push their policy projects based on selfish departmentalism. In consequence, the spirit of political responsibility demanded by democracy is difficult to create.

3. The organizational structure cannot adapt itself to changes in the government's core functions and duties

The central government's core functions and duties must be in tune with developments in the domestic and international environments. As such, its organisational structure also needs to be able to respond to functional changes in a timely manner. However, the design of the current Executive Yuan's administrative organisation has meant that it has failed to properly adapt to changes in the central government's core functions and duties. For example, while facing a long-existing diplomatic dilemma and the expanding effect of globalization, Taiwan's central government has failed to set up a creative organisation that has the function and ability to integrate different administrative units' policies. Meanwhile, Taiwan also lacks a powerful organisation specifically responsible for policy decisions concerning social security, an issue which increasingly affects the lives of all citizens. Accordingly, the government cannot be

farsighted in integrally planning and implementing systems and policies related to social security.

4. The superfluous number of collective decision-making systems confuses the different administrative functions of ministries and committees (or councils)

The government's executive organisations need to emphasise leadership efficiency. Thus, a centralized leadership system is a better mode of organisation for them. The collective decision-making system is, however, unsuitable for those organisations responsible for carrying out many business activities, but fine for those organisations that perform policy-planning and coordinative tasks. The Executive Yuan currently has several 'committees' or 'councils' that were designed as such in the hope that, through the gathering and discussing of opinions and suggestions, policies could be better coordinated through the collective decision-making system. Some of these organisations, however, have in practice become the units directly in charge of executing business activities. There are also some organisations which were originally designed for business-activity execution but, due to the confinement of law, they actually became committee-like organisations. This has ultimately confused the different functions and duties of ministries and committees.

5. The hesitation in designing administration-independent organizations

The existence of administration-independent organisations is abnormal, but it is necessary to have these organisations where specific public issues are concerned. No matter what theory such units are based on, they don't need to be led and commanded by the highest authority of the executive administration. Accordingly, these organisations are not part of the so-called group of cabinet members, and also their administrative position and level is unimportant. Due to the lack of a comprehensive understanding of the principle of designing administration-independent organizations, there appears under the current system to be a phenomenon of inappropriate connections and interactions between those administration-independent organisations and associated political leaders, which has failed to

fulfil such an organization's specialisation and de-politicalisation.

For the purpose of overcoming the above-mentioned problems, Taiwan has adopted some fundamental strategies within its civil service reform programmes which have been agreed on by both the previous ruling party KMT and the present ruling party DPP as the following:

- Amending the Organisation Act of Executive Yuan in order to catch up with the current practical demands of administrative operations.
- Setting up the Organization of Central Government Agencies Guidelines Act, which could be used to unify the operations of the administrative organisation and lighten the burden of the cumbersome legislative procedure when facing the need to set up an organisation in time.
- Drawing up the draft of the Central Government Agency Personnel Quota Act, which allows the government to use a quota to control the public workforce and enforce flexibility in civil servant deployment.

In addition, according to the Objectives and Principles of the Reform for Executive Yuan Organisation as approved by the Government Reform Committee at its third meeting, there are five objectives that have to be implemented when creating a comprehensive programme of administrative organisation reform (Government Reform Committee, 2002a):

1. Downsizing organisational scale

The mission and duties of the Executive Yuan must be reduced in line with the trend towards decentralisation and deregulation in order to create more space for local government or civil groups to develop their potential. Therefore, the bloated organisational scale of the Executive Yuan has to be downsized by aiming to decrease the number of its subordinate units to the most appropriate number. For the purpose of accomplishing the goal of downsizing, the adjustments to the Executive Yuan should abide by the following principles:

- (1). The government should not interfere in areas where the private sector can perform well.

- (2). The central government should not get involved in tasks that local government can perform well.
- (3). The number of Executive Yuan's subordinate units should be reduced to less than 20 on the basis of reducing communication and coordination costs, and ensuring the scale is at an optimum economically.

2. Organising with rationalism

The creation of an agency or the choice of an organisational model should equally be decided by following a set of objectives and useful indicators on a case-by-case basis, and avoiding too much political influence. To this end, the following principles should be followed:

- (1) The conditions for creating ministerial departments are:
 - A. The targeted public affairs concerns important policies.
 - B. The area of influence is advantageous to the public.
 - C. The budget reaches a suitable level.
- (2) The centralised leadership system should be used as standard when creating an organisation, while the committee system remains an exception.
- (3) The principles for creating operation-independent organisation are:
 - A. Policy-making should focus on professionalism and be apolitical.
 - B. Policy-making should particularly consider the political and social value.
 - C. Administrative agencies should combine the judicature-to-be functions.
- (4) Ensuring the professional and independent character of independently-operating organisations (these organisations are not allowed to join the cabinet in making policies).
- (5) The administrative-support facilities should be utilised as a whole.

3. Strengthening leadership and coordination in policy

The headquarters of the Executive Yuan should be organised with a focus on the planning and coordination of policies which are designed to fully support the prime minister in implementing governing doctrines without detracting from the departmentalism of its subordinate units.

4. Fulfilling the appropriate division of affairs and organisations

In the process of adjusting administrative organisations, the composition and division of affairs and sub-organisations must seek an appropriate balance between the division of work and the incorporation of authority; otherwise, there will be much coordination work necessary among organisations, which could waste both time and money, and cause problems of overlap and shirking of responsibilities. Thus, the Executive Yuan has to explicitly consider effectiveness when making adjustments and incorporating or abolishing its subordinate units. The principles governing the reasonable division of affairs and organisations are as follows:

- (1) Dividing organisation's duties explicitly and concentrating authority.
- (2) Incorporating organisations with the following decisive factors:
 - A. The targeted affairs are highly suited to incorporation.
 - B. The required expertise for these affairs is already available.
 - C. The affairs to be incorporated would benefit from incorporation and overall planning.
 - D. The incorporation of affairs will be financially beneficial.
 - E. Incorporation of supplemental affairs will not have a negative effect on original affairs.
- (3) Abolishing organisations exhibiting the following traits:
 - A. The authorized mission has been accomplished or the policy concerned has been altered.
 - B. The affairs or functions have apparently shrunk or overlap with those of other organisations.

C. It is economically advantageous to implement the affairs through privatisation or contracting out.

D. Performance assessment is extremely negative and deserves to be abolished.

E. The authorized affairs have been removed or transferred to another organisation.

5. Making organisations more flexible

To make organisations more flexible, the following principles should be followed:

- (1). To protect local culture and the economically handicapped, ministerial departments can be set up to take responsibility for related affairs.
- (2). To appropriately deal with contingencies for particular and newly emergent important issues, and/or to implement special periodical missions to promote national development, the Executive Yuan should be delegated with the power to set up temporary, expedient and transient departments without legislation.
- (3). The administrative system should be conferred with appropriate self-organising authority to handle the setting up and adjustment of internal units of the Executive Yuan, its subordinate departments, and even the agencies subordinated to ministerial departments as well.
- (4). The review work for organisations should be implemented normally and frequently in order to downsize organisations constantly and reasonably.
- (5). The downsizing of the central administrative organisation should draw a clear start line and the government has to fully protect civil servants benefits.

Within the programme of downsizing and adjusting the administrative organisation, the most important operation is the amendment of the Organization Act of the Executive Yuan, which has lasted since 1993. During the previous amendments, a particular phenomenon emerged in that every cabinet liked to put its focus on changing the number and titles of ministerial

departments. For example, the Lien cabinet decided to maintain 25 original departments, adjust 4 and abolish 1. The Siew cabinet planned to downsize the structure of the Executive Yuan to 23 departments, which included 15 ministries, 5 Committees and 3 administrations. On 26th April 2002, the Draft Amendment of the Organization Law of the Executive Yuan was eventually formally submitted to the Legislative Yuan for approval by the cabinet of Yu Shyi Kun (Executive Yuan, 2002b), which revealed that the structure of the Executive Yuan was to be divided into 18 mission-oriented departments, 2 administration-oriented departments and 3 policy-coordinating departments. However, according to the stipulation of the newly approved Organization of Central Government Agencies Guidelines Act (Executive Yuan, 2002a), the quota for the subordinate departments of the future Executive Yuan is merely 13, which has caused much friction. This situation reveals that there is still no consensus in Taiwan as to the appropriate scale of the administrative organisations.

The above reform objectives, principles and practical operations of Taiwanese administrative organisations seem to match the general organisational principles and also combine some particular demands for organisational businesses. But the progress of reform has moved too slowly. Although the government of Taiwan has worked at it for over ten years, its only achievement has been the legislation for the Organization of Central Government Agencies Guidelines Act. Other related legislation drafts have been lost in the seesawing battle of political parties. The implementation of the whole set of organisational reforms requires more time, since political factors have to-date received more attention than the ideals of civil service reform in Taiwan.

5.4.2 The Restructuring of the Taiwan Provincial Government

The vertical “four-tier government” structure of government in Taiwan has long been an issue. Chung Da shu (1996) pointed out that it is rather ridiculous for Taiwan, a tiny territory, to have as many as four tiers of government. Where the tasks and functions of the central government highly overlap with that of the provincial government, finger-pointing and

responsibility-avoidance can often be seen. We can see the need for improvement by observing the frequent disputes in the personnel administration and financial affairs. In fact, in the process of democratic development and the localization of the KMT regime, Taiwan's political elites have been able to operate freely within both central and provincial governments, and as such there is no longer need for provincial government to serve as a mediator. Yet there is a high percentage of overlap of central and provincial governments in terms of administrative areas and population covered (98% and 80% respectively). The governor of Taiwan, elected by people, has power and administrative resources almost equal to the elected president of Taiwan, which could cause possible friction between the central and the provincial government. Therefore, the restructuring of the provincial government organisations is as inevitable as Taiwan's further democratization. However, from the perspective of civil service reform, it is even more meaningful for shortening administration procedures, enhancing administrative efficiency, making reasonable adjustments to the civil service where possible, and meeting the requirement of improving the nation's competitive advantage. Therefore, the Taiwan constitution was amended in August 1996 to commence the downsizing of the organisations and functions of the Taiwan provincial government.

For the purpose of fully implementing Article 9 of the Additional Articles to the Constitution and the Preliminary Regulations Governing the Taiwan Provincial Government's Functions, Business and Organisation (hereinafter referred to as "PR"), the Executive Yuan established the Taiwan Provincial Government Functions, Business and Organisation Adjustment Committee (FBOAC), with six subcommittees addressing "provincial functions, business & organisation adjustments," "protection of provincial public servants' rights," "rearrangement of provincial laws," "management of provincial properties," "skills transfer training" and "privatization of provincial enterprises". In addition, the adjustment process was divided into three stages (Executive Yuan, 1998b):

Stage 1 (December 1998-June 1999): preparation for the adjustment and transition, including confirmation of organisational and personnel changes, protection of rights, property management and other matters. This stage also included the elimination of the position of the elected governor, and the merging of the Taiwan Provincial Government (TPG) and the Taiwan Provincial Consultative Council into a subordinate agency of the Executive Yuan.

Stage 2 (July 1999 - December 2000): the implementation of the transition process, which carried out the adjustment of the organisation, the reassignment of the TPG personnel, and the restructuring and transfer of duties. During this period, all the merging organisations were required to modify their own regulations and their organisation structures to respond to the merger needs and other needs of future development.

Stage 3: returning TPG's powers back to the normal framework of the Local Government System Act. This stage was originally proposed to commence on 1st January, 2001. But it has been delayed because of legislation difficulties.

Abiding by the scheduled stages, the TPG began the adjustment process on 1st July 1999. Eventually the TPG was downsized to a smaller scale and now only controls 13 agencies including twelve vehicle-accident adjudication committees and the Taiwan Provincial Archives Committee. In total, 149 agencies, 36 hospital boards and 170 provincial schools have been subordinated to agencies within the central government. Agencies subordinate to the Executive Yuan have established 16 central Taiwan offices and three secondary offices, and the Examination Yuan has also established three regional offices (RDEC, 2001c).

In order to make the Executive Yuan's agencies and the newly reassigned agencies meet the requirements of PR, the related agencies have formulated various draft organisational regulations, which have been submitted to the Executive Yuan. In total, 142 cases were adjudicated during 28 investigative meetings of the FBOAC. Adjudication results were approved at the 2703rd, 2705th and 2706th meetings of the Executive Yuan. Among them, 121 cases were drafts of acts and were sent to the Legislative Yuan for approval on 4th November

2000. Detailed organisation regulations were issued by relevant agencies and sent to the Legislative Yuan for reference once their parent act drafts are examined by the Legislative Yuan.

Owing to several factors, the implementation of the PR has been delayed until now, and the preliminary organisation regulations and preliminary staffing tables of the above regional offices and subordinate agencies, will continue to function accordingly.

The restructuring of the TPG has been a complex and Byzantine process, and has become a major administrative reform work for the government, and the amount of human resources invested, the number of people involved and the difficulties of implementation are unmatched in recent years. The restructuring work involved shutting down ninety agencies and establishing ten others. It is believed that the completion at the earliest opportunity of the legislative process for the laws related to the restructuring will help the Executive Yuan push forward with civil service reform, will allow each of the government agencies to fully utilize its existing powers and aggressively explore new opportunities.

Although the provincial government adjustment process is one of the recent civil service reform processes achieved very successfully, it still has its deficiencies. It leaves room for discussion as to the effectiveness of enhancing administration efficiency by simply dividing the functions and organisation of central and local governments, as this creates swollen central and local governments that fail to meet requirements. In addition, due to the lack of proper by-measures, the provincial government adjustment process has been misinterpreted as a tool for political wrangling. Plus, the fact that the establishment of various departments of the central government offices were located within the original site of the provincial government by the Executive Yuan further infringes on the idea of compromising in the adjustment process.

5.4.3 Advocating and Evaluating Public Corporations

Among various organisation reinvention programs promoted by the government of Taiwan, there is one very important transformation - creating the public corporation - which mainly aims at enhancing operational efficiency by transferring some cultural and educational institutions that are to relatively irrelevant official power to organisations that have more flexibility. The Executive Yuan organisation-reform committee held several public seminars to display its determination in advocating this policy. Its determination can be easily observed in its launching of the draft of the Chung-Cheng Culture Centre Establishment Regulations and the draft of the Public Corporation Act. Its intention is designed to transform the National Theatre Hall and the National Concert Hall into a public corporation as a leading example. This rapid decision and action shows that the Executive Yuan has high expectations for this new type of organisation.

The creation of public corporations is intended to increase the flexibility of public organisations. Public corporations can serve the public in ways that cannot be achieved by traditional public agencies. On one hand, they can be run in a business-like manner with improved professionalism and effectiveness since they do not have to deal with the traditional public sector personnel and accounting procedures. On the other hand, the government can still guarantee the accomplishment and quality of the public services.

Based on the design of the draft of the Public Corporation Act, the structure of a public corporation is normally as indicated below (Executive Yuan, 2003):

- (1). A public corporation shall have a board of directors. However, in cases where a board of directors may not be required, depending on its organisational scale or mission characteristics, the public corporation may have one chief executive.

- (2). A public corporation is required to draw up objectives, programs, operational projects and budgets for its own development. It shall also submit annual reports on its implementation outcomes when due.
- (3). Personnel recruited by a public corporation shall be governed by its own personnel management rules and regulations. This staff will not be considered as being civil servants.
- (4). Funding provided to a public corporation by government authorities shall be handled pursuant to statutory budgetary procedures and be audited.
- (5). Information regarding a public corporation, including, but not limited to, its annual financial report and annual operational report, shall be open to the public.
- (6). The public corporation is proposed as an entity owning official authority. Anyone who is dissatisfied with any administrative disposition rendered by a public corporation may appeal to its supervisory department by following the Petition Act.

According to the principle of the establishment of a public corporation, the services targeted are as the following:

- (1). Any public service that has the function of control or enforcement but which is suitable for being managed with business-like methods and requires looser personnel and accounting limits.
- (2). Any public service that requires a certain amount of autonomy and needs to be free from politics.
- (3). Any public service that is suitable to be run by private organisations or suitable to have private-sector mechanisms introduced, and also needs to have transitional arrangements made before being run by a private organisation or before getting rid of its public organisation identity.

The government of Taiwan conducted a two-stage evaluation of the establishment of public

corporations based on the aforementioned principles. The first stage focused on the National Chung Cheng Cultural Centre, the National Academy for Education Research, the National Taiwan Symphony Orchestra, the National Taiwan Literature Museum and the National Sports Training Centre. By January 2004, the legislation process had been completed for the National Chung Cheng Cultural Centre. Another unit added in the second stage was the National Academy for Agricultural Research (CPA, 2004).

The reason for choosing the above-mentioned cultural and education institutions as targets is that they are different from general administration organisations in that they are independent, mobile, professional and creative, with a supervision area limited to within the facilities themselves. Apart from this, they need to work on attracting people to become involved. Therefore, creativity is the most important condition for the operation of cultural and education organisations. This type of environment does not suit civil servants while their participation may not be an advantage to the development of this type of organisation. The organisation of a public corporation is similar to that of private sector corporations. The only difference is that the budget for public corporations comes directly from the nation's budget or fund-raising while the budget for private sector corporations is from investment. The reason for the Executive Yuan to promote converting cultural and education institutions into public corporations is that this type of organisation enlists the private sector's characteristics of vigour, efficiency and flexibility, and yet still maintains the public sector organisation's characteristics of stability.

In general, public corporations have been introduced to break the government and enterprise dichotomy through transferring civil services from the public sector to corporations. In doing so, the government can be more flexible in policy implementation and introduce corporate management techniques to achieve better cost efficiency for business implementation. The Executive Yuan introduced the draft Public Corporation Act to deregulate the current restrictions on personnel and accounting laws and regulations which are normally imposed on

administrative organisations. This sort of introduction is designed to stress professionalism for particular civil services. Through creating appropriate internal and external supervision and performance-evaluation mechanisms, professionalism can be achieved and efficiency boosted within public corporations. In addition, the Public Corporation Act also ensures the justification, systemization and transparency of government subsidies to public corporations. (See <http://www.reform.nat.gov.tw/pageGenerater.jsp?layerid=4&pageid=2421&version=3>)

It would appear to be a perfect choice since public corporations can enhance efficiency with lower expenses. It has not yet been widely adopted, mainly for the following reasons:

- (1). Concerns about fund-raising: most of the cultural and education institutions are against the policy of creating public corporations because they have concerns about fund-raising. It is believed that this type of concern and pressure can lead to the commercialisation, transformation and distortion of cultural and education institutions, and in turn public corporations may operate more like leisure facilities and lose the vital function of education. While transformation into a public corporation may not necessarily require fund raising; however, since one of its purposes is to lower government expenditures, it is easy to become worried with the above pressure on cultural and education institutions as they face a new role change.
- (2). Boycotts by civil servants: this could be the biggest obstacle in the transformation process for public corporations. It can be expected that, with the increase in public corporations, boycotting will become even more serious. The purpose for establishing public corporations is to avoid administration inefficiency and slow development of the organisations resulting from civil servants' bad habits. Based on the Regulation of Chung-Cheng Cultural Centre Establishment, civil servants may still keep their official status after the transformation. If the civil servants of the Chung-Cheng Cultural Centre do not leave the centre, it would be difficult to achieve an immediate transformation. Recruiting newly needed professional practitioners would, on the other hand, also increase

the centre's budget needs. As a matter of fact, since 1997 when Japan promoted its Independent Public Corporation System, it has been heavily boycotted by bureaucrats. Eventually Japan compromised and divided Independent Public Corporations into simply two categories: civil servant and non-civil servant. It is questionable if the civil servant based public corporation can enhance efficiency.

- (3). Concern of becoming a tool for political reward: the draft of the Public Corporation Act stipulates the design of the board of directors as the top decision-making unit in public corporations. Professionalism could reasonably be expected with this design in a mature political society. However, this might not work with Taiwanese social and political culture being as it is. Article 6 of the draft stipulates that the directors are appointed by the public corporation's supervisory authority (supposed to be the Executive Yuan and its ministries), and article 7 stipulates that the chairman is appointed to the board by its own supervisory authority or by the prime minister. Does this mean that this position could be used as a tool of political patronage? In fact, it was not a strange occurrence in Taiwan during the past for governmental post to be used as a tool of political patronage. Thus the advocating of public corporations may create more positions for political reward and lead to a failure to achieve the original purpose. This would make public service even less efficient and less professional.
- (4). The expectation of a business-like government may not be reached: article 2 of the draft of the Public Corporation Act stipulates that the public corporation is an official corporate person established and abiding by a specified law, with personnel and financial independence, to implement certain public purposes. According to the legislative explanation of that article, the definition of the above 'public purposes' refers to operations that are non-obligatory and suitable to be run by business-like measures, and not suitable for implementation by the government. If so, why not directly adopt a private sector model? There is no need to establish this sort of public corporation. In addition, the article

stipulates that the directors should not look for profits for their organisation. This stipulation creates a dilemma as the pursuit of profit is the main purpose for business organisations. Business entities are more efficient because they offer incentives for shareholders to invest and for employees to stay. However, this is not the case for public corporations. Can a public corporation offer a higher salary and bonus plan or other commonly used incentive programs like other private organisations do? If not, then the so-called business model may not be realistic.

- (5). Potential for increased administration costs and inefficiency: contemporary academics and practitioners agree that performance can be enhanced by introducing modern management techniques into public administration organisations. Therefore, it is worth evaluating if this wholly new public corporation system is appropriate. If the only purpose is to make personnel and finances independent, then simply amending the related rules and regulations could be a better choice. And if progress in performance can be achieved, the adoption of a better management strategy might be worth pursuing. After transformation into a public corporation, a new board of directors and evaluators need to be paid, and costs are therefore increased instead of decreased. Also, the recruitment process within a new public corporation is similar to that of the private sector; preventing nepotism could be difficult and again costs would be increased instead of decreased in the form of loss of efficiency improvements (Shiu Li Yi, 2003).

However, for the purpose of lowering the financial burden, increasing administration efficiency, strengthening the effectiveness of civil service reform and proposing a new creative method, this public corporation proposal is worth trying and encouraging. Based on the above-mentioned concerns, the following directions might be the possible ways for improvement:

- (1). Promoting this system after completing the Public Corporation Act legislation: since the Executive Yuan presented the draft of the Chung-Cheng Cultural Centre Establishment Act

before the legislation of Public Corporation Act was passed, it shows this reform was too hasty, and there's no guarantee that there won't be cases where sub-laws violate the parent act.

- (2). Flexible design of systems: one of the purposes of establishing public corporations is to endow public cultural and education institutions with flexibility. Therefore, the design of this system should be based on the principle of flexibility, and be able to cope with the differing characteristics of various organisations. Taking museums as an example, if fund-raising becomes the major change of the transformation as a method to lower government expense, this might erode its educational function.
- (3). Proper handling of civil servants' rights and benefits: during the transformation, the most important focus should be placed on dealing with the rights and benefits of civil servants, as civil servants' attitude towards change could be the key to success. Therefore, no matter how human resource allocation is handled, such measures as encouraging early retirement should be conducted with extreme care.
- (4). Adequate communication and discussion concepts: the idea of "public corporation" is created by referring to the Japanese independent public corporation system and the British executive agency system. At an early implementation stage, complete communication and explanation is required to enable the public and civil servants to understand its meaning. Detailed discussion is also required in order to plan properly and make a realistic and suitable system for reform possible.

5.5 A Review of Management Reform

From a management perspective, we can see that the implementation of Taiwanese civil service reform has various interpretations. The purpose of civil service reform in Taiwan is designed to build an energetic government that is globally competitive. Facing critical international challenges and extraordinary diplomatic difficulties, Taiwan relies heavily upon its economy

and competitive commercial capability to ensure prominence in the international arena. Over the past decades, however, statistics have showed that Taiwan has gradually lost some of its prevalence to rivals who have worked harder and faster. To meet the challenges of the 21st century, it is vital for Taiwan to sharply enhance its overall national competitiveness, put its economy on a sound footing, accelerate industrial upgrading, foster full participation in civil life, enrich the cultural substance of democratic society and establish a just, humane and culturally progressive society. This is the only way that Taiwan can consolidate its existing socio-economic progress, pursue the national vision of an “economically-sustainable, fair, peaceful and contented homeland,” and respond to intense global competition in the future. For this purpose, improving management skills within the civil service system is crucial if it is to help society meet these challenges successfully.

In advancing civil service reform, there have been measures in the reform that address the managerial functions of the administrative system. In the period of KMT government, both the Lien and Siew cabinets promoted work simplification and established a participation and suggestion system starting with the e-government measures and advocacy of total quality management. However, steps towards managerial reform seemed to get stuck on refining organisation and staff numbers. With the DPP government in 2000, measures for advancing operational management in the government haven’t fared much better. Taking the meeting of national administrative reform for example, President Chen Shui-bian, and the then Prime Minister Chang Chun Hsiung, stated their own ideals for administrative reform on the same occasion. President Chen emphasised that administrative reform is a conceptual revolution of time and cost. Meanwhile, he pointed to four indispensable managerial modes: objective management, growth management, walking management and crisis management; former Prime Minister Chang on the other hand, declared the implementation of the “six deducting movements”, meaning the deduction of affairs, reports, regulations, meeting, speeches and writing. Some critics analysing the themes of the above two leaders believe that their thoughts are not far from the contemporary idea of reform of public managerial techniques, and describe

them as Parkinson's formula for such old ideas. There is, however, no obvious and concrete reform in the practice of government at each level (Chung Da Shu, 2003, p38). Basically, the DPP has continued the previous measures of the former government in terms of civil service reform, and is still focused on the task of organisational reform. This research can therefore only analyse the aspects of the promotion of work simplification, the establishment of a participation and suggestion system, starting with the e-government measures and advocacy of overall quality of measures for administrative reform of the managerial administrative system in Taiwan over the past ten years.

5.5.1 Promotion of Work Simplification

Promotion of work simplification is the crucial approach in Taiwanese civil service reform. However, before the reform was initiated, work towards this goal had been continuously implemented in Taiwan for a long time. Authorization by the Executive Yuan for the Central Personnel Administration (CPA) to advance work simplification can be traced back to 1978. After around 15 years of implementation, there were considerable gains made in raising the level of administrative efficiency, strengthening the convenience of services for citizens and promoting the reasonable deployment of human resources. As of 1993, based on this previous experience, the scope of the work was further enlarged to 13 items which were closely connected to citizens' demands, such as land registration, licence management and so on. In 1994, the CPA wisely initiated a plan for entrusting administrative affairs to external contractors in order to bring the private sector into public affairs, simplify government affairs and raise effectiveness for the public. In 1996, the Executive Yuan decided to expand this work to 23 items that were mostly for the benefit of the public such as implementing a computerized service to deal with domestic affairs. In 1998, the Executive Yuan imposed particular items for reinforcement on each ministerial department and assigned the CPA and the Research, Development and Evaluation Committee of the Executive Yuan with the task of strengthening supervision in order to further simplify procedures of government affairs and enlarge the

participation of the private sector.

As work simplification is a never ending task, Taiwan has deemed those key organisations which have direct contact with citizens, or those that have established a one-stop shop system, for the implementation of work simplification. Focus is on increasing the number of authorized external contractors, emphasising the reinvention of government affairs processes, establishing complete authorization and imposing responsibility at each level. The adopted measures for advancing work simplification are concisely as follows:

(1). Define scope through setting action plans

In order to raise overall administrative effectiveness through the promotion of work simplification, besides listing this work in the *Scheme of Administrative Reform* as an ongoing general direction, the Executive Yuan pledged to bring real changes. For the purpose of avoiding formalism, work simplification was designed to focus pragmatically on those items which had a close connection to citizen's normal lives, including residential affairs, land registration, police administration, licence management, tax and revenue, customs affairs, legal affairs, business registration, architectural management, finance and foreign currency, application for import/export licenses, procedures for going abroad and utilizing foreign labour. The detailed approaches to these items were planned by the CPA in the *Action Plan for Advancing Work Simplification in Each Organisation of the Executive Yuan*, which was approved and put into action by the Executive Yuan on 15th December 1993.

(2). Producing work simplification reference brochures

The CPA produced work simplification brochures as an important reference for implementation in 1994. Important approaches included:

A. Reviewing work items and simplifying processes.

B. Adjusting office locations and rearranging service-counter processes.

- C. Emphasising different responsibilities for different levels
- D. Reviewing legislation and regulations.
- E. Using modern machinery to promote business automatisisation.
- F. Enlarging public participation (CPA, 1994)

(3). Creating concrete measures for advancement

Work simplification is a review of work items and procedures in the hope of raising administrative efficiency and effectiveness. As for the pragmatic ways for advancing work simplification, the CPA (1995) pointed out the following measures for reference:

- A. The fundamental spirit of work simplification lies in efficiency, quality and safety. This entails ensuring the achievement of objectives such as “eliminating ineffective work”, “simplifying the combination of relevant work” and “improving work locations, procedures and manners” which enables administrative affairs to be as effective as possible without wasting human and other resources, and time.
- B. Work simplification should start with the review of work items. Each organisation should arrange its affairs according to priorities, and then target priority items that are the most urgent and expected to achieve the greatest results. For example, those applications made by citizens which require more work or human resources, or are particularly voluminous, can be targeted for elimination, combination, rearrangement and/or simplification.
- C. The feasibility of contracting out professional and technical work should be examined and evaluated by each organisation. Each organisation should consider the nature of such affairs and ensure that the authorized external contractors are equipped to deal with the work. Guidance and consultation are necessary in order to strengthen their ability to participate in administrative affairs.

- D. Each organisation should be located where its working procedures can be the most efficient. Organisations (units) which mainly process affairs through direct contact with citizens should process their work over-the-counter to speed up the processing procedures. If citizens' applications involve two or more organisational affairs, joint service centres or one-stop shop systems should be established, or an integrated information system built, that connect processes, thus providing better coordination and increasing convenience and speed.
- E. Each department should accelerate the advancement of information technology and utilize modern machinery to promote business automatisisation in the hope of improving work effectiveness, accuracy and efficiency.
- F. The internal functions of each organisation should be duly examined and clearly divided to avoid overlap and confusion, and the responsibility and authority of each unit brought into alignment. The detailed rules for operations and detailed table of responsibilities for each level set by each organisation should be examined and constantly improved in order to shorten the time needed to process the work.
- G. Each organisation should revise or suggest revisions where current legislation, work processes, responsibilities or authority are identified to be out of tune with the goal of advancing work simplification.
- H. Organisations with significant direct contact with the public should establish necessary channels to collect, understand and value the public's opinions as reference for further work simplification.
- I. Once organisations have simplified work, they should establish standard operating procedures as the basis for further business improvement. Meanwhile, brochures outlining the effective simplification of work should be sent to other similar organisations to broaden advancement and to promote the achievements among the

general public.

- J. After each organisation advances work simplification, it should adjust the expected completion date of current assignments accordingly, thus eliminating an unbalanced workload situation and allowing the organisation to mature while also downsizing its staff numbers.

The characteristics of this work simplification promotion can be concluded as following:

1. The motive for promoting work simplification is to reduce the burden of personnel costs

In September 1995, the CPA produced a report assessing work simplification which indicated that, due to rapid changes in the political, economic and social environments, the government had previously needed to establish more organisations and recruit more staff to deal with newly generated affairs and to satisfy the demands of the citizens. The total number of civil servants of the Executive Yuan had actually on average increased by 11000 people annually over ten years. Meanwhile, the intended downsizing of organisations had not occurred and the burden of personnel costs had become heavier. The government then had no choice but to cut the number of staff and further examine the current business procedures in the hope of offering the public simple, fast and satisfactory services and building a fit and effective modern government. This was the original reason for promoting work simplification within government organisations, in order to reshape the government, reduce the burden of personnel costs and raise managerial effectiveness. Additionally, the task handled by the CPA was apparently meaningful, indicating that the work was closely connected with organisational reform in the Taiwanese civil service system (CPA, 1995).

2. Combining other promotional measures to further implement work simplification

In order to further promote work simplification, the Taiwanese government created a *Plan for Effectively Encouraging the Spirit of Improving Administrative Effectiveness*, which tried to deal with the related reform measures as a whole. Its main items are listed below:

- (1). Further work simplification: carrying out the division of responsibility at different levels, each organisation examines and creates more inner delegation for more than 20% of its work items.
- (2). Carrying out the participation and suggestion system: internal business seminars should be held at least every two months, and excellent performers rewarded.
- (3). Emphasising training to cultivate civil servants: establishing a training system for senior civil servants and a lifelong learning system for all civil servants.
- (4). Raising the morale of civil servants: establishing a reward system, and creating measures to improve the physical and mental health of civil servants.
- (5). Examining and combining personnel legislation: thoroughly examining and combining the current personnel legislation, and establishing the concept of customer-oriented service.

In order to fulfil the implementation of its plan, the CPA convened a large-scale meeting of supervisors from each organisation on 17th March 1997 in order to communicate, build consensus and fight to obtain the full support of the heads of each organisation in order to promote it widely. The above measures revealed the importance of work simplification in the practical procedures in the civil service reform; but from the angle of management theory, the connection between work simplification and inspiring managerial measures seems to be missing. Such mingled actions in the name of reform more or less show the lack of a thorough plan for civil service reform in Taiwan.

3. Promotion of work simplification through contracting out

The main thrust for the promotion of work simplification was during the Lien government, when assessment reports from each department were required annually. The CPA strictly analysed the overall assessment of the administrative system and reported this to the Executive Yuan for examination. During the period of the Siew cabinet, the director-general of the CPA indicated the new direction of administrative reform at a seminar for personnel supervisors,

which stressed government reinvention and emphasized the need to increase outsourcing in the civil service and strengthen the reinvention procedures for government business. Accordingly, the direction of the promotion of work simplification gradually changed (Wei Qi Lin, 1997). The succeeding DPP government emphasised the transformation from “government reinvention” to “government reform”. Therefore, the voice of work simplification ceased and contracting out became one of the chief objectives for civil service reform.

If the objective of civil service reform is to establish business-like government, then promotion of work simplification is also required to discover what the operational principles of business-like government are. Jiang Min Chin (1997) used the successful example of business-like government as the framework to figure out new directions for the promotion of work simplification as follows:

- (1). On the principle of “economizing and raising effectiveness”, the civil service can be evaluated for as much privatisation as possible, and even contracting out to a non-profit third party considered.
- (2). On the principle of “empowering staff, pursuing effectiveness”, the government should transform the civil service system into a learning organisation in order to cultivate the civil servants, strengthen new professional knowledge to match the trend of administrative professionalism and the development of information technology.
- (3). On the principle of “reducing legislation and simplifying procedures”, government organisations should provide their internal business units with sufficient authority to examine and check relevant legislation and demand each unit offer concrete achievements on reduction and simplification within a set period of time, and even at a fixed percentage level. Secondly, the government should endeavour to grant authority at different levels and demand that each level is responsible for cutting bureaucratic red tape, thus reducing the procedures needed for official documents and raising administrative efficiency.

- (4). On the principle of “putting customers and citizens first”, the government should use competitive educational courses to transfer the “customer-first” idea into the administrative organisational culture.

As far as new public management is concerned, the above principles reflect the tendency the Taiwanese government has for transplanting the spirit of private sector in promoting work simplification. The question of how to promote work simplification as a measure for reforming the civil service system seems to have drawn a lot of attention in Taiwanese society. Nevertheless, what role this measure should play exactly still needs further consideration.

5.5.2 Advancing the Civil Servant Participation and Suggestion System

Another important reform measure involving managerial techniques is the system for advancing the participation, and obtaining the suggestions, of civil servants. As stipulated by the scheme for administrative reform, each organisation should choose the methods for encouraging participation and suggestions according to its business needs, and search for solutions for raising administrative effectiveness through these methods, which include organizing “business improvement groups” and establishing a “reform proposal system”. The former is designed to generate new ideas through group brainstorming while the latter focuses on encouraging staff to give suggestions institutionally. Both of these methods are based on the concept that all civil servants need to be involved in civil service reform in order to obtain real collective progress. The organisation charged with implementing this measure was also the CPA which, in order to be able to establish such a system, set out two regulations: “Implementing key points of the system for participation and suggestion of the Executive Yuan and its subordinate organisations” and “Key points of the system for evaluating, checking and rewarding of the Executive Yuan and its subordinate organisations”.

Mainly, the system for participation and suggestion needs to be enforced by each organisation in detail. The CPA controls the implementation results through collecting periodical reports from departments. Thus, for the purpose of positively encouraging each organisation to

implement this system further, there is a yearly reward mechanism. Every ministerial department can put forward excellent candidates to the CPA to take part in a contest for awards. A primary examination, based on written documents unless there is the need for on-the-spot examination, is followed by re-examination. Candidates are assessed according to four standards accounting for anywhere between 20- 35% each: effectiveness, creativity, application and customer orientation. The details for this are listed in Table 5.1 and 5.2:

Table 5.1 Assessment Standards for the Participation and Suggestion System

Examination Items		Effectiveness	Creativity	Application	Customer-orientation
Illustration		Comparing effectiveness before and after the suggestion	Degree of creativity and, if similar, studied next to existing relevant cases	Influenced the concept and measures	Degree of customer-satisf action of the reform measures
%		35%	25%	20%	20%
S T A N D A R D	100 81	Effectiveness is 81% higher than before the suggestion was applied.	No previous cases and no extra costs.	Concerns organisational policy and its administrative scheme.	Extremely satisfied
	80 61	Effectiveness is 61%-80% higher than before the suggestion was applied.	No previous cases but extra costs incurred.	Concerns organisational legislation.	Very satisfied
	60 41	Effectiveness is 41%-60% higher than before the suggestion was applied.	Similar to previous cases.	Concerns organisational and administrative measures.	Fairly satisfied
	40 21	Effectiveness is 21%-40% higher than before the suggestion was applied.	Similar to previous cases.	Concerns advancing organisational affairs or implementing techniques	Satisfied
	20 1	Effectiveness is below 20% than before the suggestion was applied.	Similar to previous cases.	Concerns work environment and quality.	Partly satisfied
Remarks		1. Concrete statistics as supported by evidence. 2. Illustrating actual quantifiable or un-quantifiable benefits.	Concrete documents as supporting evidence.	Concrete documents as supporting evidence.	Concrete documents as supporting evidence.

Source: Based on CPA, “Key points of the system for evaluating, checking and rewarding of the Executive Yuan and its subordinate organisations”.

Table 5.2 Reward Standards

Item	Type of reward	Score	Medal	Prize
1	Extraordinary	Above 90	One	100,000NTD
2	Excellent	Above 85	One	60,000NTD
3	Honours	Above 80	One	30,000NTD
4	Selected	Above 70	One	10,000NTD

Source: Based on CPA, “Key points of the system for evaluating, checking and rewarding of the Executive Yuan and its subordinate organisations”.

According to CPA regulations, the ideas concerning the advancement of this system can be further discussed as:

(1). Objectives

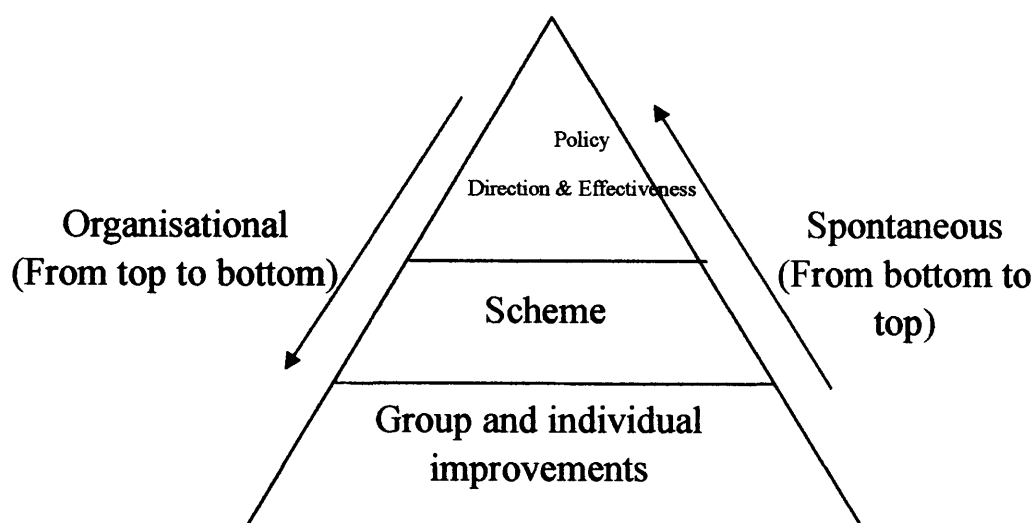
- A. Establishing better decision-making and managerial systems which allow the participation of civil servants in reaching a common consensus on decisions in order to inspire a positive work attitude and fulfil the implementation of organisational decisions.
- B. Encouraging civil servants to make suggestions and be inspired to research, develop and spontaneously come up with measures that raise the service effectiveness of organisations.
- C. Building an active, positive, harmonious, creative and productive organisational culture.

(2). Type of Development

Encouraging civil servants within each organisation to participate in meetings, encouraging group activity within quality management circles, communicating through seminars and managing objectively are ways to advance the concepts of dealing with

quality, problems and improvements, and to make each unit become central to innovating reforms. The system for participation and suggestion is activity-based, combining organisationalisation and spontaneity. Its structure is shown in Figure 5.5.

Figure 5.5 The Structure of the Participation and Suggestion System



Source: Based on CPA, “Implementing key points of the system for participation and suggestion of the Executive Yuan and its subordinate organisations”

The development of policy direction and the increased effectiveness of each business scheme at the group or individual level are all possible in this system. The direction of organisationalisation has to be clear to the basic level. Staff spontaneously clarifies demands from the upper level, and make progress in self-improvement, cross-departmental scheme improvement and even improving effective management. Accordingly, the system for participation and suggestion can be entirely developed, advanced and fulfilled.

(3). Improvement proposals

The proposal type has to first be determined and its procedures or steps properly designed before the participation and suggestion system can be advanced. Generally, proposals can be divided as:

- A. Proposals regarding problems: proposals are made when problems are spotted.
- B. Proposals regarding creativity: creative input is given when problems are spotted.
- C. Proposals regarding specific improvements: economical and effective creative solutions are promoted after in-depth consideration, and specific improvements are proposed.
- D. Proposals for improving results: proposals for improved results are made.
- E. Proposals regarding report for improvements: the entire report of improvements is presented and the standard operating procedure is revised.

The participation and suggestion system is the specific method used to encourage suggestions from civil servants, stimulate enthusiasm for improvement and raise service efficiency in order to build a positive, innovative and productive organisational culture, and introduce modern managerial theories. Each organisation is designed to advance the system through discussions, seminars, suggestion boxes, work circles, organisational channels, quality innovation groups, benchmarking, objective management or the improvement proposal system. The details of the participation and suggestion system can be made clearer by comparing it with the improvement proposal system of private enterprises (RDEC, 2003), as shown in Table 5.3.

Table 5.3 Comparison between the Participation and Suggestion System and the Improvement Proposal System

Type Steps	Improvement proposal system	Participation and suggestion system
Operational Procedures	<ol style="list-style-type: none"> 1. Improving according to responsibility 2. Improvement proposal plan 3. Giving opinions to a supervisor. 4. Proposed by business office 5. Sent to relevant units for effectiveness assessment 6. Approved by upper-level supervisor. 7. Primary examination to assess reward 8. Reward decided according to achievements. 9. Reward assessed with further re-examination. 	<ol style="list-style-type: none"> 1. Deciding proposal suggestions 2. Analysing problems and reviewing the current situation. 3. Providing specific opinions for improving. 4. Describing expected effects 5. Writing suggestion proposal. 6. Examined by unit in charge. 7. Approved for implementation by the examining team. 8. Suggestion implemented effectively. 9. Award.
Applied scope	Work improvement within area of responsibility	Policy direction, legislation, organisation, administrative management, business advancement, innovation
Formation of members	Individual, group	Individual, group

Source: drawn by the author (based on RDEC, 2003)

On the importance of establishing the participation and suggestion system, former CPA Director-General Chu Wu Xian (2001), indicated that in order to react to all kinds of political,

economic and social challenges and changes in the era of the knowledge economy, government organisations should try to remain closely up-to-date, and undertake voluntary adjustments and reforms. For this reason, continuous advancement of the participation and suggestion system in each organisation is necessary and encourages civil servants to make suggestions boldly and participate in reform in order to raise service quality. Excellent suggestions are evaluated from primary examination and re-examination by scholars and representatives of the organisations. The content of the suggestions can mostly be applied to raise total quality management. The implementation of this system has been fruitful with results such as: enhancing competitiveness by handling business through co-operational management; changing or simplifying working procedures to make the most of opportunities; using e-business networks to control the situation in time; implementing measures to provide service convenience for citizens and governing with public opinion in mind and so on. This has brought about real benefits for Taiwanese civil service reform (also see <http://www.cpa.gov.tw/cpa2004/pfprize/EXBP5029p.html>), so much so that the Taiwanese government itself has firm confidence and much expectation toward this reform measure.

5.5.3 Establishing Service Quality Awards to Advocate Overall Quality

For the purpose of introducing the concept of Total Quality Management, the Taiwanese government created a Scheme for Elevating Overall Service Quality in 1996, which refers to the UK Citizen's Charter programme. The main measures adopted by this scheme concern service quality issues such as the overall examination and improvement of service quality, the establishment of customer-oriented service and the mobilisation of social resources to assist government with offering services. The main goal was clearly set as raising the level of service delivery quality.

In 1997, the Executive Yuan encouraged all public organisations to positively implement this scheme by figuring out practical strategies, key items and suitable processes in order to get things done. The scheme underwent several revisions up until 2003. Through the revisions, the

Executive Yuan introduced some strategies for achieving the goal of raising the quality of service delivery, including large scale training. Most importantly, however, it established a service quality award system, which is called the Service Quality Prize of the Executive Yuan, and started to give awards in 1998.

In order to encourage a better service quality attitude among civil servants, the Research, Development and Evaluation Committee (REDC) specifically designed a reward plan for service quality of the Executive Yuan according to the Scheme for Elevating Overall Service Quality, which periodically evaluates and selects an organisation for exemplary service and awards it. It has been held several times since 1998, and is an important tool for fulfilling the concept and measurement of customer-oriented Total Quality Management. For the past few years, participating organisations have included front-line service organisations, or units, of each department of the government. Those organisations that have been targeted for rewards include those covering tax and revenue, legal affairs, land administration, hygiene, household registration administration, regional administration, community administration, social administration, supervision and management, police, public utilities and others that serve the public.

The award procedures are designed as follows:

Normally, the REDC will invite business management scholars, representatives from civil groups, elites of industrial fields, representatives of business supervisors in the Executive Yuan and retired civil servants to form an evaluation team of the Executive Yuan, which is responsible for evaluating and choosing fairly and objectively the best organisation from both the internal and external point of view. The procedures are divided into two phases: a primary evaluation by managerial departments and then a re-evaluation by the evaluation team of the Executive Yuan, which is as follows:

- (1). Primary evaluation: each managerial department processes the primary evaluation (written and on-the-spot evaluations are both performed) of raised service quality and the internal

effect on the responsible organisation (unit).

(2). Re-evaluation: each managerial department selects an organisation of excellent service quality (unit) based on the results of the primary evaluation and makes recommendations within the quota for re-evaluation of the raised service quality. The evaluations are divided into two phases, written and on-the-spot, which are defined separately as follows:

A. Written evaluation: the evaluation team from the Executive Yuan selects the candidates for the next on-the-spot evaluation phase from the written evaluation documents sent for consideration.

B. On-the-spot evaluation: members of the evaluation team of the Executive Yuan make evaluations for one and a half to two months. They evaluate the real work situation of the candidate organisations separately. Then, evaluation meetings are held to carefully assess and discuss the service achievements of the chosen organisations and to be certain that the right candidates are rewarded.

The results of the implementation of this policy are as follows:

1. Number of participants and awards received:

Table 5.4 Number of Participants and Awards Received

Year	Overall Awards	Individual Awards	Total Number of Participating Organisations
1999	12	36	1,643
2000	10	26	1,169
2001	13	25	1,108
2002	12	23	1,130
2003	12 (+ 2 special awards)	21	1,206

Source: Based on RDEC statistics from 1999 to 2003.

2. The types of participating organisations and rewards:

There have been a total of 199 organisations within the central departments and organisations that have participated in the past five years. Their business types are: state-operated businesses (33), cultural, social and educational organisations (22), hospitals (29), tax and revenue offices (14), police patrol protection (11), legislative affairs (11), industrial and commercial services (9) and national parks and scenic areas (8). Following are health and labour insurance (6), communications and transportation management (6) and employee services (6) (RDEC, 2004).

According to surveys by the RDEC, the degree of satisfaction for the service quality of civil servants stands at around 70%. Table 5.5 shows the annual statistics from 2001 to 2004, which indicates the level of satisfaction with the quality of civil service.

Table 5.5 Degree of Satisfaction with Civil Service Quality in Taiwan

Date of Investigation & Degree Of Satisfaction	2001.3. 6-8 (%)	2001.9. 11-13 (%)	2002.3. 12-13 (%)	2002.9. 2-3 (%)	2003.3. 4-5 (%)	2003.9. 8-9 (%)	2004.3. 29-30 (%)
Satisfied items	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Very	10	4.8	4.9	4.6	4.9	3	5.4
Fairly	58	64.2	66.3	65.8	68	69.2	68.4
Not really	10.3	19	14.5	15	12.2	12.5	11.7
Not at all	6.1	1.6	1.6	1.7	1.7	1	2.1
Others (don't know, hard to tell, no opinion, no answer)	15.6	10.4	12.6	12.9	13.2	14.4	12.6

Source: Based on RDEC surveys of civil service quality from 2001 to 2004.

The awards have the following additional characteristics:

1. Emphasis on an external evaluation system: the written evaluation is conducted by the

professional administrative system of the RDEC, and centres on the service results of each participating organisation. The on-the-spot phase is performed by an Executive Yuan evaluation team formed with scholars and elites from academic, business, quality management and civil groups. They evaluate the service quality from the external perspective of the general society. The service results are evaluated from both internal and external angles and the best model is chosen fairly and objectively which allows the evaluation system to become increasingly meticulous and bestows the evaluation procedures with more public confidence.

2. Strengthening the consulting responsibility of managerial departments: in order to raise the service recognition capabilities of each organisation, and enhance service quality, consultancy and guidance from each managerial department is necessary. In order to make the most of the evaluation system, in the fifth term (2002) of the service quality awards, the Executive Yuan specifically listed the managerial department's evaluation and degree of participation as one of the evaluation criteria of the awards to encourage each managerial department to emphasise the raising of service quality and efficiency among organisations.
3. Supplemental special awards: in order to raise the overall level of service quality, in the fifth term of the reward scheme, the Executive Yuan specifically chose "architectural management" and "employment services" - two examples of organisations (units) that provide services directly to the public yet which needed to further raise their effectiveness - as targets for supplemental special service quality awards. By targeting specific services for additional awards, it is hoped that service providers are encouraged to effectively raise service quality.
4. Inspiration by making the awards national and for both the public and private sectors: in order to aggressively raise the service quality of all organisations, both private and public, in the fifth year of the reward scheme, the RDEC specifically coordinated with the national quality reward host organisation to choose one excellent participant from all service

providers and award it with a special national quality prize starting in 2003. Besides inspiring all organisations to constantly raise their service quality by awarding the honour at the national level, it encourages mutual learning and innovation between the private and public sectors, and can attain a much higher level of, and more diverse, service quality improvements.

5. Enlarging the scope through publicity: as a part of the reward process, explanatory seminars are held before every award evaluation to clarify procedures so that organisations are afforded an opportunity to learn how to write the reports. Achievement announcements and demonstration seminars are also given after the award evaluation; each organisation that is awarded for service quality is invited to share their experience, thus offering further learning opportunities for other organisations. Furthermore, a special series of reports that illustrate the concrete achievements of each awarded organisation are presented to all organisations in order to share and publicise their innovations.

Total Quality Management needs to be customer-oriented, which means customers come first. Governmental organisations should regard citizens as customers; their needs should be the centre of the designs and plans of all policies, service measures and facilities, and the concept of “respect for the customers” firmly established. The above results of the surveys for the degree of public satisfaction illustrates that the concept of customer orientation has been gradually rooted in the Taiwanese civil service system. But, as an important measure for civil service reform, there should be some re-enforcement undertaken such as:

1. Enlarging the scope of participating organisations

Civil service reform includes not only an improvement of external service delivery, but also the effective design of inner systems. For the purpose of truly raising service quality, therefore, in implementing the service quality reward scheme, the Executive Yuan should include all administrative organisations instead of limiting the award scope to only the front line service organisations.

2. Actively encouraging participation and emphasizing business balance

Individual consultation or coordination, focusing on the introduction of entrepreneurial spirit and customer orientation, should be given to those organisations that consistently receive low scores and thus don't receive awards in order to encourage them to actively participate in the reward evaluation procedures and strive for better results. Also, managerial departments that put too much emphasis on particular sorts of services when making recommendations for their applications should also be given consultation in order to develop a more complete concept of service quality.

3. Continuously increasing special awards

The design of special awards is valuable for raising service quality for certain important parts of the civil service, and it is worth keeping forward momentum here. In order to achieve this in the long run, however, there will be a need to extend its scope to those services for which it is difficult to improve on quality or those that more noticeably affect the image of the civil service system as a whole.

4. Using social resources wisely and introducing technology within the community

To extend service points and raise the service content, emphasis needs to be placed on utilising information technology between business channels and local resources, particularly for recruitment and budgetary issues, such as volunteer recruitment and raising contributions. It would thus be possible to provide excellent services.

5. Offering e-management by establishing mechanisms for disseminating information

To strengthen service delivery, mechanisms for communicating information need to be established in due course in order to provide instant service information and channels through which to respond. Indeed, an integrated electronic information system also provides an opportunity for mutual and effective learning and consultation.

6. Improving the conduct of relevant training, and deepening the concept of quality management

The skills and measures for spreading and deepening total quality management require improved training. The design of training courses needs to cover such areas as the framework for total quality management, customer satisfaction, improving quality and quality control, improved suggestion systems and so forth, in the hope of strengthening civil service quality and its real effects.

7. Strengthening communication between the private and public sectors

For the purpose of firmly introducing the concept of total quality management, the public sector needs to learn more from the private sector, as this sort of management has been used in the private sector for a long time. Strengthening communication between the private and public sectors could promote more innovation and cooperation. More importantly, this sort of activity could enlarge the incentive effect as a supplementary method for the current service quality award system.

5.5.4 Advancing e-government

In the process of civil service reform, Taiwan has developed an e-government project as an important strategy for improving administrative efficiency and spurring government structural reform and procedural re-engineering. Developing e-government is a key path towards open and transparent government. It is also an inevitable trend for a highly modernised government, as it can create an open, high-speed online environment that provides convenient information and other services for citizens. The design of e-government is one of the most crucial measures of Taiwanese civil service reform, and work towards this end has been agreed on and advanced by all ruling parties in Taiwan. For the purpose of achieving the objective of e-government, the RDEC set out the *Medium-term e-government Plan* in November 1997 that covered the period from 1998 to 2000, and subsequently established the *Advanced Plan for e- government* in April

2001 that covered the period from 2001 to 2004. Both plans were given the approval of the Executive Yuan as a basis for advancing e-government in Taiwan (RDEC, 1997, 2001a). In this section, the objectives, strategies and results of e-government will be examined.

1. The objectives of the *Medium-term e-government Plan* were to:

- (1). Establish the internet as the foundation of an e-government which offers convenient information services, email correspondence, online applications and other services.
- (2). Promote the popularity and application of the internet, and encourage civil servants to use the internet and process business through email.
- (3). Improve the government's information communication system, offer convenient consultation for citizens and add value to government information by developing a database business.
- (4). Enhance the efficiency of processing official documents within each organisation, advance e-transferrals and raise the administrative effectiveness of the government.
- (5). Integrate government information, extend its service locations and hours, and provide a one-stop service where it is possible for services to be fulfilled in one place.
- (6). Establish a reliable environment for information services and emails, and help create a government that operates smoothly and protects civil rights.

2. The objectives of *Advanced Plan for e- government* were designed mainly according to the implementation experience of the last plan and move further ahead with the e-government concept. The general goal was to support an effective government by being planning-oriented, competitive and teamwork-oriented, playing a key role in transforming and modernising government, and spreading knowledge. The key objectives were as follows:

- (1). Establish an uninterrupted and reliable information services environment.

- (2). Promote internet use among all government organisations and civil servants.
- (3). Complete implementation of e-transferral of official documents.
- (4). Provide online services for 1500 types of applications.
- (5). Eliminate the use of paper copies of household registrations and land records.

According to the practical implementation of the above plans, the strategy for advancing the concept of e-government can thus be presented as the following:

1. Centralising the establishment of government internet services and improving their fundamental construction in order to advance internet implementation in all government organisations.

The important measures are: expanding basic services and overall protection functions; advancing the application of the e-recognition system; offering an internet environment which is safer with a larger bandwidth and better quality; and offering a good fundamental environment for e-government development and enhancing broadband-applied fields for all organisations.

2. Applying system benchmarks, activating online applications and popularising information technology.

The important measures are: advancing the cybernation of administrative affairs; selecting applied items with landmark effects and commonality such as online services, internet-based communications, e-forms and official e-documents for advancement; making civil servants accessible online; and creating a new digital administrative era.

3. Harmonizing the open information system of the government, fulfilling online services and establishing one-stop shop websites.

The important measures are: advancing the communication system for online information services in combination with cross-departmental business; establishing an e-government

services platform and offering cross-organisational e-services via the internet which allows for diversification through multi-channels.

4. Reinventing procedures, advancing cross-organisational cooperation and planning for one-stop services.

One-stop services are the main direction for the promotion of e-government. Citizens and enterprises can obtain satisfying services by reducing the need to understand the government's operating procedures and by easily getting the required services and information. This has to be done through reinventing procedures, organisational reinvention and cross-organisational cooperation so that the overall efficiency of informational applications can be raised.

5. Valuing remote districts and disadvantaged ethnic minorities in informational applications and eliminating the digital divide.

The important measures are: actively coordinating and combining private resources of relevant organisations; choosing the suitable locations for internet access; and offering basic computer training and online services.

6. Wisely using private resources and increasing the number of services that are contracted out.

The advancement of e-government requires the wise utilization of private resources and enforcing the contracting out of information services, which should also be accompanied by the review of information systems and the structure of human resources in the government.

According to the RDEC 2004 report on the implementation of e-government, the combined forces of all organisations made the following ten items successful: the establishment of a government internet structure; the offering of basic internet services; the allocation of a computer and internet-access in every village; the popularisation of frontline office email boxes; the application of internet-based administration (e.g. for official documents, purchasing, legislation, personnel, management planning and government publication management);

convenient internet-based applications (e.g. for taxes, employment, road supervision and control, public safety, industry and commerce, health insurance and servicing of public utilities); the online recognition system; the system for online information security checks; the portal for connecting websites; and ID cards.

By 2003, all administrative organisations in Taiwan were online. The uptake of email had achieved 94% among civil servants and the popularity of server use among civil servants reached 98%. The regional establishment of internet-based administrative organisations achieved 99%. The popularity of administrative organisations establishing websites achieved 85%. The establishment of video conference systems reached 187 administrative organisations. In addition, e-government websites offered all kinds of information and 1245 kinds of application forms were available for download, including 235 applications that could be made online. The total number of web pages views reached over five million per month. Furthermore, tax payments, public bidding for government contracts, and the transferral of official documents were also gradually becoming common. For future development, the Taiwanese government expects to have an additional 600 online services before the end of 2007, and to create 36 new customer services in order to raise overall service quality.

When compared to other countries, the 2003-2004 Networked Readiness Index (NRI) of the World Economic Forum ranked the Taiwan government readiness sub-index and government usage sub-index in 12th and 6th place respectively. In terms of information communication technology, the purchase of advanced technical products and online transactions in government, Taiwan is in the top ten in the world. However, in terms of the government's online presence, Taiwan is ranked 48th, which indicates that online services still need to be rapidly established to further satisfy users. In September 2003, Bronx University, USA, released an e-government report showing that the outstanding content of online services of e-government in Taiwan ranked it 5th (41.3 points) among 198 countries, behind only Singapore (46.3 points), the USA (45.3 points), Canada (42.4 points) and Australia (41.5 points). The investigation mainly

focused on the richness of service content and the degree of completeness of the functions of central government websites in each related country, including the completeness of the content, number of services and the convenience for the public. Taiwanese websites perform excellently in such areas as online information, service applications, providing multiple languages and free inquiries, and so forth. However, there is plenty of room for improvement with regard to such items as information security policy, declaration of privacy policy and the provision of unobstructed websites (See http://www.rdec.gov.tw/mis/egcio/gov_result.html).

Taiwan is famous for its advanced information technology. While these general international rankings give reason to be positive about the advancement of e-government in Taiwan, however, further research within Taiwan indicates that people are not all satisfied with its results. The RDEC often conducts telephone-based public surveys to find out the degree of satisfaction and awareness of the e-government policy. It has been discovered from the statistics that half the surveyed people are not aware of the policy, and the degree of satisfaction is only around 30-40%. 40% of people surveyed indicated that they never search for any information on government websites. Another 80% of people surveyed also indicated that they never download any information from government websites. Only those who have used government websites at least once show a higher degree of satisfaction. The statistics are listed in Tables 5.6 – 5.10.

Table 5.6 Degree of Awareness of Taiwanese e-government Policy

Investigation Date and Degree of Awareness Investigation Items	2001.	2002.	2002.	2003.	2003.	2004.
	3.	3.	9.	3.	9.	4.
	6-8	12-13	2-3	4-5	8-9	12-13
	(%)	(%)	(%)	(%)	(%)	(%)
Aware	54.7	54.7	55.6	55.7	54.8	41.4
Not aware	45.3	45.3	44.3	44.3	45	58.6
No answer	0	0	0.1	0	0.2	0

Source: Based on RDEC e-government policy surveys, 2001-2004.

(<http://www.rdec.gov.tw/home/survey.htm>)

Table 5.7 Degree of Satisfaction with Taiwanese e-government Policy

Investigation Date and Degree of Satisfaction Items	2002.	2003.	2003.	2004.
	9.	9.	3.	4.
	2-3	8-9	4-5	12-13
	(%)	(%)	(%)	(%)
Very	3.7	4.6	6.3	3.5
Fairly	33.1	38	37.1	35.5
Not really	17.5	17.7	17.8	13.4
Not at all	4.3	3.1	1.4	1.9
Don't know	36.1	30.3	34.9	37.2
Others (hard to tell, no opinions, no answer)	5.3	6.3	2.5	8.4

Source: Based on RDEC e-government policy surveys, 2001-2004.

(<http://www.rdec.gov.tw/home/survey.htm>)

Table 5.8 Frequency of Information Searches on Government Websites

Investigation Date & Results Frequency of Information Search	2001	2002.	2002.	2003.	2003.	2004.
	3.	3.	9.	3.	9.	4.
	6-8	12-13	2-3	4-5	8-9	12-13
	(%)	(%)	(%)	(%)	(%)	(%)
Yes	57.5	57.9	61.6	62.8	60.9	53
No	42.5	42.1	38.4	37.2	39.1	46.6
No answer	0	0	0	0	0	0.4

Source: Based on RDEC e-government policy surveys, 2001-2004.

(<http://www.rdec.gov.tw/home/survey.htm>)

Table 5.9 Frequency of Information Downloads from Government Websites

Investigation Date & Results Information Download Frequency	2002.3.	2002.9.	2003.3.	2003.9.	2004. 4.
	12-13	2-3	4-5	8-9	12-13
	(%)	(%)	(%)	(%)	(%)
Yes	18.5	21.5	30.9	37.4	33.3
No	81.5	78.5	69.1	62.2	66.7
No answer	0	0	0	0.4	0

Source: Based on RDEC e-government policy surveys, 2001-2004.

(<http://www.rdec.gov.tw/home/survey.htm>)

Table 5.10 Degree of Satisfaction with Government e-services

Investigation Date & Degree of Satisfaction Satisfaction degree for e-services	2003.9.8-9 (%)	2004.4.12-13 (%)
Very	10.5	8.5
Fairly	68.3	59.2
Not really	8.5	20
Not at all	5.7	0
Others (hard to tell, no opinions, no answer)	6.9	12.3

Source: Based on RDEC e-government policy surveys, 2001-2004.

(<http://www.rdec.gov.tw/home/survey.htm>)

Generally speaking, e-government is about reforming how civil servants manage. By improving business procedures with the help of modern information technology and email, this enables the provision of a more refined and responsive civil service, thus speeding up the service provision, which frees up more office hours and allows for more service locations with more diverse choices, and reduced costs. Innovative services offered by the e-government programme lead to such developments as the elimination of identification documents, abolishment of application forms, paperless application fulfilment, one-stop services, multiple locations and channels, 24-hour service, at-home serviceability and so on. These indicate the unlimited potential gains for the civil service system.

Since the establishment of e-government is so important to civil service reform, each country normally puts as many government services online as possible, which is also in coordination

with the promotion of smart IC cards to support the development of the knowledge economy, eliminates digital divides, increases information availability, raises the level of intelligent management and transforms the civil service system into a knowledge-based system. With this in mind, the following items should be strengthened if e-government in Taiwan is to be advanced further:

1. Creating more online information resources

The depth and breadth of online government information content still need to be beefed up, posted in real-time and updated frequently. Information communication of the government should also be accelerated to provide added-value for citizens.

2. Government information service channels still need to be increased

The internet is the principle channel through which e-government services are provided. Although a number of public organisations have onsite access to government information services for people to obtain online services, it needs to be more widely developed. Meanwhile, voicemail and online payment services should be available for multiple services to help the public obtain services more easily.

3. Online applications need to be extended

Although such affairs as tax payments have been tested online, the total number of users still hasn't been effectively elevated. Accompanied by the newly started e-gate initiative and online e-recognition system, the online applications in each organisation should be strongly improved.

4. Security management for government information needs to be fulfilled

Security management for government information needs to be put into practice rather than remain a mere concept. Further to the announcement of such rules as the Key Points of Security Management for Organisational Information of the Executive Yuan and its Management Regulations have just been made and announced. Only through emphasis on the advancement

of information security policy, legislation, techniques, administrative procedures, online regulations, user morality and staff awareness will the information security system be properly established.

5. Relevant government information legislation shall be reviewed

Relevant legislation on e-applications overall shall be reviewed and studied. New concepts, measures and procedures shall be established in order to build a modern administrative processing system offering convenience for citizens. In particular, the e-signature Act is the most fundamental piece of legislation that needs to be passed and implemented quickly.

6. Online abilities of civil servants needs to be improved

In order for the e-government system to be effective, the civil servants' online abilities need to be improved. Accordingly, it signals the importance of training. Through the training and cultivation of "e-civil servants" and the resulting change of mindsets, an exquisite policy of e-government where "e-citizens" are provided with a high quality of service delivery can be achieved.

5.6 Changes to Administrative Organisational Culture

Organisational culture can be defined from different angles. Although organisational culture is invisible, it greatly affects the members of the organisation. According to Schein, organisational culture is a set of common basic assumptions by which an organisation resolves external adjustments and internal integration. If the assumptions function well, they can be effective and can be passed on to new members for them to understand, consider and observe related questions (Schein, 1992, p.12) Furthermore, according to Schein, organisational culture can be analyzed on three levels: artefacts, espoused values and basic assumptions (Schein, 1992, p. 12). Artefacts lie at the external level, which include existing institutions, language and rules and norms that can be observed. Espoused values lie at the middle level, including philosophy, ethics, morality or values, preferences and attitudes, which can show how members

communicate, rationalize, and interpret and judge other members' behaviour. Basic assumptions lie at the deepest level of organisational culture. When a problem-solving pattern proves to be effective, it will be regarded as a method that can be modelled later and passed on to members through the process of socialization in order to guide the members' thinking and recognition and to prevent them from making mistakes.

The external level of artefacts is more easily observed. However, it is the least useful for explaining culture. The deepest level of basic assumptions is also the most difficult to be observed, yet it can best explain the organisational culture. Thus, to Schein, only basic assumptions provide the gist of the culture, while artefacts and even values are only the external representations of culture.

5.6.1 An Analysis of the Culture of Taiwan's Administrative Organisations

Riggs (1967) points out that in a modern, transient society, there is a trend to establish official political and administrative systems. However, those systems are only formal, that is, effective behaviour still depends on the factors of traditional structures, pressure, clans, religion, and existing social and economic norms. Thus, only from an ecological perspective, that is by observing the administration through these non-administration factors can those societies' politics and administration be understood. The so-called traditional structures, pressure and clans can be regarded as part of society's overall culture. Culture has an educational and social function. Administrative organisations naturally demonstrate particular behaviours and bureaucrats easily come into factional conflict and interest exchange in order to maintain their positions (Wu Chun En, 1975, pp. 40- 41).

Table 5.11 can be used to analyse the organisational culture of Taiwan's administration. It shows that the organisational culture of Taiwan's administration is leaning towards a hierarchical organisational culture, which is concluded by a feature study of Taiwan's administration and the national character that affect the administrative behaviour in "Administrative Management" by Chiang Chan Keui (1986, pp. 83-98) and "A Study of Administration" by Chang Jun Shu (1998,

pp. 780-782), along with the structural characteristics of bureaucratic organisations proposed by Weber (1947).

Table 5.11 Interpretations of Taiwanese Administrative Organisational Culture

Measurement standards of organisational culture	Chiang Chan Keui's features of administrative organisation	Chang Jun Shu's national characteristics
Tendency to focus on personal relationship	Conflict relationships existing between people	Family orientation
	Special connections	Emphasis on personal relationships
Tendency for authoritarian leadership	Hierarchical organisation type	Obedience to authority
	Over-concentration of power	
	Lack of communication	
	Vertical social distance	
Degree of formalism	Frequent meetings	Emphasis on customs and tradition
	Complexity within legal system	

Sousce: Based on Chang Jun Shu (1998) and Chiang Chan Keui (1986)

The features of Taiwanese administrative organisation culture can be described as having the following three elements:

A. Personal relationships

Weber's ideal model of bureaucratic organisation has become an important reference for the study of bureaucratic organisations. One of the important features of a bureaucratic organisation is "non-personal," which means that in the implementation of its duties, the organisation will abide by the rules and the law. The promotion, recruitment, rewarding and punishing will not be affected by discrimination, prejudice, affection and preference. Work

behaviour and the relationship between employees abide by the rules of the organisation and are not affected by personal relationships. Corruption can be prevented accordingly (Chang Jun Shu, 2000).

However, Taiwan's society is based on family. In such a structure, public and private businesses are often intermingled. Personal relationships play an important role in daily business. Officials will grant favours or assistance to those who have personal connections and show indifference or ignorance to those who do not have such connections. Certainly, this results in nepotism in the organisational culture. Chiang Chan Kuei has commented on the stress of such special connections in Taiwan's organisational culture. According to Chiang, the stress of such special connections in terms of personnel deals a heavy blow to morale. Special connections will necessarily overlook the principle of fairness and affect coherence in the organisation. Also, the stress of special connections will lead to factions and inner struggles in the organisation. As a result, public interest is sacrificed.

When an organisation cannot impartially abide by its rules or allow back-door connections to take place, often employees will lose trust in the organisation and develop the view that there are no rules to follow. As a result, they will not know how to achieve the goals of the organisation and win the acclaim of their superior and develop a strong sense of alienation towards the organisation. Thus, if the organisational culture of Taiwan's government administration can be in line with Weber's non-personal features, that is, if an organisation can implement a task in accordance with the law and the principles of openness and fairness so that members can respect each other and be impartial, then the rules of the organisation have a purpose and members will have a sense of belonging.

B. Authoritarian leadership

Leadership can be distinguished as dictatorship (or totalitarian leadership), laissez faire or democratic (Chang Jun Shu, 1998, pp.406-409). Totalitarian leadership refers to leadership where the superiors concentrate power among them and make the final decisions. Any

legislation, innovation or improvement concerning the organisation has to be approved by the superiors. There is no authorization or encouragement to inspire the staff, and no communication with the members. Taiwan's traditional political culture is tilted toward totalitarianism. Under such a culture, the superior has the power. When subordinates express opinions, the superior will simply do things their own way and even regard those who have different opinions as trouble-makers. In the long run, the superiors tend to regard the subordinates as incapable and will not make any authorizations or share power.

C. Formalism

Formalism refers to a disconnection between theory and practice. Although the government organisations have well-defined laws, the laws do not have lasting power. According to Riggs (1967), formalism is a characteristic of a prism society, which is reflected in two aspects of administration. First is the political struggle between bureaucrats. Although the rules are specifically defined, they often become a form of legitimacy. Taking personnel appointments as an example, competition usually exists for good positions. The head of the department can muddle through related regulations and promote his followers. If competition exists for a position and the regulations stipulate that an open selection process is required, the superior can manipulate the regulations and processes to select the people he prefers. In this sense, the regulations and processes become only a formality for the superior to legitimize his action.

On the one hand, officials claim that they are law-abiding, but on the other hand, they often walk in a grey area. When a rule works to their advantage, they will insist on a strict interpretation of the rules. When a rule is not to their advantage, they will do all they can to let the rule become an empty rule. These situations rarely take place in western countries because political rights have real power so that the bureaucrats cannot twist the law in their self interests.

Because Taiwan is still a prism society, formalism is inevitable in the organisational culture of administrative organisations. The more the rules and regulations become a formality, the more complaints there are about the lack of appropriate regulations. Civil servants develop the habit

of following the rules without asking whether the rules are really effective, which causes a decline in people's trust in government.

5.6.2 The Reform of Taiwan's Organisational Culture

Since the start of Taiwanese civil service reform in 1993, various cabinets have used different ways to improve the organisational culture of administrative organisations. The Lien Chan cabinet paid special attention to anti-corruption work in the administrative system in order to build a clean government and develop a new organisational culture. According to Chen Chin Kuei (1996), a modern government must provide the best service for the people. More importantly, it must strive for the people's support and trust. Thus, after taking office in March 1993, former Prime Minister Lien Chan actively promoted an administrative reform scheme whose overall goal was to establish a clean and capable government. Cleanness, efficiency and convenience were the key points of reform. Efficiency and convenience are directed toward the raising of administrative effectiveness, on which basis the public can judge the government's performance. Cleanness is related to the civil servants' integrity. If their integrity is doubted by the people, it will affect the people's trust in the government and the government's image. Thus, the first key to the success of administrative reform is for the civil servants to do their duty and be clean in order to win the people's support of the administration. Anti-corruption is the primary task for the reform scheme after all. Furthermore, the establishment of civil servants participation and suggestion system is also an important method for reforming organisational culture, which plays a key function in encouraging civil servants to make suggestions and examine the administrative system. However, due to the lack of concrete goals and effective measures, this is only a first step towards reforming the organisational culture.

Lee Boad Yuah (1996) pointed out that from the perspective of the system, organisational development and reform involve the organisational structure, operational procedures, professional skills, the evaluation system, human resources and organisational culture. In the administrative reform project, those matters related to the organisational structure include the

project for streamlining organisations and personnel systems, legalizing organisations, and the formation of an administrative reform task force. Those matters stressing operational procedures include the legislation of administrative law, the revision of delegation of responsibility, the simplification of service procedures and the establishment of an administrative reform mailbox. Those matters related to professional skills include the establishment of an administrative reform serving unit and a duty improvement team, the modernisation and computerisation of public affairs, the proper management of public assets and an increase in managerial efficiency of state-own enterprises. Those matters related to the evaluation of the system include the compilation and auditing of budgets, the review of service work and the implementation and review of anti-corruption action plans. Those matters related to human resources include the evaluation of human resources, reinforced cultivation and service training and the promotion of the system of participation by civil servants.

Unfortunately, organisational culture has not been given proper attention in this reform project. Organisational culture is a set of basic assumptions by which the organisation affects how members understand, think and behave. If administrative reform only stresses the external system and the change of superficial behaviours, but does not touch on the fundamentals of organisational culture, its effects cannot last long. As to the establishment of the participatory system, Lee Boad Yuah (1996) deemed it to be highly important. According to Lee, in the process of developing an organisation, change and conflict are normal. Organisations need to strengthen the ability and habit of self-learning. A wholesome participatory system for organisation members is an important condition for the cultivation of such self-learning ability. The participation and suggestion system for civil servants in Taiwan's administrative reform project has a similar goal. However, for the participatory system to be effective, it cannot be an isolated activity but has to be connected with task assignment, and the personnel and evaluation system. To promote organisational participation for the sake of administrative reform is to raise firm opinion on reform regarding the drawbacks of current organisations.

The Vincent Siew cabinet had achieved more concrete work on the reform of organisational culture. In 1997, Siew conducted an analysis of civil service reform in Japan, the United States, the UK, Canada, Australia and New Zealand, and concluded that the most important concept is that the government should introduce the spirit and methods of private enterprise in stressing quality, cost, customer satisfaction and efficiency, and make use of the vitality of civil society to promote government affairs so that government services can become more efficient under the guidance of those new concepts, and an entrepreneurial government can thus be created.

Based on the direction of Vincent Siew, in January 1998, a Taiwanese human resource and service reform team started the promotion of the following measures:

1. Improving organisational culture: that is, creating an organisational climate of equality, mutual trust and cooperation; affirming members' efforts and contributions, and pursuing honest and open management skills; and conducting the reform of organisational culture through cooperation between organisation heads and members' interaction and learning.
2. Establishing probity mechanisms: that is, setting rules with respect to key problems; establishing public authority; and encouraging civil servants to work hard for public interests.
3. Boosting morale: that is, promoting a reasonable reward and welfare system for civil servants, thus boosting morale and strengthening care for retired personnel.
4. Stressing participation, encouraging innovation: that is, establishing the participatory system and cultivating the civil servants' ability to innovate and learn.
5. Establishing a promotion system based on merit: that is, strengthening the function of an evaluation system for civil servants, which is linked to promotions, in order to achieve a clear reward and punishment system and to weed out the inferior.
6. Strengthening the training and experience of civil servants: that is, promoting training; planning life-long learning courses; and strengthening routine duty, or work, rotation.

7. Developing civil servants' passion for service and raising the quality of service: that is, enriching work content; infusing the value of service; strengthening self-motivation for improvement; and building up a sense of duty and honour to heighten the efficiency of government operations.

Although the Vincent Siew cabinet had the idea of reforming the administrative organisational culture, it didn't become an established trend and subsequently public opinion was affected. According to a poll released by the Taiwan Chamber of Commerce at the symposium on government reform and heightening national competitiveness on 3rd August 1998, 78.2 percent of the people surveyed did not realize that the Taiwanese government was promoting a reform campaign. 37.9 % of the people surveyed believed that a government reform program should overcome the problematic bureaucratic mentality. Also, 49.4 % of the people surveyed did not have confidence in a government reform program, although 72.7% of the people surveyed regarded the program to be highly necessary and 80.4 % of the people surveyed thought that the program would be conducive to an increase in national competitiveness. Yet, 86.3 % said that the program was not publicised enough (Central Daily News, 4 August, 1998).

The Taiwanese government needs a change of mentality from that of 'control' to one of 'service' and from a mentality of 'authoritarianism' to one of active 'communication'. It should implement the idea of "people having the power" and establish the orientation of serving with "people as the boss" so as to heighten the efficiency of the whole government from within and strengthen national competitiveness. Such change in the recognition of organisational culture will necessarily be a prolonged process that requires constant learning.

In March 2000, Taiwan held a presidential election and the first government takeover occurred. Due to serious internal divisions within the ruling KMT, the Democratic Progressive Party (DPP) came into power. However, due to a lack of experience in government and a lack of a majority in the Legislative Yuan, its performance has been poor (Chung Da Shu, 2003).

After the DPP took power, the first prime minister, Tang Fei, was a retired general. Tang listed

government reform and heightened administrative efficiency as one of the six key points of his cabinet. However, the content of the reform programme was not much different from the ideas and strategy of Vincent Siew's government reform programme. Afterwards, Chang Chun Hsiung's cabinet carried over Tang's direction of reform. However, since then, in terms of the constitutional system, the shape of administration has changed from an 'all-people government' to a 'minority government'. To deal with the above change, the Executive Yuan organized special meetings such as the national economic development meeting, the national science and technology meeting, and the national administrative reform meeting, in an attempt to invite officials, industrialists and scholars to study strategy for solving major issues (CEPD, 2001, pp. 85-126).

Taking the national administrative reform conference for example, the meeting was organized by the RDEC, and co-organized by the Ministry of the Interior and the Central Personnel Administration. There were eight major issues discussed at the meeting, which were administrative restructuring, the central-local government relationship, administrative culture, deregulation and innovation, public opinion and policy-making, policy implementation and evaluation, governance quality and service, and policy communication. Scholars, experts and government officials were invited for a two-day symposium and reached a number of conclusions on reform (RDEC, 2001b; CEPD, 2001, pp. 121-126). At the occasion, President Chen and the then Prime Minister Chang also elaborated on their ideals for administrative reform. President Chen stressed that administrative reform requires a conceptual revolution regarding time and cost. He also mentioned four further indispensable management models such as goal management, moving management, crisis management and growth management. Prime Minister Chang announced the promotion of a "six reductions" campaign expecting to reduce business, paperwork, regulations, meetings, words and writing. An analysis of the remarks of the two leaders seems to confirm that they still followed the standard thinking of public management, which didn't do much to help reshape organisational culture. Thus, they were criticized as being an example of Parkinson's Law. In practice, the government at various

levels did not show concrete improvement in terms of reform.

In August 2001, President Chen summoned a bipartisan Economic Development and Consultative Conference to react to previous difficulties and search for solutions. The conference recommended the establishment of a committee for promoting government reform, which was agreed immediately. In October of that year, the Presidential Office established the Government Reform Committee, with President Chen serving as the chairman. The Executive Yuan formed an organisation reform committee in response, which was headed by Minister without Portfolio, Yeh Jin Zone (Yeh Jin Zone, 2002).

President Chen pointed out at the first meeting of the Government Reform Committee that the blueprint for the current national development programme was to build a highly efficient, responsible and proactive government. The most urgent task for government reform is to deal with the revised bill of the Executive Yuan Organisation Law, which would downsize the Executive Yuan to two-thirds in two years. The next prime minister, Yu Shyi kun, spent three years on focusing the civil service reform on the planning of organisational reform. However, it seldom touched upon organisational culture.

Accordingly, the sole and most important cultural reform from the DPP administration might be the establishment of a bonus system. Lee Yiyang (2002), the former director-general of the Central Personnel Administration, was responsible for the system. He pointed out that the core of the current human resources management policy in the promotion of government reform lies in establishing the values and culture of pro-activeness, and in being results-based with an emphasis on service quality, which would subsequently promote overall government achievement. Such values and culture must be achieved through an active results-based management system.

Following the conclusion on administrative culture at the national administrative reform conference, the performance bonus system was put into practice officially in 2003. Most importantly, the system integrated the concepts of performance management and performance

evaluation into the bonus system. Its principles are as the following:

1. The Executive Yuan and subordinate agencies put this system into force entirely in order to strengthen performance management and promote the quality of service.
2. Establish the government's ability in planning and setting the goal to achieve the concept of results-based management.
3. Implement the results-evaluation system and base its management on results evaluation in order to increase administrative efficiency.
4. Authorize subordinate organisations to select their own tools for results evaluation in order to maintain flexibility.
5. Civil servants can participate in the setting of result goals and the regulations concerning bonuses.
6. Stress the feedback process of results-based management and form a task force to make accurate evaluations.
7. Control the personnel budget and reallocate the budget in a rational way without adding costs.

Although the project was expected to shape a results-oriented organisational culture, inspire the potential of civil servants, increase administrative effectiveness and the quality of service delivery, and lay the foundation for government restructuring, whether or not the organisational culture has been improved in practice needs further evaluation. Due to the lack of objective standards for results evaluation, some organisations have been trapped in conflict and opposition, which is detrimental to the achievement of organisational goals. Some organisations just added a formality of giving a bonus, which however has not helped civil service reform adequately.

In general, there has not been much progress in civil service reform since 1993. The most

fundamental question lies in what is the goal of such reform. The lack of a systematic study of how organisational cultural reform fits the goal of civil service reform has allowed the reform to stutter. Over the past decade, Vincent Siew's cabinet focused on seeking connections with the private sector, and he claimed that this would introduce an entrepreneurial spirit to gear up government restructuring. In effect, however, the idea of improving the management of the public sector with the management of the private sector was just borrowed from scholars. In fact, if Taiwan hopes to fully improve organisational culture, it needs to study what kind of culture is best suited and make a plan in order to shape that culture accordingly. When conducting an interview in the UK, a middle-level civil servant clearly told me that:

“According to the New Labour government’s new ideas, there will be two main themes that fit in our day-to-day business. One is to make civil service more accountable to ministers, parliament and the public. The other is to deliver services in the best way for the users, not for our convenience” (OPS3).

Thus, what are the detailed and distinct prospects for organisational culture in Taiwanese civil service? When will a frontline civil servant be able to clearly state their core value for services? These issues indicate that there is an obvious need for Taiwanese civil service reform to go further.

5.7 Conclusion

In this chapter, we have reviewed and analysed the Taiwanese civil service reform from different aspects. We have found that the adoption of leadership styles was based almost randomly on the related leader’s personality and so therefore couldn’t produce effectiveness for civil service reform. Indeed, they were very keen to urge the implementation of civil service reform, but only according to their political position. As for reform objectives, within the previous KMT government, the main focus was interpreted as putting emphasis on internal organisation and management change, which was criticised for lacking public participation. Since the DPP took power, the DPP government enlarged the reform objectives to extend

beyond the Executive Yuan, including building a partnership between the central government and local governments, initiating parliament reinvention and creating a mechanism of innovation and benefit-oriented services (e.g. the public-private partnership). The results of this, however, need to be further identified. With regards to organisational reform, the main measures have been delayed with no further results hitherto due to different political influences. As for the creation of a public corporation, there are a lot of different views on its functions because it is a new test. As for management reform, the creation of e-government seems to have made good progress. In respect to culture change, Taiwan's political leaders are keen to push certain measures forward. However, due to the lack of concrete goals and effective steps, only the surface of organisational culture has been scratched. The above discussion provides a firm basis from which to look into Taiwanese civil service reform further. A critical evaluation will then be needed to judge the value of this reform.

Chapter 6 A Critical Evaluation of Taiwanese Civil Service Reform

6.1 Introduction

As a reform normally represents change towards a better future, it always receives early praise and encouragement from academics, the mass media, union leaders and policymakers of political parties. However, the question of how to build a lasting reform in order to get best value is an extremely important issue deserving of a critical evaluation. This chapter is designed to evaluate further the Taiwanese civil service reform. Critically, I will focus on such fundamental questions as: Do these related reforms make sense? What have been the results? What has changed and is this change good? In chapter 5, I reviewed and analysed Taiwanese civil service reform from different aspects including that of leadership styles, reform objectives, reform within administrative organisations, management and changes in organisational culture. Within the above review and analysis, I made civil service reform comparisons between the present DPP administration and the previous KMT administration. I even tried to access the detailed reform measures devised by different cabinets in order to more meticulously explore the reality. In this chapter, I will proceed with a critical evaluation of the Taiwanese civil service as a whole.

6.2 Approach and Criteria for a Critical Evaluation

It is not easy to seek out a set of appropriate evaluation criteria for synthetically evaluating a huge movement like the Taiwanese civil service reform. Particularly, the question of how to select an appropriate evaluation approach is also debatable. As a reform is usually interpreted as a means or an instrument for making changes for the better, an evaluation of change could be a useful approach. Other approaches could be from such aspects as the process of reform itself or specific features of the reform. In this research, considering that a reform is a complex and variable process, I prefer to select an approach generated through a combination of both the reform process and results, which means I will comprehensively examine the

related events such as design, implementation and follow up. More specifically, through this approach of evaluating Taiwanese civil service reform, I will endeavour to discover the realities in order to answer the following questions:

1. Do the reform events make sense?
2. What are the results?
3. What has changed?
4. Has the change been valuable?

In order to answer the first question, I will describe some civil service reform norms by which to evaluate Taiwanese civil service reform measures and see whether they are reasonable. The second and third questions are related to the reality of implementation. In order to answer these questions, I plan to make pragmatic conclusions and evaluate the changes that are happening inside the Taiwanese civil service, including the situations encountered during their implementation. In order to answer the final question, I will use effectiveness, capacity and accountability as criteria to judge the value of the changes. When talking about effectiveness, I will examine the inner 'glue' of the Taiwanese civil service system. Regarding capacity, I will touch upon the matter concerning the change of ideas among the Taiwanese civil servants, an idea expounded by Kettl (1995). Kettl used four criteria to assess the USA's National Performance Review (NPR) initiative, these being tensions, capacity, ideas and glue.

Tensions in this case meant that the NPR's biggest headline came from a pledge to produce US\$108 billion in savings and such associated measures as reducing the number of government employees and transforming the procurement process. At the operational level, however, it was natural for government employees to see the downsizing as yet another explicit attack on their jobs and behaviour. By alienating public employees, the NPR's strategy for public support - shrinking the federal government - risked undercutting its efforts to transform the government's inner workings. Capacity refers to the fact that the NPR at the

time was dominated by arguments about dysfunctional forces - the processes and structures that interfered with performance - whereas success depends on finding the institutions, processes, money, technology and especially people, - that is, the capacity - to do the job.

The third of the four criteria refers to the fact that, in this context, the NPR built on ambitious ideas about cutting red tape, putting customers first, empowering employees and getting back to basics. Far less clear, however, was what the concepts actually meant. Where do procedural due processes and proper administrative safeguards become red tape? Who are the government's customers and how can they be served? Does customer service contradict other public goals? What would it take to empower employees and what risks would empowerment create? Who decides what the basics are? In *Reinventing Government*, two driving spirits of the NPR, David Osborne and Ted Gaebler, made the case that government should "steer, not row." In what direction should government steer, and how good are the ideas that serve as its compass? Fuzzy thinking could staff the oars with government employees rowing simultaneously in conflicting directions. The lesson from reinventions in other countries is that a clear sense of purpose and sharp guiding principles are critical to success. Is the NPR intellectually mature enough to define such a purpose and provide guiding principles?

Lastly comes the glue. The NPR built on a philosophy of "empowering" government works to make better decisions. It argued for a more entrepreneurial philosophy, with competition replacing monopoly-based command-and-control management. In short, the NPR sought to shift power from Congress to the bureaucracy and, within the bureaucracy, from the top level to the bottom. If empowered bureaucrats behave entrepreneurially, what glue would prevent the government from disintegrating into a vast network of quasi-independent operators? What processes would ensure democratic accountability to elected officials? What processes would ensure that the public interest dominates private behaviour? These make for interesting points to consider.

6.3 Do the Reform Events Make Sense

As reviewed and analysed in Chapter 5, Taiwanese civil service reform events between the 1993 and 2003 can be observed as:

1. Objectives

During the Period of the Kuomintang (KMT) government, the overall objective was to establish an able and honest government. Honesty, effectiveness and convenience to citizens were its three key demands. Its main practical items were to:

- (1). Check and eliminate corruption and negligence by correcting civil servant ethics.
- (2). Carry out organisational downsizing and reduce the current number of staff.
- (3). Integrate government finances and reduce the budget deficit.
- (4). Raise administrative efficiency by increasing work effectiveness.
- (5). Implement system reform and strengthen service delivery for citizens.

When the DPP came into government, the objectives of Taiwanese civil service reform were modified through:

- (1). Establishing flexible and downsized administrative organisations.
- (2). Establishing a professional personnel system.
- (3). Establishing a government framework of co-operational power division.
- (4). Advancing the parliament reform according to civil will.
- (5). Establishing a service system offering benefits and innovation, which includes contracting out, privatisation and strengthening partnerships between the public and private sectors.

2. Organisational reform events

To achieve the above objectives, the Taiwanese government has particularly emphasized the importance of administrative organisation reform and put its utmost endeavour into

accomplishing this goal. The main events of administrative organisation reform can be described as:

- (1). Downsizing the scale of central administrative organisations, which includes the amendment of the Organisation Act of Executive Yuan, and the cutting back of staff numbers (Lien claimed to have done so by over 5%).
- (2). Restructuring the Taiwan Provincial Government, which would re-clarify the boundary of civil service system and reduce the overlap between the central and provincial government.
- (3). Creating a new type of flexible organisation, the public corporation, which was an attempt to invent a type of organisation based on a combination of the characteristics of public and private sectors.

3. Management reform events

Taiwanese civil service reform also focuses on improving day-to-day service delivery. Reform events that concern management skills mainly concentrate on:

- (1). Promotion of work simplification.
- (2). Advancing the civil servants participation and suggestion system.
- (3). Establishing a Service Quality Award to advocate total quality management.
- (4). Advancing e-government.

In addition, for the purpose of transforming the organisational culture, Taiwan's political leaders are also very keen to push certain measures forward. For example, Lien's cabinet created an important method for reforming organisational culture by establishing a civil servant participation and suggestion system, which concentrates on encouraging civil servants to examine the civil service system and make suggestions for improvement. Vincent Siew's cabinet claimed that it would introduce an entrepreneurial spirit to gear up government

restructuring. In 2003, the DPP Government introduced a so-called performance bonus system to encourage a new culture, which was designed to integrate the concepts of performance management and performance evaluation to transform civil servants' behaviour. However, due to the lack of concrete goals and effective steps, this was only a beginning for the reform of organisational culture.

Compared with the concepts of New Public Management (NPM), the direction of Taiwanese civil service reform events can be conceived as mostly fashionable. The label NPM covers many varieties of public sector reform including (Hood 1995; Rhodes 1998b): privatization, marketisation, corporate management, regulation and decentralisation. This is perhaps the most popular account of recent changes (Rhodes 2000d). Civil service reform has become a global trend, and many countries are performing nicely within the related ethos. For example, in the USA, Clinton's National Performance Review (NPR) aimed to make the federal government work better and cost less. The NPR report contained 384 major recommendations for improving performance in the federal bureaucracy, and covered twenty-seven federal agencies and fourteen 'government systems,' including budgeting practices, information technologies, personnel procedures and procurement regulations (Dilulio, 1995). Even in the UK, its civil service reform over the past twenty years has been continuous. Rhodes (2000e) concludes that this reform has taken many forms over the past two decades, and the existing literature suggests it has six parts: privatisation, marketisation, corporate management, regulation, decentralisation and political control. Thus, Taiwanese civil service reform seems closely in line with the global trends.

As Taiwan is a developing country, there are many areas that need to be developed including economic construction, the setting up of appropriate social systems, the shaping of the political system and so on. With these circumstances, the question emerges of whether or not Taiwan should totally follow developed countries' methods in carrying out its own civil service reform. When conducting a team assessment in an agency called Taiwan Area

National Expressway Engineering Bureau, a middle-level manager voiced his opinion that:

“Our country needs more transportation construction as a base to develop our economy further. If this hypothesis is correct, we need more human resources to do construction work. We have no need to downsize our organisational scale and reduce the number of personnel. When implementing reform, there is no need to operate an overall downsizing, especially as operated in the part of transportation affairs.” (TA2I)

There was a similar voice to be heard in an assessed agency called the National Expressway Police Bureau:

“The policy of reshaping administrative organisation is more-or-less acceptable. The concept of downsizing the staff scale may also be right. But our society is different from advanced countries. We have no comprehensive social security systems to well protect our citizens. In our social culture, to be made redundant would be a shame that is not easily accepted psychologically. If we strongly implement a policy that reduces the number of staff, there could be a lot of social problems and tragedies. Under such circumstances, something else is needed before conducting reform.” (TA4I)

Except for special local factors, examples of which the above indicates, there is some rethinking and further consideration needed if we review literature concerning organisation and management. By the mid-1970s the general public's attitudes towards the public sector had reached a low. There was a loss of confidence in the public sector's abilities to deliver public services of the quality that was expected, to manage the economy, to solve social problems and to be prudent with the public finances (Jackson, 2001). Government bureaucracies apparently do not have the information-processing capacity of markets – they are unable to solve co-ordination problems and can't successfully mimic the incentives established in markets.

Markets, however, are also deficient in important and significant respects. They are not

efficient except under very restrictive and special conditions. Moreover, they produce wealth and welfare distributions that are not socially just. Introducing new management systems and techniques such as benchmarking, TQM, developed budgeting, performance measurement and contracting out are necessary but not sufficient for improvements in performance (Jackson, 2001). The devil is in the detail of the implementation of these techniques and in the abilities and competencies of managers to manage the changes that they bring.

There is, therefore, the need to find a balance; a 'third way', which is a mixed economy of the best features of market and bureaucratic designs (Jackson, 2001). Giddens (1998) explains the architecture of the 'third way' as, 'the restructuring of government should follow the ecological principle of "getting more from less", understood not as downsizing but as improved delivered value' (p.74). Clearly, there will be a continued role for the bureaucratic supply of public services. As to what form that role will take, and what public sector agencies will be more heavily regulated, needs to be explored further (Halpern and Mikosz 1998).

According to Jackson's (2001) reasoning, the most important method of improving efficiency and effectiveness in the public sector is to create an architecture which is based upon co-operation and participation rather than competition and control. Within this architecture, the public sector has a new role of acting as a broker in the creation of value.

Changing public sector architectures is problematic. Reinventing government is no mean task. Implementation is fraught with difficulties not least because reform normally meets the force of bureaucratic inertia. As one American commentator has remarked, '...reinvention can polish the surface without touching the soul' (Kaufman, 1994, p. 20). In order to translate the rhetoric of reform into reality, it is necessary to pay close attention to the changes that must be made to the organisation's culture and the underlying incentive structure. Most importantly, the direction of reform should not be misinterpreted.

By looking at the objectives and key measures adopted for Taiwanese civil service reform, we can perceive that the focus of reform revolved around the doctrines of bureaucracy and

markets, yet dispersedly and without any interconnection. The correct architecture should be put in place for Taiwanese civil service reform. Namely, in order to devise the correct scope and depth for making practical progress in civil service reform, Taiwan needs to develop strategy skills to be able to look into core values, concepts, procedures, attitudes, local factors and all the other reform aspects simultaneously in order to alleviate and solve problems comprehensively.

6.4 What Are the Results

Taiwanese civil service reform has been ongoing for a long time. What the implementation of reform has met with, and generated, needs to be calculated further. In this section, the impressive overall picture of the reform results will be examined. According to observations over a decade, the important results of the reform mainly concern organisation and management events. The general results during the time between 1993 and 2003 include:

- Achieving the first programme of downsizing budgetary staff numbers by 7.49% in three years (from 1994 to 1997), which exceeded the original goal of 5%. This programme was designed to cut back budgetary staff numbers, not to really cut back on the actual headcount of staff numbers. This achievement has, however, directly affected the use of the personnel budget in the Taiwanese central government. During the above period, the personnel expenditure was controlled at a level around 32% of the total central government yearly budget. In 1998, the personnel expenditure decreased by NT\$2.5 billion. This effort also diminished the trend of a growing number of total real staff by headcount (CPA, 1997).
- The restructuring of the Taiwan Provincial Government was designed to re-clarify the areas covered by the civil service system and reduce the overlap of affairs between central and provincial government. Abiding by the scheduled program, the Taiwan provincial government began the adjustment process on 1st July 1999. The restructuring work involved shutting down ninety agencies and establishing ten others. In total, 149 agencies,

36 hospital boards and 170 provincial schools became subordinate agencies of the central government. Agencies subordinated to the Executive Yuan established 16 central Taiwan offices and three outer-lying offices, and the Examination Yuan also established three regional offices. As this restructuring work still has some legal matters left unfinished, it is believed that the completion at the earliest opportunity of the legislative process for the laws related to the restructuring will help the Executive Yuan push forward with civil service reform and allow each of the government agencies to fully utilise its existing powers and aggressively explore new opportunities.

- Planning drafts of the Organisation of Central Government Agencies Guidelines Act and the Central Government Agency Personnel Quota Act were sent to the Legislative Yuan for approval on 25th April 2002 in order to flexibly adjust organisation and staff numbers.
- Planning drafts of the amendment of the Organisation Act of Executive Yuan and the Temporary Regulations for Restructuring the Functions, Responsibilities and Organisation of the Executive Yuan, which were sent to the Legislative Yuan for approval on 26th April 2002 in order to largely diminish departments and downsize organisations and levels.
- Creating a new flexible organisation type – public corporation. A public corporation is introduced to break the government and enterprise dichotomy through transferring civil services from the public sector to corporations. In doing so, the government can be more flexible in policy implementation and introduce the spirit of corporate management to achieve better cost efficiency for business implementation. The Executive Yuan organisation reform committee has held several public seminars to display its determination in advocating this policy. To achieve this end, the Draft Public Corporation Act has been sent to the Legislative Yuan and is awaiting approval. Subsequently, the Taiwan government has conducted two positive waves of evaluation on the establishment of public corporations based on the new design. It is, however, a new test and will need further follow up in the future.

- Initiating management changes, including the promotion of work simplification, the establishment of the civil servants participation and suggestion system, the setting up of Service Quality Award to advocate activity of total quality management and the construction of e-government. Among them, the creating of e-government seems to be making good progress. Since 2003, all administrative organisations in Taiwan have been online, email uptake has achieved 94% and the popularity of server use by civil servants has achieved 98%. Further, regional internet establishment for administrative organisation has achieved 99%, popularity of website establishment has achieved 85%, and the Taiwan government has advanced its visual online service and finished the establishment of video conference systems for 187 administrative organisations. In addition, the Taiwan government also offers all kinds of information and application services on the e-government website, and 1245 kinds of application forms can be downloaded. As for e-public bidding of government purchasing and e-transferral of official documents, they have gradually become part of daily operations. The government expects to have 600 services online before the end of year 2007 and advance 36 items of customer-led e-services to elevate overall service quality. This achievement has been honoured internationally.

(See http://www.rdec.gov.tw/mis/egcio/gov_result.html)

There are at least two arguments emerging in Taiwanese society when evaluating the above results further:

1. Placing too much emphasis on organisational reform, which has simultaneously caused many fractious arguments

Undoubtedly, organisational reform has achieved more marked results compared with the other programmes of the Taiwanese civil service reform. At the very beginning of the reform, the Lien cabinet used the slogan of downsizing administrative organisations as a proclamation of the first step of reform. The plan to cut back staff numbers by 5% was famously called the

“diet plan” for administrative organisations, which was strictly implemented for three years, causing the trend of rethinking the value of the existing organisations and related affairs. As organisational issues are easily discussed and easily attract the attention and enthusiasm of the entire society for reform, organisational reform has become a highly appreciated topic for Taiwanese politicians, including Lien’s successors such as Vincent Siew, Tang Fei, Chang Chun Hsiung and Yu Shyi Kun, at least until 2003.

Nevertheless, by examining the above organisational reform results, some are still on paper only and have been delayed with no further practical consequences hitherto. From the dimension of empirical output, limited achievement herein has included the superficial restructuring of the Taiwan Provincial Government and the legislation of the Organisation of Central Government Agencies Guidelines Act, which was later enacted in 2004. The other related legislation drafts are still lost in the seesawing political arguments. Even within the civil service system itself, there are a lot of arguments as well. The emerging gap between expectation and actual results reveals a prevailing disappointment everywhere in the Taiwan central government. In 2002, a survey conducted by the RDEC shows that 54.8% of surveyed civil servants deemed that the overlap of organisational functions existing among departments in central government is serious; 59.4% deemed the business to be fragmented; 68.3% deemed policy coordination was in difficulty; and 46.6% deemed the internal organisational levels to be over-set (RDEC, 2002). Furthermore, the same survey revealed that while 70.2% of surveyed civil servants deemed that the organisational adjustment would be helpful for improving government’s effectiveness, 52.5% showed no confidence in the government’s ability to achieve this goal. Ironically, 52.3% of those surveyed worried about the damage to benefits caused by this reform.

Although the objectives, principles and practical operations of Taiwanese administrative organisations seem to match the general organisational principles and also combine particular demands of organisational businesses, hesitation and delay may increasingly erode the value

of this reform's original design. With a lack of strategy, Taiwanese civil service reform has no exquisite design for its targets, steps and feedback. The result of randomly putting too much emphasis on organisational reform eventually causes arguments. The whole picture of implementing the Taiwanese civil service reform needs to be thoroughly redrawn.

2. Political factors firmly affect the development of the reform

During the ten-year period between 1993 and 2003, there were two presidential elections held separately in 1996 and in 2000. The former represented the first time in Taiwanese political history that a president was directly elected by the citizens. The latter was the first time in Taiwanese political history that the ruling party was changed. Both affected Taiwanese society in many respects, particularly with regard to civil service reform. The previous ruling party, the KMT, faced an extremely hard time in protecting its own regime. For the purpose of maintaining its political power, it used just about any means it could to obtain support from any source available, which included seeking support from civil servants and seeking electoral benefit from the civil service. Accordingly, the political impartiality of the civil service was heavily affected by a conflict of interests. Both the ruling party and the opposition party were competing to offer better deals for civil servants. Under these circumstances, the methods for Taiwanese civil service reform were greatly distorted. On the one hand, the reform objectives emphasised streamlining the scale of the civil service system. On the other hand, the government created some unnecessary departments based solely on these political considerations. For example, the establishment of the Council for Hakka Affairs, the Council of Indigenous Peoples and the National Council on Physical Fitness and Sports was interpreted as an instrument for gaining votes from those concerned groups. Civil servants, who had a political relationship with political parties or local political sub-groups, were keen to raise their agencies' status to a higher level or enlarge their agencies' scale in order to obtain higher upgraded jobs for promotion, which were not based on merit. These phenomena in turn deteriorated the Taiwanese civil service system and generated enormous barriers for

the civil service reform movement.

6.5 What Has Changed

Following the footprints of the above review, we can sum up the related changes to be:

1. The boundary of Taiwanese civil service has been changed

As discussed in chapter 5, , the Taiwan provincial government began its adjustment process on 1st July 1999, in line with the scheduled restructuring programme. Eventually, the Taiwan provincial government was downsized to a smaller scale and only controls 13 agencies, including twelve vehicle accident adjudication committees and the Taiwan Provincial Archives Committee. Totally, 149 agencies, 36 hospital boards and 170 provincial schools have become subordinate agencies of the central government. Thus, the scope of the civil service has been greatly enlarged, and the civil service system has become bigger and more complex. As the newly merged entities include hospitals, schools and some front-line agencies, more emphasis needs to be put on service delivery in the strategy of managing the civil service. Facing a bigger system, more delegation should be considered as well in order to match the frontline's needs. These factors indeed trigger a series of changes in many aspects. In addition, the boundaries of internal subsystems of the Taiwanese civil service are also changing, not only because of the restructuring of the Taiwan provincial government, but also because of the result of the reorganisation planning for the Executive Yuan. Such a plan is designed to downsize the scale of Taiwanese central government and has caused some changes to the boundaries among departments and ministries.

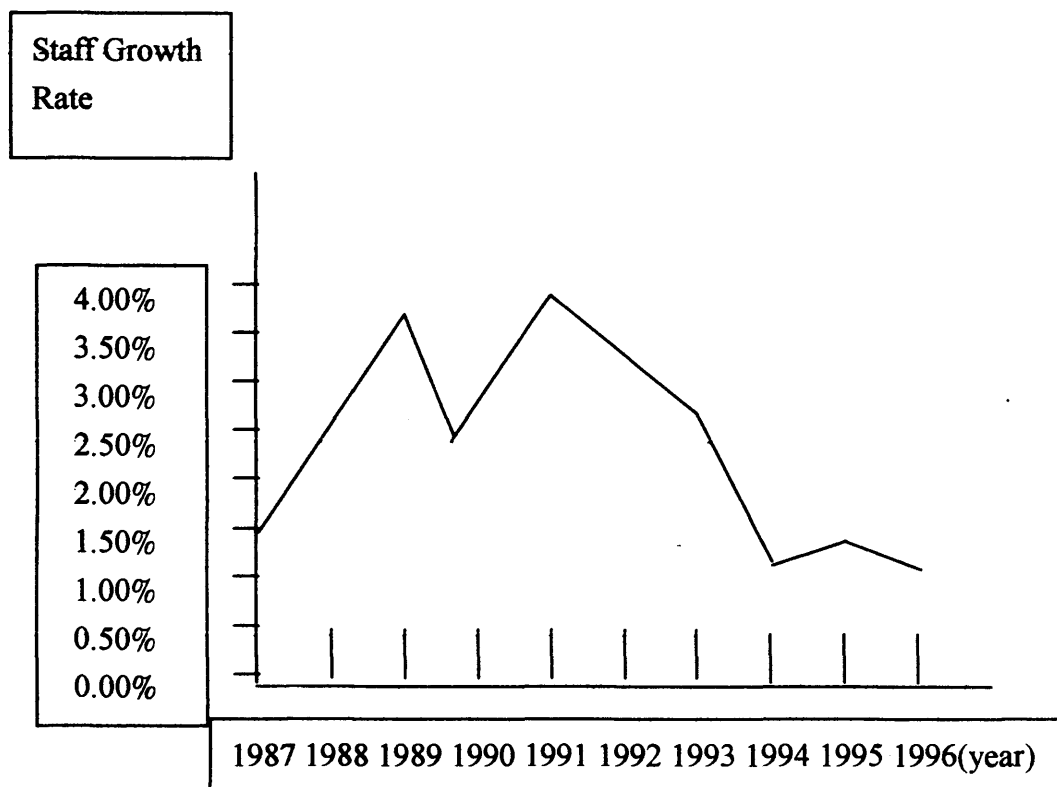
2. The diminishing of expansion of organisation and human resources

Organisational adjustment is expected to be the most important part of Taiwanese civil service reform. In the Draft Amendment of the Organisation Law of the Executive Yuan that was formally submitted to the Legislative Yuan for approval, the structure of the Executive Yuan will be divided into 18 mission-oriented departments, 2 administration-oriented departments

and 3 policy-coordinating departments. That is not, however, the final result. According to the stipulation of the newly approved Organisation of Central Government Agencies Guidelines Act, the quota for the subordinate departments of the future Executive Yuan is merely 13, which will in fact lead to more serious downsizing of the organisational scale. As for the arrangement of human resources, according to the draft Central Government Agency Personnel Quota Act, the quota of Taiwanese central government workforce will be downsized to under 200,000 people.

To achieve this end, Taiwanese government adopted measures to diminish the organisational and human resources. Figure 6.1 and Table 6.1 illustrate that in the public service before the reform, the yearly growth rate of staff stood at more than 2.5%; after the reform, there was only 2% in growth during the ten years from 1993 to 2003. As for the growing number of agencies, it saw 4.7% in growth during the same overall ten-year period, representing a slight year-on-year growth. Table 6.2 reveals that the number of agencies and staff in the civil service went up suddenly in 2000, because the restructuring of Taiwan provincial government resulted in a great number of provincial agencies and staff moving into the central government. This factor aside, the trend of organising and staffing in the Taiwanese civil service was tightening, even tighter than that in the entire public service. This shows that the expansion of organisation and human resources has been under control. In addition, as normally the growth of agencies means the need to develop, the different expansion rate between organisation and human power may also be interpreted as the dilemma between the need to develop business and the need to downsize.

Figure 6.1 Taiwanese Public Service Staff Growth Rates



Source: Central Personnel Administration (1997) Report on the downsizing of staff numbers.

Table 6.1 Taiwan's Public Service Organisation and Staffing Trends 1993 - 2003As of 31st December each year

Year	Number of Agencies	Headcount of Staff
2003	8,082	573,931
2002	8,022	592,543
2001	7,998	602,407
2000	7,832	588,849
1999	7,870	602,396
1998	7,793	625,753
1997	7,739	622,699
1996	7,680	577,559
1995	7,712	584,738
1994	7,558	570,245
1993	7,453	562,604

Source: Based on "Personnel Statistics Yearly", Central Personnel Administration, 1993-2003.

Table 6.2 Taiwan's Civil Service Organisation and Staffing Trends 1993 - 2003As at 31st December each year

Year	Number of Agencies	Headcount of Staff
2003	1,603	258,585
2002	1,552	278,842
2001	1,646	300,502
2000	1,600	303,045
1999	1,059	222,019
1998	1,054	213,062
1997	1,041	213,144
1996	1,028	211,434
1995	1,090	210,732
1994	1,065	199,358
1993	1,053	195,892

Source: Based on "Personnel Statistics Yearly", Central Personnel Administration, 1993-2003.

3. The influence of private sector is increasing

Taiwanese civil service reform has been similar to certain advanced developed countries in adopting an approach that extolled the virtue of private management practices. For example, Vincent Siew's cabinet, which was particularly focused on seeking connections with the

private sector, claimed that it would introduce an entrepreneurial spirit to gear up the government restructuring. This borrowed from private sector management as a way to improve the management of public sector.

According to Rhodes (1997a), NPM and entrepreneurial government share the concerns of competition, markets, customers and outcomes. The transformation of the public sector involves 'less government' (or less rowing) but 'more governance' (or more steering) (p.49). Mimicking the above concepts, Taiwan adopted reform measures such as privatisation, contracting out and the establishment of public corporations in an attempt to transfer civil services into the private sector or obtain services from the private sector. The results discussed in the previous chapter have virtually increased the influence of the private sector within the Taiwanese civil service. People who work inside agencies in Taiwan can, in part, be assigned by the private sectors (e.g. IT engineers, cleaners...etc). Another related policy was to recruit staff from the private sector through contracts. The present DPP government has even made high-ranking appointments from private business leaders in order to gain their experience.

4. The sense of unsteadiness among Taiwanese civil servants is rising

In Taiwan, within the programme of downsizing and adjusting of administrative organisation, the most important operation is the amendment of the Organisation Act of the Executive Yuan, which has lasted for a long period since 1993. As a result, that draft is still stuck in the Legislative Yuan waiting for approval. The long delay of reorganisation has caused anxiety, particularly within the departments prepared for reorganisation. It is a norm in Taiwanese society that to be a civil servant means having a stable and secure job. Change always brings uncertainty. According to the RDEC's (2002) survey, 70.2% of surveyed Taiwanese civil servants deemed that organisational adjustment would be helpful for improving government's effectiveness, but 52.5% showed no confidence in the government achieving this goal. Ironically, 52.3% worry about the damage to benefits caused by this reform, and that changes would affect their personal career maps. Joining a new organisation, they have to begin new

relationships with colleagues and they worry about lesser opportunities for promotion and pay cuts. If the sense of unsteadiness lasts too long, there will probably be a confidence crisis emerging, which could affect effectiveness.

5. The gap of management skills is expanding

The so-called gap in management skills has two elements. One is the poor performance concerning the introduction of management skills to implement the reform. The other is the poor progress of using other management skills compared with the success of building e-government.

As discussed previously, Taiwan has adopted some measures to reform management problems in its civil service system, which include the promotion of work simplification, the establishment of the civil servants participation and suggestion system, the setting up of a service quality award to promote total quality management and the construction of e-government. Among them, the creating of e-government has seen good progress and gained a positive reputation internationally. As for the other measures, they have encountered some problems. For example, the establishment of the civil servants participation and suggestion system created enthusiasm in the first stage of the reform. At the moment, although the Taiwan government still audits the implementation results regularly, in reality it is mostly just paper work because the programme is not popular any more. As for the setting up of a service quality award, there is a missing link as well. In the real world of the civil service, total quality management comes across as being purely academic. This indicates that the effective introduction of practical management skills needs to happen quickly, particularly the introduction of strategy skills. It is through management skills consultation that the gap could likely be diminished.

6. The political interference is getting deteriorated

As discussed in the last section, friction caused by political factors seriously affects the

development of the reform. Increasing deterioration due to political interference can be interpreted as a kind of change by highlighting the comparison with the period before the reform started. During the past decade, a serious power struggle has been taking place among political parties, sometimes causing violent conflicts. Both the ruling party and the opposition party have extremely different national identities. As this dichotomy gets worse, political parties often use the civil service reform as a means or an excuse to attack each other. Further, for the purpose of winning elections and gaining a political foundation in the civil service, political parties directly or indirectly interfere in the process of promotion or other subsystems. Most importantly, the political power struggle has affected the progress of Taiwanese civil service reform. Thus, in reality, it seems that currently in Taiwan political considerations still attract more attention than the ideal of civil service reform. As political impartiality is an important value for civil services in advanced societies, the solution to political interference is worth discussing further.

7. The decision-making centre was moved from the Executive Yuan to the Presidential Office

In a cross-party consultative committee of economic development held by President Chen in August 2001, one common consensus for reform was the suggestion that the president invite people from all areas to form a committee for advancing government reform. Accordingly, in October 2001, the Presidential Office officially formed the government reform committee and this was the first time a mechanism for advancing civil service reform was set up above the administrative system in Taiwan. This measure meant that the civil service reform decision-making was moved from the Executive Yuan to the Presidential Office, and that the scope of reform had formally expanded to cover all Yuans. During the past, the other Yuans cooperated on assisting the Executive Yuan push forward with reform. Before the above change occurred, they had no obligation to carry out this sort of reform. This change was partly to realise the president's electoral promises and duty to his voters. It has, however,

created a certain constitutional problem because the Taiwanese constitution stipulates that the Executive Yuan is accountable to the Legislative Yuan, where legislators represent citizens. The only way to solve this requires a change to the constitution. As for the actual effect of this change, it also needs to be explored further because in the constitution, the Prime Minister is traditionally the supreme leader of the administration.

8. Seeking core values for changing organisational culture

Measuring the precise impact of the reform on the culture of government agencies is impossible, and sustaining such a huge change will take a generation. One conclusion can already be certain: after the enforcement of this reform, neither the behaviour of civil servants nor the debate about their jobs can ever be the same. At least, cultural change is starting to happen because such a huge reform has reminded people to rethink the future of the reform.

For the purpose of advancing culture change further, the Taiwan government has adopted 'innovation', 'professionalism' and 'positivism' as the common core values for all administrative organisations and has asked each agency to produce their particular core values (CPA, 2004). Although this measure comes slightly late, it will help reshape civil servants' thinking and create a meaningful civil service reform.

In general, there has not been much progress with the civil service reform since 1993. The most fundamental question lies in what is the goal of such reform. The lack of a systematic study of how organisational culture reform fits the goal of civil service reform has caused this reform to stumble.

Furthermore, many civil servants argued that the reform titles were mere slogans, which were rather hollow and simple-minded. From the previous reforms that had swept government, they had learned two lessons. Bold rhetoric often had little substance behind it, and new revolutionary slogans soon replaced old ones, so they could easily wait out any new reform. Here we see that the core values are decided from top to bottom and may cause criticism.

Seeking core values for organisational culture change needs the participation of frontline civil servants and contemplation of what reform goals the civil service system can afford and deserve.

6.6 Has the Change Been Valuable

Civil service reform indeed is a means, or an instrument, used for the purpose of making civil service system change for the better. The value of better change is normally concentrated on the promotion of effectiveness, capacity and accountability by the civil service. Ultimately, the final objective is to make the country it serves more competitive and also create more benefit for the citizens it serves. For the convenience of judging whether the change of Taiwanese civil service reform is valuable, we shall use effectiveness, capacity and accountability to measure the changes:

1. Effectiveness

Gordon (1998) points out that the three E's - effectiveness, efficiency and economy - can be defined as the following:

- (1). Effectiveness is concerned with measuring the extent to which policy aims have been achieved.
- (2). Efficiency is concerned with whether inputs have been minimised and outputs maximised.
- (3). Economy is concerned with whether goods and services have been procured at least cost.

Of these three, effectiveness has the greatest potential for bringing about change and saving public funds, while maintaining the quality of service provision.

Gordon (1998) also points out that effectiveness evaluation consists of establishing what the policy is in relation to any scheme or block of expenditure, examining the means by which the policy is put into effect, and considering alternative strategies, which could achieve the same

results at a lesser cost. Evaluating effectiveness needs to adopt a more radical 'root-and-branch' approach. As this evaluation touches policies, it is difficult to judge whether effectiveness has been obtained. Thus, the adoption of effectiveness evaluation could cause hesitation in actual implementation. One of the reasons for this is the reluctance of the evaluators to become entangled with the evaluated organisations in arguments about what constitutes policy. The convention is that the evaluators are not permitted to question the merits of policy objectives, because it touches on how policy is defined. The evaluated organisations often defend what they do by claiming that it is policy, when it is in fact simply a means of implementing policy. The arguments of who is responsible for policies and who has the authority to interpret policies usually prevail. The practical step in effectiveness evaluation is to establish what the policy aims are. Otherwise it is impossible to come to any conclusion about whether they are being achieved.

From this dimension, I will try to use the attainment of objectives or goals to evaluate the Taiwanese civil service reform changes when judging whether they are effective or valuable. As the civil service is a huge system that contains many different value judgements, the evaluation is approximate. Particularly, it is quite difficult to simply conclude the effectiveness evaluation on the overall picture of the reform, because the reform is so complicated that it can't be evaluated based solely on certain specific aspects.

As discussed previously, we have examined the results and changes concerning the Taiwanese civil service reform, which shows that a lot of programmes are still waiting for further legal approval. Examined with the designed objectives, the entire reform seems stuck at its original place without showing effectiveness. The restructuring of the Taiwan provincial government has caused the change of the boundary of Taiwanese civil service, which may be superficially judged as effective because it has shortened administrative processes. As the restructuring relates to the reshaping of organisational culture and relevant working procedures, in reality conclusions cannot be drawn as it hasn't finished completely.

Among the measures of downsizing organisation and human resources, the most important and effective was the first programme of downsizing budgetary staff numbers by 7.49% in three years (from 1994 to 1997), which exceeded the original goal of 5%. This achievement has directly affected the use of the personnel budget in the Taiwanese central government by saving billions of Taiwan dollars. Most importantly, this was a big start for creating a culture change through the rethinking of the appropriate organisational scale. Subsequently, measures such as these have been constantly carried out and have resulted in the diminishing of organisation and human resources. From the downsizing point of view, this change was effective indeed, but as a developing country like ROC (Taiwan), criticisms have emerged as well.

During the past decade of reform, Taiwan has developed the intention to make organisations more effective, with the introduction of the so-called 'public corporation' aimed at breaking the government and enterprise dichotomy through transferring civil services from the public sector to corporations. In doing so, Taiwan's government expects to gain more flexibility in policy implementation and introduce the spirit of corporate management to achieve better efficiencies. This intention is valuable with regard to effectiveness, but the procedures and design need reconsideration.

As for the measures of management reform, Taiwan has made its e-government programme more effective and has achieved some practical gains. Conversely, the lack of introduction of new empirical management skills has caused the gap of management skills to widen, which could reach crisis levels and stifle the other achievements of the reform. As seen above, the influence of the private sector in Taiwan is increasing and the civil service system is seeking core values around which to change organisational culture. To consolidate these changes, there should be a re-examination of the doctrines of private sector management which should then be rooted in the Taiwanese civil service system in their pure form.

There is no doubt that one of the most important purposes of implementing civil service

reform is to pursue effectiveness. When Taiwan declared to initiate the civil service reform, Lien's cabinet put it as a first choice for the reform. Nevertheless, for the purpose of implementing reform smoothly, reform measures that matched the nature of the reformed system itself needed to be implemented and the reformed system embedded in the culture. According to the above observation, Taiwanese civil service reform has created some negative changes such as the sense of steadiness among civil servants and the deteriorating situation regarding political interference. When conducting a team assessment in a police agency, a high-ranking officer argued in an interview that:

“Civil service reform gives us an excuse to reshape our internal organisation and reallocate our human resources in order to achieve our goals more effectively. Nevertheless, we need to care about the stability of this organisation. If we don't look after our colleagues' benefits, our leadership may be weakened sharply. The impact coming from reform therefore should not be overloaded. If the influence of reform apparently affects our colleagues' benefits too much, it will not be easy to carry out our mission effectively. That means reforms have to combine the existing facts and be carried out gradually.” (TA3I)

In the Taiwan Forestry Bureau, a middle-level official expressed his view that:

“Nowadays in public organisations there is a phenomenon that exists everywhere, which is the unfair assigning of work. Normally 80% of work is assigned to 20% of the staff; and the other 20% of work is shared by the other 80%. If efficiency or effectiveness is to be improved, solving the above unfairness in assignments would be the best path to follow.” (TA5I)

It seems that the same experience is to be found in the UK. A high-level civil servant had this to say:

“In history, the latest strike only happened in 1993, which was targeted at the

implementation of market testing. Market testing usually makes civil servants nervous, because it examines all the affairs of an organisation that could be assigned to the private sector and can easily cause anxiety in the civil service system. Nevertheless, that strike didn't have the support of the public, as public opinion deemed that the civil servants get good pay anyway and change in the civil service system is worth a try. Thus, there was no significance to that strike and the reform continued." (NI1)

Concerning civil service reform's empirical methods, another middle-level UK official showed that:

"Annually, we cut about 3% of expenditure within each agency in order to see whether agencies can provide better services with lesser expense. This is trying to produce efficiency gradually..." (OPS3)

These views show that the implementation of civil service reform needs a stable environment and a deeper look at central questions. To improve effectiveness, currently the Taiwan government has adopted the so-called "team assessment" programme, which should concur with the above views that more consultation is needed. In addition, normally a team assessment brings pressure to the assessed agency, which may result in organisational reshaping and particularly improvements to effectiveness. A similar feedback mechanism needs to be developed further in order to systematically and comprehensively oversee the reform consequences.

2. Capacity

Capacity can be defined in many ways such as:

- the ability to perform or produce
- the amount that can be contained
- the maximum production possible

- a specified function such as a particular job
- the amount of information (in bytes) that can be stored on a disk drive
- the power to learn or retain knowledge; in law, the ability to understand the facts and significance of behaviour.

As the definition of capacity varies so much, people usually use their own interpretation for matching their particular needs or different circumstances. For example, the United Nations' ISDR (International Strategy for Disaster Reduction) defines it as:

“Capacity is a combination of all the strengths and resources available within a community, society or organisation that can reduce the level of risk, or the effects of a disaster. Capacity may include physical, institutional, social or economic means as well as skilled personal or collective attributes such as leadership and management. Capacity may also be described as capability” (ISDR, 2003)

This thesis defines capacity as the ability to perform civil service functions. It is an ability generated synthetically by factors such as organisations, equipment, human resources and financial stability. As equipment and financial stability are easier to control and not the main focus of Taiwanese civil service reform, in this thesis I mainly concentrate on the aspects of human resources, organisation and related ideas to evaluate how Taiwanese civil service reform deals with the capacity matter.

According to the stipulation of the draft of the Central Government Agency Personnel Quota Act, Taiwan has set the maximum staff number for its central government at 200,000, and that number should be further reduced to 185,000 within six years after this draft obtains formal approval. As shown, the number of staff in Taiwan's central government stood at 258,585 by the end of 2003. Clearly, this proposal shows the bold scale of the downsizing of human resources. It is currently difficult to judge whether capacity can be raised with such a large human resource reduction because it remains a reform plan that has not come into effect.

To raise the quality of human resources, Taiwanese civil service reform encourages agencies to inject new blood from other sectors through contracts. From the view of effectively employing human resources, the recruitment of different skilled staff from outside the civil service system should be supported as an important means to energise organisations. However, it also affects the original staff members of those affected organisations, and needs to be dealt with carefully. The following opinion was heard from a UK civil servant:

“Recruitment from outside could bring a different culture to the civil service. Particularly for the needs of creating an electronic environment, we should get more people with IT skills joining the service. Of course, while it is also a means of flexibly meeting people’s needs... it could adversely affect the opportunity for promotion among the existing staff. But we have made the recruitment process open and fair in order to limit the potential impact.” (SCE1)

Another difficulty in Taiwan for developing appropriate capacity is that the establishment and structuring of administrative organisation are mostly stipulated by laws. That is quite different from the UK, where the Next Step programme, which affected a wide range of agencies in the central government and lasted for over ten years, is implemented under an administrative order (OPS2). This means that the adjustment to the capacity of organisations should be more flexible. In order to meet the increasingly variable requirements generated by an increasingly changeable modern world, Taiwan has enacted a law entitled the Organisation of Central Government Agencies Guidelines Act. This could be used to unify the creation procedures for administrative organisations and set them apart from cumbersome legislative procedures when an organisation needs to be set up in time. Unfortunately the release of preventing legislation for a big part of administrative organisations is still revolving at the original place due to the difficult legislative procedure of The Draft Amendment of the Organisation Law of the Executive Yuan. According to the above amendment, however, the structure of Executive Yuan would be downsized and reorganized. According to the stipulation of the newly

approved Organisation of Central Government Agencies Guidelines Act, the quota for the subordinate departments of the future Executive Yuan would be merely 13, which has caused much friction and also affected the reorganisation of the subordinate agencies. This situation reveals there is still no consensus in Taiwan as to the appropriate scale of administrative organisation, and suitable capacity adjustments still have a long way to go.

Furthermore, the harmonisation of organisations is also a problem for raising capacity. During the team assessment part of the reform process, I have found some inefficiencies that exist inside Taiwanese administrative organisations. For example, in the team assessment of the Occupational Training Service of the Council of Labour Affairs, the findings of the report were, in part:

- Controlling the import of foreign labour has become the main part of this service's duties, which was not meant to be the original function of this organisation. Thus, most of the human resources have been allocated to supporting this newly emerged mission. Further, the training service policy-making has been devolved to its subordinate training centres.
- Due to sharply diminished enrolment, the training centres have mostly turned to cooperating with nearby professional high schools in providing technical courses to train students. These training centres, therefore, should be considered privatised, or contracted out, and should be downsized and reorganised. (TA1)

Another example is the Third Group of Police, where the team assessment report indicated that:

- The overlapping of functions and work between this Group and Customs is quite serious. For example, both systems implement inspections to stop the smuggling of illegal goods, and this has led to double reporting. Sometimes, this situation results in conflicts between both sides as to who is responsible for the successes or failures, which in turn negatively affects the operations of the administrative organisations as a whole and also easily leads

to incorrect work assessments. Furthermore, it wastes financial and human resources.

- Lack of technology use as a supplementary instrument for increasing detection efficiency, which results in the use of too many human resources. Since, on average, using police costs more than other civil servants, traditional working methods could become a big financial burden.
- Creating a one-stop-shop with integrated working procedures needs to be implemented as soon as possible, particularly to build up connections with business partners and customers in order to deliver services based on convenience. This requires negotiation between the Interior Ministry and the Treasury. (TA3)

Another factor of raising capacity is the clarification of useful ideas. In the UK, New Labour is trying to use the Third Way to bind the whole society together, which is a good example of upgrading capacity. As Bennington (2000) indicated, under the slogan of 'modernisation and improvement', the Labour government has mobilised a far-reaching programme of change and innovation in the organisational forms and culture of the state, and in particular its relationships with citizens, users and civil society. The programme of modernisation is inspired by a wide-reaching vision, which is to find a third way, beyond left and right, and beyond the centralized state and the private competitive market. It is also concerned not just with policy formulation, but also with the details of implementation; not just with strategy but also with operations, and the practical job of improving frontline institutions and day-to-day services.

The concept of a third way has been translated into the notion that the centre of gravity of government and public services should be shifted towards the citizen and the grassroots community, so that governance is based not just in the state bureaucracy or the private competitive market, but also in civil society and its informal networks and associations. The third way is seen to lie in public/private/voluntary partnerships, and citizen-centred government (Bennington, 2000).

In Taiwan, President Chen pointed out at the first meeting of the Government Reform Commission that the blueprint for Taiwanese development was to build a highly efficient, responsible and proactive government. He often uses a concept called “The New Middle Path” to explain his ideology of governance, which is normally interpreted as a concept similar to the third way in the UK. Taken together, to build a highly efficient, responsible and proactive civil service, we need to bind the entire society together to raise capacity as well. Devising the details is however another matter altogether.

3. Accountability

The notion of accountability can be divided into a number of components, namely:

- giving explanations to stakeholders
- providing further information where required
- reviewing and, if necessary, revising systems or practices to meet the expectations of stakeholders
- granting redress or imposing sanctions (Barberis, 1998).

Accountability involves being answerable for decisions or actions, often to prevent the misuse of power and other forms of inappropriate behaviour. It is an important factor of good governance (Cameron, 2004).

The question of accountability is fundamentally about who is accountable to whom and for what. In the public sector, the public accountability process is largely determined by legislation and the parliamentary system, which is supposed to be on behalf of the citizens. Parliament (the legislature) provides the authority for the acquisition and use of resources for the public sector. In most cases this is done through the collection of taxes and the appropriation of those taxes to the executive government through the budgetary process. Thus, the executive government is accountable to parliament for the management and use of

resources provided to it. Parliament, through its representative members, is responsible to the public, who judge the performance of the government and are able to exercise their influence via voting rights (Cameron, 2004).

Another path for accountability could be the promotion of transparency in government's performance, which includes making the policy-making process more transparent, circulating official reports frequently (e.g. through mass media) and raising the frequency of communication between the public and the government. Access to information is an essential characteristic of accountability — virtually all accountability relies on the availability of relevant and timely information (Cameron, 2004).

Civil servants serve the government and are accountable to ministers. In a broader sense they also have an obligation of accountability to parliament and the public for their actions based on the norms of democracy.

Taiwanese civil service reform has lasted for over a decade. During the process of the reform, the Taiwanese government sometimes gives reports to the Legislative Yuan and publishes some related documents. It has not had a complete accountability mechanism, as based on the above factors of accountability. There are two issues concerning the need for strengthening accountability:

(1). Lacking an accountability report mechanism for reform policy-making

As mentioned previously, the decision-making centre of Taiwanese civil service reform was moved from the Executive Yuan to the Presidential Office in 2001, which saw the Government Reform Committee at its centre thereafter. This is the first time in Taiwan that a mechanism for advancing civil service reform was placed over and above the administrative system. This change is in part due to the elected president's electoral promises and the duties to his voters. It has created a certain constitutional problem because the Taiwanese constitution stipulates that the Executive Yuan is accountable to the Legislative Yuan, where

legislators represent citizens. This is a problem that needs a change to the constitution as a solution since the president has no obligation to report to the Legislative Yuan and, as such, this mechanism means the implementation of Taiwanese civil service reform has no meaningful supervision from the public.

(2). Lacking communication with the public

As shown in chapter 5, a poll released by the Taiwan Chamber of Commerce at the Government Reform and Heightening National Competitiveness symposium on 3rd August 1998, showed that 78.2% of surveyed people did not realise that the Taiwanese government was promoting a reform campaign. Another 37.9 % expressed that overcoming the problem of bureaucratic mentality should be a part of the government reform program. Also, 49.4% did not have confidence in the government reform programme, although 72.7% regarded the program as being highly necessary, and 80.4% of those surveyed thought that the programme was conducive to increasing national competitiveness. Yet, 86.3 % of people surveyed said that the programme was not publicised enough (Central Daily News, 4 August, 1998).

Another problem has been that while Taiwan is well-known for advanced information technology, and the general evaluation of its e-government programmes internationally has proved positive, however, research has indicated that people in Taiwan are not all satisfied with its results. According to the yearly surveys of the Research, Development and Evaluation Commission of Executive Yuan from 2001 to 2004, it discovered that almost 50% of people surveyed were not aware of the e-government policy and the degree of satisfaction was only around 30-40%. Approximately 40% of surveyed people indicated that they never search for any information on government websites, while 80% indicated that they never download any information from government websites. These surveys' findings show ironical interpretation of the achievement of e-government programme.

These two cases reveal that the reform has no public participation and has serious communication problems. As a consequence, the reform has lost an opportunity to gain strong

support from the public and, from the point of view of democracy, it lacks accountability as well.

As for the content of accountability reports in Taiwan, the excuses used for ignoring accountability are normally the lack of human resources and budget. These excuses play on the fact that the question of the how many people should be employed, and what budget is needed to appropriately satisfy the operation of an agency, is open-ended. These excuses suggest that accountability should therefore be based on ethics, with organisational cultural change playing a key supporting role.

In the UK, the concept of accountability has been accepted more easily. The following indicates a firm view on the accountability of the implementation of the Next Steps programme as explained by a middle-level official:

“We give agency executives freedom to operate their agencies within a certain budget amount and a five-year long framework that describes the outline of business. In the heart of the central government, we simply inform them of the relevant principles. We don’t tell them what they should do. They can design their personnel system freely and use their budget reasonably. They also enjoy decent pay for themselves based on contracts. It is natural that they have to go if they fail to achieve the agencies’ objectives.

That is common sense.” (OPS3)

In short, Taiwan needs to strengthen its accountability mechanism in order to obtain the public’s participation and support. The following questions should be considered useful in checking accountability:

1. Does the reform have to prepare an annual report?
2. Does the reform have to prepare an annual budget?
3. Does the reform have to prepare annual accounts?

4. Is the reform subject to external audits?
5. Is the reform subject to external inspections?
6. Is there a complaints process available to citizens or service users?
7. Is the reform under the jurisdiction of an inspectorate?
8. Is the reform required to meet targets agreed with any other bodies?
9. Does the reform make a formal report to any other bodies (including the organisations)?
10. Can members be recalled by their nominating bodies?

6.7 Conclusion

It can be seen in the above evaluation that Taiwanese civil service reform has made some progress, but has some defects as well. According to the results of the reform, Taiwanese civil service has been moving towards a more effective phase and it has many useful proposals for raising its capacity that are unfortunately on hold. Accountability should be accelerated to fulfil its democratic value. Most importantly, the service has to clarify, and find better ways to reshape, its reform objectives and goals. It is obliged to give its citizens a complete picture of where, how and when to go. Then it can develop strategy skills to combine all related factors to formulate an entire strategic plan to be constantly implemented, which should be based on theory, national demands and feasibility. According to the investigation by the Research, Development and Evaluation Commission of Executive Yuan, this service has achieved a degree of satisfaction for the quality of civil servants' service of around 70%. Thus, there is a perfect opportunity to achieve more.

Chapter 7 A Future Approach for Taiwanese Civil Service Reform - with Reference to the UK Experience

7.1 Introduction

In the previous chapter, I critically evaluated Taiwanese civil service reform. This chapter will focus on exploring a brighter approach for future reform. Particularly, for the purpose of making this future approach more feasible, I will take the British experience as an example for creating more pragmatic ideas. The UK has an excellent tradition in civil service reform. Beginning from the middle of the nineteenth century, the civil service system has gradually been transformed into a stable organisational body. The key points of each phase of reform were set to supplement the pragmatic functions of the system step by step. Once the environmental changes in the overall social situation are detected, the civil service system is reformed accordingly. The general public, civil servants, politicians and political parties have become used to this practice and all support it without hesitation.

As to the methods for civil service reform, the discussion is mostly based on rationality and effectiveness, and rarely on its legitimacy. The agreed reform methods continue even if the ruling party is altered; political parties do not use the civil service reform for political benefit; they do not put forward politicised slogans or say one thing while in reality holding a different position. Since the Labour Party came into power in 1997, it did not rush to espouse a new civil service reform slogan; instead, it brought forward concrete reform methods, until 1999, based on a practical examination over a period of time, which indicates a rational attitude toward reform. In addition, the Next Step Programme has lasted for over ten years, through both Conservative and Labour governments. Civil service reform in the UK proceeds moderately yet always focuses on radical changes.

On the contrary, civil service reform in Taiwan usually concerns political agendas and its journey is full of difficulty. How is civil service reform advanced in Taiwan? Is it gradual or

performed in radical? What is the content and scope of it? Does it mean simply governmental downsizing with adjustments to administrative legislation, or more the overall adjustment of administrative organisational structure, or radical change to the civil service system? There still exists quite a diverse range of opinions and arguments among administrative academics, practitioners and the general public regarding these basic problems.

Shou Chun Cheng (1996) pointed out that, from a theoretical point of view, civil service reform should range from the computerization of administrative information to the revision of administrative organisational legislation. However, in the present day, purely technical improvements to administrative management and the computerization of administrative information is insufficient for fulfilling the needs of civil service reform. Even an overhaul of administrative organisational legislation can barely solve the current administrative problems. A large scale, prevalent and thorough civil service reform is needed if current problems are to be solved, and its survival and development guaranteed.

The Taiwanese civil service is now moving towards becoming a streamlined but capable system through policies such as demissionalisation, localisation, contracting out and public corporationalisation. Its fundamental direction seems to run parallel to trends unfolding in developed countries. Nevertheless, as Taiwan faces universal competitiveness, the question of how to explore a better approach for future civil service reform remains an important issue. According to the earlier evaluation and the British experience, I find that some measures are worth trying, such as the transplantation of Best Value model, the establishment of a change management system, the strengthening of the strategy concepts and the pursuit of political impartiality. This chapter will discuss these questions in turn.

7.2 The Best Value Model Approach

As the implementation of civil service reform in Taiwan has not progressed smoothly and has been accompanied by dissenting reactions among various departments, adopting a particular managerial strategy for dealing with the entire reform of the civil service system should be

considered. At present, in the process of implementing government policies made by the central government in Taiwan, the Executive Yuan is the only forum where it is possible to formulate consensus through formal discussions. In reality, the degree of implementation of government policies is mainly decided by the willingness of each ministerial department. For the purpose of managing individual planning, control and evaluation of each ministerial department's policies, the Research, Development and Evaluation Commission (RDEC) normally collects various related information. This, however, is almost always tied up in bureaucratic red tape, is of limited effectiveness and lacks a mechanism to fully reflect the practical operations of each ministerial department.

Furthermore, from the point of view of human resource management and budget control, although the Central Personnel Administration (CPA) and the Directorate-General of Budget, Accounting and Statistics (DGBAS) can legally have their own "one whip" systems which allow them to allocate their subordinate units inside all departments and agencies in order to handle personnel and budget affairs, the consequence tends to focus on passive functions that prevent defects rather than on positive functions that increase effectiveness. A pragmatic observation of the civil service reform during the last decade reveals that these two "one whip" systems do sometimes deliver reform measures such as strengthening reform ideology, downsizing organisations, pursuing budget equilibrium and so on. But the results of implementation are rather scattered and limited. There is a way for Taiwan to implement reform effectively, and strengthen its policymaking and service delivery capabilities, that is based on the Best Value model which has been adopted by the British government to streamline local authority's behaviour.

7.2.1 Introduction of the Best Value Model

In the UK, the Best Value (BV) model was presented by the Department of Environment, Transport and the Regions (DETR) as a means of promoting improvements in local services. It is a concept intrinsic to the local government white paper (DETR, 1998a), and to the Local

Government Act (DETR, 1999b). BV is a duty to deliver services to clear standards, covering both cost and quality, by the most effective, economic and efficient means available (DETR, 1998a). It contains a series of performance management processes aimed at improving the service delivery of local authorities, and a large superstructure for regulating the behaviour and performance of local authorities through performance indicators, audit and inspection. The BV regime for local authorities in England and Wales was originally presented as a release from the shackles of compulsory competitive tendering (Boyne *et al.*, 1999; Martin and Harley, 2000). The intention was to unleash the potential for innovation and responsiveness, and thereby promote continuous improvements in local service standards. This approach was reflected in the pilot programme that preceded the BV legislation. The pilot adopted a variety of approaches to the implementation of the general BV principles (Martin, 2000). However, the statutory framework that has emerged contains strong elements of central prescription and pressure towards uniformity. All local authorities must adopt internal management processes that closely resemble conventional models of rational planning (Boyne, 1999).

Boyne (2000) explained further: BV can be defined in two main ways: as a set of *outcomes*, and as a set of *processes* that are expected to achieve these outcomes. The main outcome that the British government expects from BV is 'continuous improvements' in local authority performance, assessed principally through changes in service costs and standards, 'as well as better services, authorities will be expected to achieve significant efficiency improvements' (DETR, 1999b, p. 22).

According to Ball *et al.* (2002), BV is symbolic in UK as New Labour's replacement for compulsory competitive tendering (CCT), a policy that represented the 'high water mark' (Boyne *et al.*, 1999, p.23) of the Conservative approach predicated on the belief that the discipline of the market was a precondition for the efficient management of the public services. BV represents the centrepiece of a wide reform agenda for the modernization of the

local government sector. It places considerable, yet ambiguous, demands on local authorities' capabilities. Authorities must deal with a complex framework of measures that claim to return strategic control over delivery of services to them; at the same time, they must deliver tangible cost and quality improvements to conform to the requirements of stringent central control based on performance monitoring.

The concept of BV reflects a central concern on the issue of central-local governmental relations. National and local political agendas are necessarily interlinked, and central and local government authorities and agencies are bound together in implementing policy. In another words, the BV model can be a means of harmonising a number of organisations to converge their working directions and generate collective achievements. The related internal management process in local authorities, the designing of performance indicators, and the measures of audit and inspection will in turn be introduced.

1. Internal management processes in local authority

Within the BV legislation, the principal internal management processes that are intended to produce outcomes are: (Boyne, 2000)

- (1). *Performance plans* which authorities must publish annually.
- (2). *Reviews* consisting of 'challenge, compare, consult and compete', and require authorities to evaluate all their functions within a five-year period.
- (3). *Action plans* that stem from the results of reviews, and are the means by which targets for continuous improvement are intended to be met.

The above mentioned processes normally involve both internal operators and external regulators. Particularly, authorities are to undertake a fundamental performance review of all services over a five-year period. Aimed at continuous improvement, this means that a local authority is obliged to challenge existing service provisions, compare with other service providers, consult with the community and demonstrate competitiveness (Keenan, 2000). An

assumption in the BV framework is that this cycle of rational planning will lead to improvements in performance, which is questionable for a variety of conceptual and technical reasons (Wholey, 1999). Yet even if it does, BV carries the extra burden of external monitoring. In other words, the performance improvements need to be sufficient to justify not only the resources consumed by the internal processes, but also the cost of the regulatory arrangements created by central government (Boyne, 2000). As Boyne (2000) indicated, this model easily causes the lack of confidence that these planning processes will lead to better services. It has therefore put in place a system of external regulation that is intended to constrain the behaviour and performance of local authorities, principally through performance indicators, audit and inspection.

2. Designing performance indicators

All UK local authorities have been annually required by statute to collect and publish a set of performance indicators specified by the Audit Commission since 1992. Under BV legislation, these indicators are partly superseded by a 'new' set of performance indicators specified by British central government. Some of these are carried forward from the Audit Commission's set of indicators. In addition, local councils will still be required to return a 'supplementary' suite of indicators to the Commission.

The BVPIs (BV performance indicators) comprise 18 'corporate health' indicators and 104 'service delivery' indicators for local authorities (Boyne, 2000). The BVPIs are 'designed to reflect the national interest in the range of local services...When authorities publish data against these performance indicators, local people will be able to compare the performance of their authority with other authorities and to see how their own authority's performance is improving over time' (DETR, 1999a, p. 7).

The purpose of the corporate health BVPIs is 'to provide a snapshot of how well the authority is performing overall' (DETR, 1999a, p. 12). The indicators cover:

- (1). Planning and measuring performance (in relation to sustainability and racial equality).
- (2). Customers and the community (for example, percentage of people satisfied with the handling of complaints and electoral turnout).
- (3). Management of resources (for example, proportion of council tax collected).
- (4). Staff development (for example, proportion of working days lost to sickness absence).
- (5). Partnerships working, as indicated by the percentage of partnerships following good practice guidelines (Boyne, 2000).

Some of the above indicators have been inherited from the Audit Commission's data set, but the attempt to package them as 'corporate health' is a significant and potentially useful innovation (Boyne, 2000).

The 'service delivery' BVPIs are divided into five 'dimensions' of performance as the following:

- (1). Strategic objectives: why the service exists and what it seeks to achieve.
- (2). Cost-efficiency: the resources committed to a service and the efficiency with which they are turned into outputs.
- (3). Service delivery outcomes: how well the service is being operated in order to achieve the strategic objectives.
- (4). Quality: these indicators will explicitly reflect users' experience of services.
- (5). Fair access: ease and equality of access to services (DETR, 1999a, p. 12).

Boyne (2000) points out that the above categorisation is confused in two respects. First, 'strategic objectives' are not a separate dimension of performance. The indicators that are listed under this heading mostly correspond with the definition of outcomes or quality. For example, a strategic objective for social services is the 'stability of placements of children

looked after’, which is a proxy for quality; and a strategic objective for housing is the ‘proportion of unfit private sector dwelling made fit or demolished as a direct result of action by local authorities’, which is a measure of service outcome. Second, it is inappropriate to place cost-efficiency indicators in a single category. This will give the impression that it is difficult to differentiate between these two concepts, which is not a helpful signal to send to authorities that may be struggling to identify accurate local PIs for themselves.

Boyne (2000) indicates that, in order to provide an assessment of the coverage of the service delivery indicators, the following categories can be used: cost, efficiency, outcomes, quantity, quality and fair access. The classification of the indicators does not exactly correspond with that in the DETR’s document for several reasons. First, some of the BVPIs in the document are misclassified (for example, percentage of schools with serious weakness is classified as “fair access”, but is much closer to “quality”; and time taken to process homelessness applications is classified as “cost/efficiency”, but is clearly a measure of speed which is also an aspect of service quality). Second, some of the BVPIs do not fit any of the six headings, and are therefore unclassifiable (for example, individual schools budget as a percentage of the local schools budget, which is curiously labelled “cost/efficiency” by DETR). Third, the DETR’s classification omits the quantity of service outputs, even though nine of the BVPIs fall under this heading.

3. Audit method

The most important role of external auditors in BV is to assess whether local performance plans conform to statutory guidance. Auditors are required to submit a report on the performance plan to the authority, the Audit Commission, and, if the plan does not meet the statutory requirements, the Secretary of State (Boyne, 2000). The ‘intervention protocol’ agreed between central and local government identifies the omission of any of the prescribed elements in a performance plan (for example, comparative PIs, targets for future performance) as a ‘failure of process’ and therefore a ‘trigger for intervention’. This may include a

recommendation that a special BV inspection of the whole authority or a particular service be carried out (DETR, 1999e).

Auditors are also required to assess local authorities' corporate and management arrangements for BV as a whole. This includes an authority's approach to the '4Cs', its management of reviews, its response to review results, and its response to audit and inspection reports. These areas are closely related to the activities of the BV inspectorate (Boyne, 2000).

4. Inspection processes

Through the 1999 Local Government Act, the Audit Commission obtained powers to undertake BV inspection of local services. The Audit Commission can undertake 'joint reviews' of local services with other inspectorates (especially in education and social services). The legislation empowers the Commission to act as a so-called 'Heineken inspectorate': reaching the parts of local government other inspectorates have not reached (for example, leisure, transport, waste collection, planning, economic development, libraries) (Boyne, 2000). The main aims of inspection are to:

- (1). Act as a catalyst to help public bodies improve.
- (2). Identify what works, to inform policy nationally and practice locally.
- (3). Inform the public about the performance of local services.
- (4). Take into account the use of people, money and assets, and promote economy, efficiency and effectiveness (Audit Commission, 1999b, p. 3).

As noted by the Audit Commission (2000, p. 3), 'the main aim of inspection is ...to enable BV to be achieved by authorities'. This, of course, is also the aim of the internal BV processes that local authorities are required to follow. The inspectorate therefore faces a substantial challenge in adding value to the BV regime as a whole.

Normally, inspectors shall focus on the following questions concerning services that have

been reviewed (Audit Commission, 2000, pp. 11-12):

- (1). Are the authority's aims clear and challenging?
- (2). Does the service meet these aims?
- (3). How does its performance compare?
- (4). Does the BV review drive improvement?
- (5). How good is the improvement plan?
- (6). Will the authority deliver the improvements?

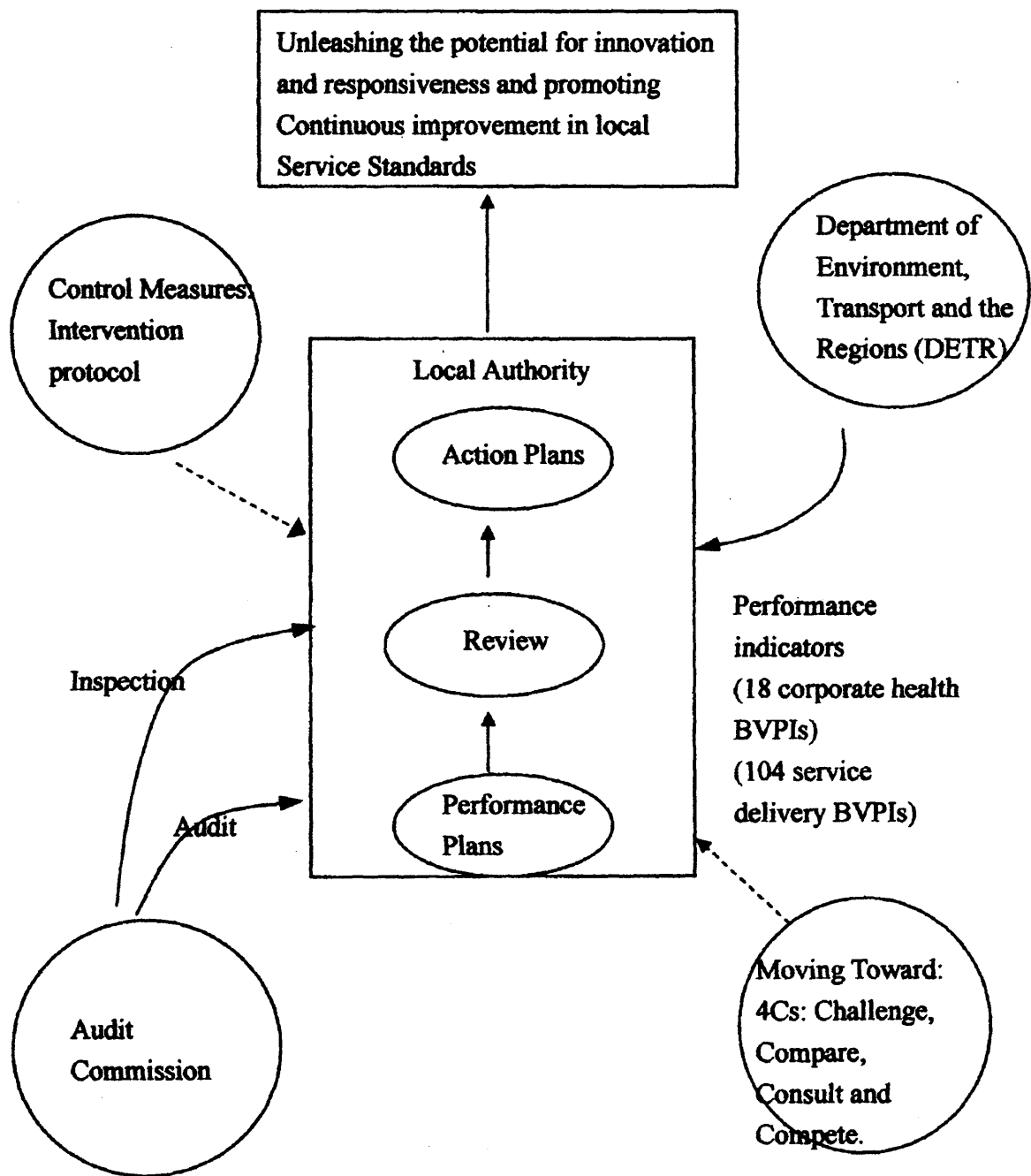
Boyne et al. (2000) indicated that evidence from the BV pilot programme in Wales suggests that this is a demanding set of questions for BV authorities. Few of the pilot reviews or action plans would have met all of these criteria. Nonetheless, the questions are important and appropriate. The emphasis on the quality and implementation of improvement plans is especially helpful, because this aspect of the BV framework has hitherto received insufficient attention by both central and local government.

According to the answers to the above questions, inspectors may arrive at two broad judgements: how good are the services? – From three stars (excellent) to nil stars (poor); and will the services improve in the way required by BV? – On a scale from 'yes', to 'probably', to 'unlikely', to 'no'. These judgements will result in all services being placed in categories from Best (three stars and 'yes') to Worst (nil stars and 'no'). Around two weeks after the completion of the site visit, inspectors will issue a public report (the authority will already have commented on a draft version). This contains a set of recommendations about the actions that the authority should take in order to achieve continuous improvements. Auditors will subsequently check whether these actions have been taken, and a follow-up inspection will take place at a later date that will vary with local circumstances (Boyne, 2000). The Audit Commission (2000, p.24) notes somewhat optimistically that 'inspectors will expect some of

the long-term changes generated by BV reviews to take months to produce results'. But as Boyne et al. (2000) indicated, the experience of the BV pilots is that substantial results are likely to take years rather than months.

Generally speaking, the BV model is comprised of plenty of concepts and empirical techniques. The whole picture can be illustrated as in Figure 7.1.

Figure 7.1 Best Value Model



Source: drawn by the writer

7.2.2 Best Value Compared with PPBS and ZBB

Planning and Programming Budgeting Systems (PPBS) arose from dissatisfaction in non-profit organisations with traditional line budgeting, which categorises expenses according to the nature of the expense without much emphasis on the activity being undertaken. Traditional budgeting techniques tended to take an incremental approach. PPBS became popular following its adoption by the US Department of Defence in 1961, but fell from favour by the middle of the 1970s (Jones and Pendlebury, 1996). Pyhrr brought Zero-Base Budgeting (ZBB) to prominence in his company, Texas instruments, in 1970. Unlike incremental budgeting, under ZBB each item of expenditure has to be justified every year, which has obvious advantages when allocating scarce resources. Other advantages of ZBB include the possibility that, in budget preparation, operations will be considered at the lowest levels (Lauth, 1978). Jones and Pendlebury (1996) described a 'decision package' approach to ZBB with three stages:

- Identification of decision units
- Development of decision packages
- Review and ranking of decision packages

PPBS and ZBB are resource allocation techniques, which became popular in the 1960s and 1970s, but later declined in popularity. It appears that there is much of PPBS and ZBB in the BV model. There may be a lot to learn from the past, and many issues to be addressed, if the BV model is not to suffer the same fate as PPBS and ZBB. The similarities and differences between PPBS, ZBB and BV can be summarized with Table 7.1

Table 7.1 Best Value Compared with PPBS and ZBB

PPBS	ZBB	Best Value
Long term rolling programme	Short term, compatible with PPBS	Long-term rolling programme
Costs related to objectives	Costs related to objectives	Costs related to objectives
Surrogate measures of intangible programme benefits	Surrogate measures of intangible programme benefits of decision packages	Performance indicators used as surrogate measures
Concerned with internal resource allocation	Concerned with internal resource allocation	Can involve other service providers
Administrative overload	Excessive administration, so not applied in its pure form	Potential for administrative overload
		Consultation with the local community
Cross-cutting approach		Addresses cross-cutting issues
Problems tracing costs to programme categories		Potential problems with cost apportionment
'Rational' planning technique, but decision-making has political elements	Could be manipulated by budget holders	Final decisions will still rest with politicians

Source: Keenan (2000, p. 47)

Under BV, the UK local authorities are required to undertake a rolling programme of fundamental performance reviews and to be accountable to local people through local performance plans. Like PPBS, a fundamental performance review involves a rolling programme, which relates costs with objectives over the long term. Section 5 of the Local Government Act (DETR, 1999b) stated that an authority might be required to 'consider its objectives in relation to the exercise of the function'. A fundamental objective of BV is continuous improvement. Unlike PPBS, BV is supposed to be a system capable of fast reaction to poor performance and to complaints from service users.

It is known that PPBS attempts to put a financial value on the benefits, tangible and intangible, of a programme. But BV involves attempting to measure intangible benefits through reliance on performance indicators, standards and benchmarking against other service providers. Fundamental performance reviews do not, like PPBS, attempt to aggregate the financial benefits from a programme. However, the resulting performance plan is to include a summary of objectives in respect to functions. It should also include a summary of current performance compared with previous years and targets for future years - all expressed in terms of local and national performance indicators (DETR, 1999d). Benchmarking is one of the main differences between BV and rational planning techniques (Keenan, 2000).

Similar to PPBS and ZBB, BV uses surrogate measures to measure intangible benefits. A similarity between BV and ZBB is the requirement that an authority challenges whether or not a service should be provided, and whether it is being provided in the most suitable way.

A difference between BV and rational planning techniques is the choice of who will provide the service. PPBS and ZBB were about allocating resources within an organisation, not about contracting out services or working in partnership with other providers.

PPBS is about planning, programming and budgeting. ZBB is a budgeting technique, which can be compatible with PPBS. BV is not in itself a budgeting technique. It is a performance measurement framework, which encompasses planning (local performance plans) and

programming (fundamental performance review). BV differs from PPBS and ZBB in terms of the requirement to consult with other stakeholders, including the public.

There is an inevitable political aspect of any budgetary allocation process. This was one reason for the failure of rational planning techniques. PPBS attempted to relate budgets to activities. It forced organisations to look at objectives and at the longer term. It was unsuccessful because it suffered from inflexibility and from administrative overload, and because governmental decisions tend to be made politically rather than in a programmed manner. ZBB forces organisations to justify expenditure. Like PPBS, it requires excessive administration and it is difficult to quantify intangible benefits. Furthermore budget holders could manipulate the system.

Given its similarities with PPBS and ZBB, BV has the potential to suffer from similar problems. However, because BV is backed by legislation and firm support from the Labour administration, local authorities cannot simply drop BV if they are not happy with it. In addition, if the BV model is to be successful, the UK government has to recognise that the model is a complex process and provide authorities with extra resources. Resources should also be provided for training in the BV process, not just for officers, but also for elected members given that the final decisions rest with politicians (Keenan, 2000). Since PPBS and ZBB were overloaded with administration, practitioners should learn lessons from these models, and seek to focus on service users and attempt to minimize costly bureaucracy. Particularly, the ultimate aim of the BV process is designed to place continuous improvement on service delivery when conducting related reform agendas.

7.2.3 Some Issues Concerning the BV Model

As Housden (2000) described, the role of local authorities can be expected to focus on service provision and community leadership. In service terms, councils have fundamental responsibilities and powers in planning, education, social services, transport and housing. National frameworks for performance management and the generic BV process are being

established to ensure these services are economical, efficient and effective. Councils will be responsible for ensuring that their services are properly integrated with those of other relevant agencies to meet the needs of the community. The UK government's expectations however go further. The concept of community leadership implies that local authorities will initiate and orchestrate a complex process in their communities: that they will construct a vision for the development of the area; connect this vision with the realities and aspirations of individuals and communities; orchestrate public action toward the realisation of the vision; calibrate need and focus public investment; sustain positive energy and leadership throughout the project; and make the work accountable through the democratic process.

The allocation by the UK government of this demanding role to local authorities is not a marriage of convenience. The whole analysis and approach of the 'Third Way' leads the UK government to the view that managing the unknowable risks of modern society and promoting social cohesion will require local government's unique capacity to resolve conflicting interests and deliver complex public choices. This is the rationale behind exhortations toward community planning and a joined-up government (Housden, 1999).

The BV model thus replaces the controversial requirement for local authorities in the UK to expose their services to open market competition. Under BV, local authorities need to make arrangements to secure the 'continuous improvement' of local services, while providing a combination of economy, efficiency and effectiveness. BV arrangements include the publication of annual BV performance plans and a process of regular performance reviews designed to raise standards and reduce costs (Bowerman and Ball, 2000). This model apparently is expected to stimulate local authority's potentials and generate endless innovation. Does it work as it was originally expected in reality? There accordingly should be some further examination to approach this model closer. What are the characteristics of these BV internal management processes and external regulatory instruments, and what are their likely costs and benefits? In particular, each of central government's three regulatory

mechanisms should be analysed, and the relationship between them and their potential collective impact are also the target of the examination. The following issues are some of the results needing further contemplation concerning this model.

1. Insufficiency and misplacement of performance indicators

The corporate indicators actually refer largely to activities and processes rather than outcomes. Also, some of the indicators are probably beyond the control of local authorities, so are only a weak reflection of organisational health. For example, electoral turnout is strongly influenced by national political circumstances and by the closeness of local political competition for council seats. Local authorities may be unable to do much to influence these variables. Similarly, the proportion of working days lost to absence through sickness is likely to reflect general levels of morbidity in the local area at least as much as the authority's performance in staff development. It could be important for central government and its agents to take such contextual factors into account when drawing conclusions on these indicators and indeed when interpreting the BVPIs as a whole (Boyne, 2000).

Boyne (2000) argues that the BVPIs are a clear advance on the previous collection of indicators used by the Audit Commission, because the latter PIs contained few measures of outcome or service quality. The picture of local service performance nevertheless remains incomplete and uneven. For example, the indicators for fair access are generally superficial and do not tackle fundamental issues such as the distribution of services between age groups, ethnic groups, and between males and females. As the DETR (1999e, pp.7-8) itself also argues, local authorities should 'set targets to redress disparities in the provision of services to those that are socially, economically or geographically disadvantaged ... a service cannot be effective under BV unless it addresses these considerations'. It is unfortunate that the BVPIs do not reflect this view. Some services are either poorly represented in the BVPIs (for example, social services), or are unrepresented (for example, environmental health and trading standards). Both central and local government are committed to improving the data set

in future years, but the gradual development of the Audit Commission's previous PIs and evidence from the BV pilots suggests that progress is likely to be slow. Although local authorities have been highly critical of PIs set by central government, they have found it difficult to create better indicators for themselves (Boyne et al., 2000).

If authorities are judged on the basis of their performance against the existing BVPIs, there will be at least two perverse effects (Smith, 1993). First, aspects of services that are not measured are likely to be neglected. For example, the outcome measures for education are concerned exclusively with exam results, which will distract the attention of the charged organisation from other outcomes. Second, organisations that are judged by externally imposed indicators are likely to 'play the figures' (Bohte and Meier, 2000). One particularly perverse effect of the performance management framework is that local authorities have an incentive to report low performance in the first year of statutory BV, so as to leave more room for continuous improvement. In subsequent years, they may code data in a way that portrays them in a favourable light, or engage in outright fabrication of performance figures (Davies, 1999). There will be two unwelcome consequences: managerial effort is displaced from the substance to the appearance of good performance, and inaccurate data is fed into judgements of local services by central government, inspectors and the general public. These problems may be alleviated through continuing consultation with professional bodies in order to develop indicators that can result in confidence and credibility for local authorities.

In other words, the BVPIs are not yet up to the job of providing central government with reassurance that continuous improvements in service provision are being achieved. Boyne (2000) indicates that the central government may be tempted to seek a more comprehensive data set and a stronger focus on outcomes. This could, however, create as many problems as it solves. Extra BVPIs would turn the attention of councils even further towards national rather than local priorities, and towards uniformity rather than diversity, which would negate the purpose of a system of local democracy. In addition, misplacement on outcomes raises the

technical difficulty of 'attribution': which organisations are responsible for the outcomes that are observed? Councils can largely be held responsible for dimensions of performance such as cost, efficiency, quality and fair access. By contrast, aspects of outcome such as social exclusion, crime, health, and poverty are influenced by the activities of government as a whole, including the private and voluntary sectors, so isolating the influence of local authorities on these conditions is likely to be very difficult. Even the performance evaluation may be calculated reversely.

2. Audit role needs to be well-defined

As the consequence of audit probably results in the 'intervention protocol' or a special BV inspection, the exact role auditors should play is sometimes arguable. It is as yet unclear whether auditors will check only the adequacy of councils' processes for producing performance data, or will also check the accuracy of the figures. According to the Audit Commission (1999a, p. 11) 'auditors' will not be required to form a view on the accuracy or completeness of the information and the assessments that the authority publishes'. Given the centrality of performance improvement to BV, and the potential problems concerning the validity of PIs, it seems important that auditors validate at least a sample of the information in performance plans. In other words, auditors should check not only the feasibility of targets, but also the plausibility of changes in performance. Ashworth and Boyne (2000) point out that the existing Audit Commission PIs shows annual improvements in performance of as much as 20% within some local services. Such leaps in levels of achievement will merit close scrutiny. Moreover, even small annual errors in performance data could give the impression of continuous improvement (or deterioration) when no real change is produced.

Furthermore, added to the 'full' performance plan, councils are often expected to disseminate a summary of their objectives and achievements in a variety of ways. One option that has been widely discussed is the circulation of a 'short and glossy' version of the plan to all households in the local area. Although there is no statutory requirement for auditors to assess

whether the short version accurately reflects the full version, this is an important task – particularly in election years when councils may be tempted to trumpet their successes and disguise or ignore their failures. Keeping information correctly provided is indeed an important requirement imposed on auditors.

3. Lack of service standards and interpretation gap in inspection

The work of the inspectorate sometimes overlaps with the role of other organisations (for example, working as a catalyst to help public bodies to improve and identifying what works are also the work related to Improvement and Development Agency, the ‘self-help’ body for local authorities). But most importantly, there will be two main potential problems faced by the inspection system, especially in its early years.

The first is the development of a common and clear set of standards for assessing local service performance. The Audit Commission (2000, p.7) is aware that this may be problematic: ‘It is easier to establish acceptable criteria for the process of inspection than it is to develop accepted standards and outcomes for authorities’ policies and services’. As the BVPIs do not cover all services or all aspects of performance, there is no unified way to carry out this model. Furthermore, if BV is still, as originally defined, ‘a duty that is owed to local people’, common standards may not be appropriate: different people in different places are likely to place varying demands on their authorities and have different priorities. Thus, a standard of service that is deemed magnificent in a city could be deemed mediocre in another city (Boyne, 2000). The Audit Commission seems torn between ‘centralist’ and ‘localist’ interpretations of service standards. On the one hand, ‘inspection will take full account of local priorities and standards’ (Audit Commission, 2000, p.7); but on the other, evidence from inspection will show how ‘top performers’ deliver excellence and continuous improvement. These insights will increasingly provide the basis for the criteria and standards used by inspectors (Audit Commission, 2000, p.11).

The second problem is that, even if a common set of service standards can be specified, it

may be difficult for inspection teams to secure a consistent interpretation of these standards. The danger here is that different inspectors may rate services that are provided at a similar standard differently. For example, the award of 'stars' to services may differ between established inspectorates (for example education, social services) and the new inspectorate run by the Audit Commission. Research on the work of inspectorates suggests that the judgements of new inspectors tend to be tougher than those of 'old hands' (Hawkins, 1984). Variations in judgements may also arise because inspections will be conducted not only by the Commission's own staff, but also by external contractors. Even when relatively straightforward judgements have been made, such as the assessment of the physical qualities of a dwelling, inspectors from different backgrounds can differ substantially in their views. It will, therefore, be important to establish a mechanism for quality control of inspection in order to ensure consistency of standards (Boyne, 2000). This could be achieved by an external check on a sample of inspections; that is, by inspecting the inspectors, which would undoubtedly add a heavy burden to the BV framework.

4. Heavy cost burden

The BV model is designed to provide value for money. Whether it accomplishes this goal apparently will depend on the ratio of service improvements to the cost of internal and external processes. An assessment of this ratio poses both conceptual and technical problems. It could even be that the cost burden of implementing this model is too heavy.

(1). The pursuit of continuous improvement equals continuously increased cost

There are questions concerning improvements in services. From whose point of view should improvement be judged? The possibilities include: service consumers, local and national taxpayers, auditors and inspectors. The more points of view that are considered, the more the cost will be. Furthermore, on which dimensions of performance should improvement be looked at? A more equitable distribution of services, for example, may involve higher costs than simply providing the same service to everyone. Is an expensive but fair service an

improvement over a cheap but unfair service? It could become a dilemma when calculating the cost. Even if such questions can be resolved, will the information base exist to make comprehensive judgements on service performance? The inadequacies of the BVPIs have already been noted, as have the problems of remedying these. In the absence of a better and more complete set of indicators, it may be difficult to conclude whether services are improving, deteriorating or staying the same. A 'fallback' position may be to rely on the judgement of BV inspectors but, as argued above, this may be an insecure basis for comparisons of performance between authorities, or comparisons over time. Conclusions on whether continuous improvement is being achieved are, therefore, likely to be contestable and imprecise. If the continuous pursuit of adequacy of the BVPIs is to become the essential way of judging performance closer, there will also be more cost.

(2). The cost of internal BV processes needs to be assessed further

These are principally the resources required to undertake reviews (i.e. to challenge, compare, consult and compete), to prepare, publish and disseminate performance plans, and to formulate, implement and monitor formal action plans. It may be argued that all of this is 'simply good management' and is 'what local authorities should have been doing anyway'. But before BV, such activities were by no means common (Boyne *et al.*, 2000), so they should generally be treated as new costs to be entered in the value-for-money equation.

(3). The cost of external monitoring of BV processes could be a big burden

Boyne (2000) points out that the number of PIs for authorities to collect and return to the DETR and Audit Commission has not risen substantially, but some of the new data will be more expensive to collect (especially the measures of consumer satisfaction obtained through surveys). The assessment of performance plans is a new task for auditors, and seems likely to result in additional audit fees being paid by authorities. The cost of the deployment of the new BV inspectorate is also likely to be substantial, especially when 'compliance costs' (for example, preparing documents, liaising with inspectors, responding to reports etc.) incurred

by councils are added into the balance.

Regulation is pervasive in the public sector (Hood et al., 1998; Power, 1997), but its tangible benefits are obscure. At the very least, the burden of regulation should be in proportion to the service improvements that it creates. That is, regulation can only be justified if it delivers better service standards above and beyond those that local authorities would have achieved anyway. It is, therefore, important to monitor closely the contributions of national performance indicators, audit and inspection, to the BV regime. Regulation is more likely to add value if it in turn is effectively regulated. For the purpose of preventing cost increases, perhaps regulators, like local authorities, should be forced to challenge, compare, consult and compete periodically in order to make them work better.

5. Enforcement of partnership

Ball et al. (2002, p9) indicate that 'our central finding is that BV represents an unusual cocktail of top-down concept and bottom-up realisation. BV is, in this sense, a prescription of what is needed, coupled with an anticipation of local-level realization. By engaging local authorities in their own reform, the Labour Government would appear to have developed a new twist in the control of the local government sector'. Thus, the relationship of central-local government could become a concerned issue. The BV model is designed to get local authorities involved in the government modernisation programme. As an important part of the reform of Labour's manifesto, service delivery by local authorities is expected to play a role in getting closer to the public and the electorate. From this aspect of the model, the initial concept seems to be based on the obtainment of political benefit, which is used to comprehensively implement central policies in order to enlarge the foundation of popularity for the ruling administration. Initiating from this point of view, the BV model could therefore be defined as a means to control the local authorities' behaviour. Based on the need of political ruling, the whole picture of the BV model would be totally permeated with the concept of control, which could easily cause tension between the central government and the

local authorities.

There is evidence indicating the same theme. As Freer (2002) described, the publication of the white paper, *Strong Local Leadership — Quality Public Service*, by the Department of Transport, Local Government and the Regions (DTLR) on 11th December 2001, marked a new chapter in the long search for the right relationship between central and local government. Many of its solutions are familiar — no surprise that the UK government should place emphasis upon the importance of a partnership working across agencies, closer relationships with communities, clear priorities and performance standards, and rigorous, independent inspection of services. These themes are already in play in local government and across the wider canvas of the UK government's reforms to modernise public services.

The white paper starts from the premise that a radical change is required in the relationship between central government and local authorities, that unnecessary controls are currently in serious danger of stifling local innovation and that the UK government's goal should be to promote a vibrant local democracy in which councils deliver high quality and improving local services, and provide strong and confident leadership. It proposes a number of early reforms to begin establishing a more appropriate 'balance of control' between the centre and local authorities (Freer, 2002).

Ball et al. (2002) have also concluded that one of the most striking findings was how keenly the macro-political agenda is felt, even among officers at the departmental level. In this sense, BV can be interpreted as a top-down and all-pervasive concept. Central government would appear to have been successful in alerting officers at all levels in at least one authority to the intended impact of BV and the consequences of failure. In this analysis, BV is already operating as an effective behavioural control.

The path of reducing the tightening relationship which can be followed might be the enforcement of partnership based on the purpose of integration. The term of control is somewhat concerned with bureaucratic and hierarchical concepts. It would not be proper for

the central government to treat local authorities as its subordinated organisations. Reversely, the central government can gain more assistance if it treats local authorities as policy partners. Apparently, more negotiation could decrease unnecessary misunderstandings and help integrate the BV model into local authorities and achieve continuous improvements on service delivery.

7.2.4 Transplanting the Best Value Model to Taiwan

The BV model is one of the ways in which the UK government endeavours to reorganize and reunify the service delivery systems of its local authorities. In a paper published by the Institute for Public Policy Research in 1998, the UK's Prime Minister Tony Blair set out three key reasons why, in his view, local government must change:

- Localities lack a clear sense of direction
- There is a lack of coherence and cohesion in delivering local services
- The quality of local services is too variable (Blair, 1998a, p.1)

He argued that councils need to focus on their role as leaders of local communities, but that in order to do so they need a new democratic legitimacy, new ways of working, new disciplines and new powers (ibid. pp.2-3). In a further piece (Blair, 1998b), Blair commented that 'there are too many councils which still don't understand that change is not an option. It is a necessity'.

These messages have been developed in green and white papers (DTER, 1998c and 1998a), which paved the way for a draft bill, included in a consultation paper, *Local Leadership, Local Choice* (DTER, 1999c). A bill was subsequently introduced into the House of Lords at the start of the 1999-2000 Parliamentary sessions. This series of papers pointed out more fully the UK government's critique of the way in which local government works, detailing a number of concerns about local government and local democracy.

The changes also require a significant redefinition of the roles of many officers, from chief executives and executive directors through to committee clerks. It is important that all council employees, including those in direct contact with service users, should understand how the new structures work and their roles in these structures. These changes come at a time when other elements of the wider programme of local government modernisation, such as BV (Martin et al., 1999), are also requiring systematic organisational and cultural change. The issue of the capacity of the organisation to implement change effectively is therefore an important one (Davis and Geddes, 2000).

As mentioned above, the BV regime in UK is the Labour government's replacement for the Conservatives' policy of Compulsory Competitive Tendering. The introduction of BV is intended to propel local government towards better performance through the discipline of strategic planning, rather than the discipline of the market (Boyne, 1999, 2001, 2002). Indicators of corporate and service performance are central to the operation of this system (Sanderson, 2001). They are intended to provide local authorities with a means of setting benchmarks and targets of service improvement, local electors with a basis for judging the comparative performance of their council, and central government with a mechanism for monitoring and regulating local government (Boyne, 2000, 2002).

Nevertheless, this sort of fundamental thinking may be applied to any type of organisation or system, since pursuing goodness is a norm existing everywhere. As discussed previously, the Best Value model is designed to promote continuous improvements for obtaining best value, which could be the common goal for every organisation. According to the critical evaluation in the previous chapter, the events of Taiwanese civil service reform were implemented dispersedly. To harmonise all the works, there should be a mechanism playing the role of glue and operating systematically. Thus, for the purpose of making the Taiwanese civil service reform more effective and competitive, the BV model is worth being employed as a means of raising service quality. But as it will be propelled in the central government, there should be a

few revisions on its design in order to adapt to the different circumstances. Normally, a central government is expected to formulate policies for the entire country, which is different from the local authorities' role where emphasis is put on the aspect of service delivery. There should be a minor modification according to the above review of this model. In addition, Taiwan's current government system has its own different characteristics, which needs further contemplation while transplanting a new model from other society. The following are those areas which should be carefully examined.

1. Readjusting the original one-whip systems, such as the personnel and accounting (BAS) units, as the tool to connect the entire civil service system

In Taiwan, there are two so-called "one-whip" systems that exist throughout the entire civil service system, including the local government level. These are the personnel offices and accounting (BAS) units. They are headed by the Central Personnel Administration (CPA) and the Directorate General of Budget, Accounting and Statistics (DGBAS) respectively, and are attached to all agencies to help manage personnel and accounting affairs within organisations.

The CPA is a professional human resource management department of the Executive Yuan. It was created by the president on 16th September 1967 in compliance with the ROC Constitution and Additional Articles, and subsequently legalised with the Organisation Act on 30th December 1993. The CPA is responsible for the overall personnel administration for all the ministries and agencies under the Executive Yuan. But the CPA's activities relating to examination and personnel institutions are also overseen by the Examination Yuan due to the Taiwan Five-Power Constitution System.

The DGBAS is a cabinet-level department which handles the duties of the nation's comptroller, including the work of budget, accounting and statistics. Statistical reports are used as reference for policy-making and budgeting. The implementation of DGBAS' function is mainly supported by a so-called integrated budget, accounting and statistics (BAS) fiscal system that allows cooperative crosschecking of fiscal affairs within the civil service system.

Since the BAS system gathers information and reports on government financial activities, it is essential that it take an impartial stance in order to provide accurate and objective information.

According to the Organisational Act of DGBAS, BAS staff at all levels should abide by the instruction given from the chief of the agency they are attached to, but they must report to their BAS superiors as well, making it a uniquely impartial system in three ways. Firstly, BAS units are independent from government organisations and, from top to bottom in the hierarchy, follow the command of the DGBAS. Secondly, BAS staff should not be replaced due to the change of their agency chief. Thirdly, BAS staff may implement BAS affairs independently.

The above two “one-whip” systems were originally useful control tools for centralisation. Their role however should be changed if the civil service system is to be reshaped through the transplantation of the BV model. As mentioned above, the concept of partnership could help improve the model when enforcing its function. Accordingly, the CPA and DGBAS must play a new role that can be likened to a ‘blood circulation’ centre, offering service assistance and nourishing all the agencies.

Actually, the CPA and DGBAS can combine the Cabinet Secretariat and the Research, Evaluation and Development Commission (REDC) to form a BV service centre at the heart of the civil service system. As the cabinet secretariat is in charge of the assistance of policy-making, and the REDC is responsible for audit and inspection activities, it is important to connect the two with the affairs of the CPA and DGBAS if communication and cooperation is to be strengthened within the civil service system.

2. Redesigning the ratio of corporate health performance indicators to service delivery performance indicators

As mentioned above, national and local political agendas are necessarily interlinked. Central and local government authorities and agencies are bound together for implementing policy.

Within the BV model, performance indicators therefore are ‘designed to reflect the national interest in the range of local services...When authorities publish data against these performance indicators, local people will be able to compare the performance of their authority with other authorities and to see how their own authority’s performance is improving over time’ (DETR, 1999a, p. 7).

For the need to reflect the combination of national and local interests, the BVPIs comprise 18 ‘corporate health’ indicators and 104 ‘service delivery’ indicators for local authorities (Boyne, 2000). The purpose of the corporate health BVPIs is ‘to provide a snapshot of how well the authority is performing overall’ (DETR, 1999a, p. 12). The corporate health indicators cover areas such as planning and measuring performance, customers and the community, management of resources, staff development and working partnerships. As for the service delivery performance indicators, the following categories can be used: cost, efficiency, outcomes, quantity, quality and fair access (Boyne, 2000).

If the BV model is transplanted to help promote the performance of the Taiwanese civil service, there should be a redesign of the ratio of corporate health performance indicators to service delivery performance indicators. As central departments mainly focus on policy making, the number of corporate health performance indicators undoubtedly needs to be increased to an appropriate level. But what is a suitable level?

The Constitution of the Republic of China (Taiwan) and its Additional Articles stipulate that the Executive Yuan is the highest administrative organisation of the state. The Executive Yuan currently has established thirty-five ministries and other same-level organisations. The duties of departments are huge, ranging from interior affairs to economic development. Dealing with a complex civil service, the central government needs to have a mechanism to oversee the performance of whole departments. Formally, the Executive Yuan has an Executive Yuan meeting (or cabinet meeting), which is comprised of many cabinet members such as the premier (prime minister), the vice premier, various ministers and heads of commissions, and

ministers without portfolio. The premier serves as chairman of the Executive Yuan meetings. The meetings are held regularly every week and pass resolutions on all administrative cases submitted to the Legislative Yuan involving laws, budgets, martial law, amnesty, declaration of war, conclusions of peace, treaties and other important affairs, as well as matters of common concern to the various ministries and commissions of the Executive Yuan.

Accordingly, there could be three ways to decide the number of corporate health indicators. Firstly, they may be created more through the above meeting mechanism with which the common place of policy can be found. Secondly, it is important to refer to the ruling party's political manifesto or the premier's declaration on the policy directions for the government. Thirdly, referring to the original creation of the UK BV measures, they may cover areas such as planning and measuring performance, customers and the local government, management of resource, staff development and partnership across departments.

As for the service delivery performance indicators, they should be designed to enforce and measure the performance of cabinet-level departments. Normally, the establishment of a department is due to some sort of implementation of a particular function, not because of the necessity of governing an area. Thus, the relationship between departments and headquarters of the civil service system should be highly integrated. Namely, strong uniformity is necessary for the departments in order to make the whole central government become an effective and agile entity targeting governance nationwide. Because the departments do not play the role of community leader, this sort of uniformity does not produce the problem of stifling local democracy. Since the role of departments does not mainly focus on direct service delivery, the service delivery performance indicators can naturally be re-arranged at an appropriate level.

3. Fully implementing consultation to pursue continuous improvement

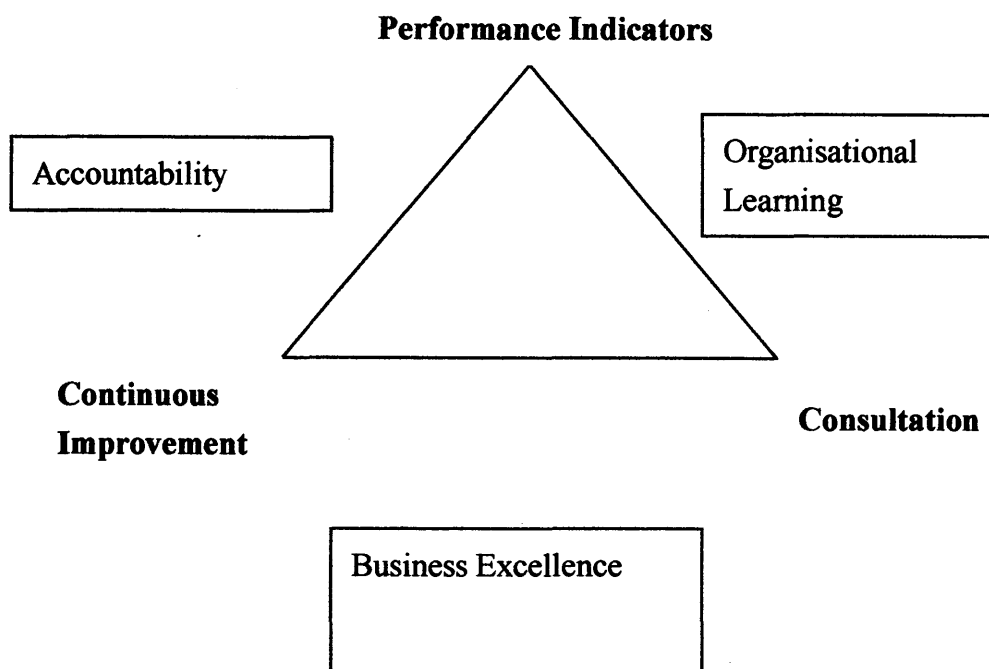
Ball et al. (2002) point out that instead of identifying the four Cs (comparison, challenge, competition and consultation) and their subsidiary elements, three 'cornerstones' of BV have emerged as initial elements that must be addressed to meet the known targets of the BV model.

These cornerstones are:

- (1). Performance indicators (comparison)
- (2). Continuous improvement (incorporating challenge and competition)
- (3). Consultation

These cornerstones can be shown as in Figure 7.2:

Figure 7.2 Three Cornerstones of Best Value



Source: Ball et al. (2002, p11)

This approach matches the authority's vision of BV, rather than that of central government, and can be seen to accommodate each of the four Cs. Each shares some aspects with each other. For instance, continuous improvement will be measured against performance indicators, which will be set with the aid of consultation. It becomes difficult to define where the boundaries lie between them. The Figure 7.2 depicts that a strategy is developed through combining the interaction of these three processes.

Specifically, the approach would appear to underline an emphasis in the authority's

perspective on what might be termed 'deliverables', the three cornerstones of performance indicators, continuous improvement and consultation. Since the cornerstones of the BV model are the subjects of auditor investigation into BV, it seems perfectly reasonable that authorities should take them as the main focus.

As Figure 7.2 illustrates, the three cornerstones of the BV model exist in the context of wider expectations that permeate the central government's endeavours towards policy. These include a shift towards organisational learning, an expectation for accountability and a drive for business excellence.

Ball et al. (2002) explain in advance that the first cornerstone of the model can be labelled 'continuous improvement'. This subsumes the individual elements of challenge and competition and is derived from the principles of management pioneered by the quality gurus, Deming (1986, 1993) and Juran (1989). A quality approach might be said to integrate all of the functions and processes of the organisation in order to achieve continuous improvement of the quality of goods and services, and customer satisfaction. The central government would appear to embrace at least a portion of this philosophy, as reflected in its statements on 'continuous improvement' in both quality and cost of services (see DETR, 1998a).

In addition, Ball et al. (2002) also stress that accountability may be achieved in a number of ways, including the cornerstone of consultation. The important concept of consultation is not a new idea. The Citizen's Charter, dating from 1991, states that the views of citizens about the services they use should be sought regularly and systematically to inform decisions about what services should be provided. In 1988, the Audit Commission identified the concept of gathering consumer views, and building their responses into planning and implementation, as one of the key success factors of responsive and competitive councils (Brennan and Douglas, 1998, p.243).

In theory, the level of public engagement ranges from a one-way flow of information to the public, to complex, interactive forms of shared control over decision-making which 'hand

control over budget setting and policies directly to the public' (Martin, 1998, p.8). Potentially, this challenges the fundamental assumption of accountability through the ballot box, replacing the notion of the enfranchised citizen with the local consumer. Within the BV framework, a degree of flexibility means that councils' strategies will be contingent on such issues as political ideology, culture and willingness to abdicate a share of control to the public. Thus, consultation is an important way to shape new culture but should be recognised as one of the biggest challenges of BV.

Undoubtedly, the push for cultural change that is embedded in the approach to learning is central. BV is widely suggested as representing a more 'radical' or fundamental change than reforms experienced under the previous administration (Ball et al., 2002). This was aligned with a need to re-think the organisation's culture. The emphasis on continuous improvement suggests that both nationally and locally, the performance indicators and targets envisaged for BV need to be responsive to a learning process, and should be constantly ratcheted up as capacity and understanding increase (Office for Public Management, 1998).

In another words, consultation, the learning process, changes to organisational culture and continuous improvement are essential concepts for the BV model. It is very important to foster these concepts when transplanting this model to strengthen civil service reform in Taiwan. This reveals that the practical achievement of continuous improvement is based on radical culture change, and that learning through consultation is the precondition of cultural change. Particularly, with the situation that the transplantation of the BV model to Taiwan is located in the civil service system, it is necessary to establish common understanding to gain uniformity among departments. Senge (1990, p. 286) suggests 'the old model of "the top thinks and the local acts" must now give way to integrating thinking and learning at all levels'. In this sense, to successfully implement the BV model, consultation should be clearly focussed.

4. Enhancing the integration tools

In the UK, the Labour administration uses the BV model to interlink the central and local government to implement policies together. In Taiwan, it is also necessary to place emphasis on integration if transplanting the BV model to enforce civil service reform. As the use of the BV model in the UK is based on the intention of raising the local service standards by the central government, there is worry of stifling local democracy by putting too much emphasis on uniformity. On the other hand, the use of the BV model in Taiwan would have no such dilemma, because it only has to unify the central government. Within the central government, departmentalism is a way of seeking professionalism in order to obtain more expertise for the accomplishment of government objectives. Therefore, in Taiwan the BV model needs more cooperation to consolidate the civil service system. Thus, another requirement should be added to departments - cooperation - which supplements the original four Cs (comparison, challenge, competition and consultation), thus becoming five Cs for the implementation of the BV mode in Taiwan.

In addition, after being shaped by strengthening cooperation, the characteristics of the civil service system in Taiwan require more partnership between the headquarters and departments. The structure of this system could be expected to reduce unnecessary ties in order to avoid a hierarchical form. It is required that the administrative headquarter plays the role of a service centre providing consultation, coordination, BV skill information, assistance and harmonisation-related activities. Again, instead of control, the system should place more emphasis on partnership, which is designed to promote integration throughout the entire organisation.

As for the integration tools, Boyne (2000) points out that in the UK, the central government seems to lack confidence that the local authorities' planning processes will in themselves lead to better services. It has therefore put in place a system of external regulations that are intended to constrain the behaviour and performance of local authorities, principally through

performance indicators, audit and inspection. Accompanying the above-mentioned external regulation, the control measure for the BV model is intervention. The 'intervention protocol' agreed between central and local government identifies the omission of any of the prescribed elements in a performance plan (for example, comparative PIs or targets for future performance) as a 'failure of process' and therefore a 'trigger for intervention'. This may include a recommendation that a special BV inspection of the whole authority or a particular service is carried out (DETR, 1999e).

Due to the different circumstances, Taiwan should seek its own integration tools for the transplantation of the BV model. As the model is used purely inside the civil service system and the central government is an independent entity, the integration tools could be more forceful:

(1). Replacement of department heads

According to the Taiwan Constitution and its Additional Articles, cabinet-level departments are subordinated to the Executive Yuan and are obliged to abide by commands from the premier. As a matter of fact, the appointments of department heads and higher-ranking civil servants are firmly controlled by the premier. But the elected president can share this power through the nomination procedure of the premier. Before 1996, whether the president or the premier had the most personnel power depended on who had more political influence. After 1996, power concentrated on the elected president since the president could get more support through elections. From this aspect of power allocation, it is easy to predict the effect of implementing the BV model. If this model is either enforced by both the president and the premier, or by the one yielding the real power, the achievements could be greater, and vice versa.

(2). Encouragement through awards

Encouragement through awards could be interpreted as a positive method for integrating the

BV model into the civil service system. In order to avoid the negative effects of audit and inspection, and setting performance indicators, the adoption of awards should vary flexibly, with both material and non-material. Referring to the method used in the UK, Taiwan could create a Charter Mark to encourage good performance. There are currently some rules concerning day-to-day work such as Regulations for Inspiration of Civil Servants' Morality, Self-cultivation and Work Potential, and Regulations for Awarding Professional Medals, which should be strengthened to enhance the civil servants' morality, stimulate their willingness to work, and inspire their potential, as well as to encourage people to make a special contribution to the civil service system. The government agencies could even publicly commend high-performing civil servants, select exemplary civil servants or award professional medals in order to promote efficiency and effectiveness. As for material awards, it is worth strengthening the implementation of a performance-based pay system. In the UK, the Audit Commission can position each local council in one of four distinct categories: high performing, striving, coasting and poor performing (Freer, 2002). Boyne (2000) also indicates that, in order to provide an assessment of the coverage of the service delivery indicators, the following categories can be used: cost, efficiency, outcomes, quantity, quality and fair access. Whatever the instrument of assessment adopted, it is important to use awards by matching the level of performance, timely and appropriately. To be truly stimulating, using awards as a means of raising performance standards deserves higher priority.

(3). Enforcement of discipline

In Taiwan, according to the Civil Service Performance Evaluation Act, a civil servant who has been working full time for one year shall participate in the year-end performance evaluation; someone who has served for a full six months but less than one year shall participate in an additional performance evaluation. During the normal working procedure, there is an extraordinary device outside of the ordinary award and punishment mechanism whereby any civil servant who makes significant achievements or commits serious mistakes

shall be given a specific evaluation and given two major merits or two major demerits accordingly. This will then lead to an extraordinary award or job dismissal. As for the consequences regarding the annual performance evaluation, there are four levels of results that reflect the spectrum of performance standards. At the highest level, for excellent performance, civil servants may obtain around two months of salary as a year-end bonus. The second level, for normal performance, sees civil servants obtaining around one month of salary as a year-end bonus. The third level marks poor performance and no bonus is given. The lowest level expresses strong disapproval, the poorest performance. In reality, however, most of the results of the performance evaluation are concentrated on the highest two levels due to an emphasis on personal relationships. The consequence is that the bonus becomes a means of adjusting the pay system without encouragement, and the system of performance evaluation is comprehensively hollowed out. Particularly, there is no function of discipline, which allows inefficient personnel to exist everywhere within the civil service system. This sort of flaw deeply affects the morale and performance of civil servants. Thus, the enforcement of discipline seems quite urgent and important as a means of avoiding the erosion of the system. To this end, performance evaluation should be implemented objectively and effectively. The lack of evidence-based evaluation may however cause more problems.

As the civil service system works as an entire entity, it can be concluded that all the above-mentioned measures are concerned with personnel affairs within an organisation (namely, putting too much emphasis on the individual performance of civil servants), which is quite different from the UK's system that uses the intervention protocol as a major measure to enhance the BV model in local authorities. Seeking to supplement the emphasis on team-work performance, the Taiwanese government has, through the implementation of a performance-based pay system, required departments to set unit performance indicators to assess team-work performance and tried to connect this assessment to the yearly performance evaluation for civil servants. The purpose of this new development is designed to raise team-work performance standards through the control of total results of the unit member's

performance evaluation. This can actually be copied onto the assessment of department's entire performance evaluation. The result of the assessment should be appropriately reflected by the consideration of replacing department heads. This needs to be developed with detailed systems and is the area where Taiwanese civil service reform should be enhanced if the BV model is to be successfully transplanted.

5. Supplementing the BV model with management skills

The main goal of the BV model is undoubtedly to pursue the continuous improvement of performance. To accomplish this end, it should be very important to put emphasis on certain management skills in order to help carry out the BV model smoothly. Referring to the British experience, the use of the Business Excellence model, public participation and benchmarking should take precedence for supplementing the implementation of the BV model. This section will in turn describe the prescribed management skills.

(1). Encouraging the use of the Business Excellence Model

As described in Chapter 2, the Business Excellence Model (BEM) was developed by the European Foundation for Quality Management (EFQM) to enable organisations to improve their performance by conducting assessments against the components of the model. The model is based on the premise that excellence in 'results' (in terms of 'key performance', as well as 'people', 'customer' and 'impact on society') is achieved through excellence in 'enablers', encompassing 'leadership', 'people', 'policy and strategy', 'partnerships and resources' and 'processes'. This generic framework of nine criteria provides the basis for measuring management and performance, ranging from self-assessment through to fully-evidenced and validated external reports.

In the UK during the mid-1990s, the central government became an enthusiastic champion of this model and actively promoted it to organisations in the wider public sector (see Cabinet Office, 1999a). Before 1998, few local authorities were using the model (Lewis, 1998;

Sanderson, 1998a). The Local Government Act 1999 imposed the duty of BV on local authorities - requiring them to make arrangements for continuous improvement in local services. While the means of achieving BV were deliberately not prescribed, managers were encouraged, in the Guide to Quality Schemes and BV - published by the Department of the Environment, Transport and the Regions (DETR) - to consider the BEM as a corporate framework for BV (DETR, 2000). The same publication suggested that the BEM 'offers a framework of managing continuous improvement over the whole BV cycle...to help monitor progress, review strengths and identify improvement opportunities' (p.12).

A different development would be the adoption of a system approach to performance management; there is some evidence (see, for example, Audit Commission, 1998; Bowerman et al., 1999) that the adoption of the BEM is being equated with delivering BV. The European BEM is endorsed by the Audit Commission to address the rigours of BV (Ball et al., 2002). It provides a tangible framework for assessing excellence in an organisation and for making stepped improvements in operations. The Office for Public Management (1998), however, warned that a method based on quality assurance, while offering the illusion of an organisational safety blanket, is likely to fail the tough tests of continuous improvement.

Bowerman (2002) pointed out that, from its origins in the Labour Party's 1995 Manifesto, BV took four years to evolve into its statutory form. This was partly due to the government's desire to consult and to allow authorities the opportunity to devise their own approaches to meeting BV. There have been warnings of sanctions against authorities failing to demonstrate BV. Such sanctions include the option to immediately remove services from an authority's control. Under these dual conditions of uncertainty and threat, it is perhaps not surprising that local authorities sought to ape those practices, such as the use of the BEM, of well-regarded authorities that were subsequently endorsed by central government (Bowerman, 2002).

An example reveals the close relationship between the BEM and the BV model. The public sector accounting body, the Chartered Institute of Public Finance and Accountancy (CIPFA),

which has close links with practitioners in central and local government, has set up a BV advisory service offering subscribers details on a variety of quality initiatives, including the BEM (see www.cipfa.org.uk).

Furthermore, Bowerman (2002) describes that if a local authority has adopted the BEM, at least in part, as a symbol that the organisation is well managed, then the use of the model can be viewed as contributing to a 'myth' of organisational efficiency. This is not to suggest an entirely cynical use of the model by local authorities; indeed, the participants in this research expressed a high degree of faith in the ability of the model to facilitate continual improvement. Nevertheless, the model is perceived as an important sign of a 'good' organisation.

In short, the BEM has become the main means of assessment for local government under BV in the UK. Since the BEM is almost a substitute of the BV model, it would be worth introducing it to enhance civil service reform in Taiwan.

(2). Enlarging public participation and citizen-centred service delivery

In Taiwan, the government has been employing the participation and suggestion system for over a decade. Some of the measures adopted include collecting reports from various departments, creating publicity with meetings and awarding innovation annually. But this policy has struggled to become an overall campaign deeply rooted in the civil service system. If this policy is not popular among civil servants, it is in vain. Lessons from the BV model are that the civil service system must enlarge public participation and citizen-centred service delivery through consultation, and through knowing how to assess how well people are served.

In the UK, the 1999 Local Government Act cast the new duty to consult in very broad terms. Authorities may have to consult with a wide range of internal and external 'stakeholders' including not just service users and tax payers (both individuals and businesses), but other local residents, commuters and tourists, plus representatives of voluntary and community

organisations. Authorities must also ensure that staff is involved in any plans to change the way in which services are provided (DETR, 1998b). They have all found that a BV framework has forced them to take a much greater interest in the views of non-users. Perhaps most significantly, many BV pilots are developing new approaches to engaging citizens as a whole, and are assessing the needs and priorities of specific communities by place, interest and identity. This is reflected in the increasing use of citizens' panels, focus groups, residents' surveys and citizen juries, as well as in the greater attention being given to providing more holistic services for specific sections of the population – in particular disaffected youth, older people, people with disabilities and ethnic minorities (Martin and Boaz, 2000).

Martin and Boaz (2000) further pointed out that many of the pilots have seen consultation as the key to developing responsive, user-focused services. The requirements of the BV regime point in this direction with authorities being expected to involve users more actively in diagnosing the deficiencies of current services, setting targets for improvement and monitoring progress towards achieving them. Most of the BV pilots have interpreted the duty to consult in ways which best suit local political priorities and existing managerial practices (Martin, 2000). Even so, a majority reports that consulting has proved to be more onerous and resource intensive than they had expected (Martin et al., 1999).

Hilary Armstrong, the minister then responsible for overseeing the introduction of the BV regime has, however, repeatedly stressed that she sees the regime as being about much more than just creating user-focused services. Echoing Corrigan and Joyce (1997), she insisted that improvements in local services are not an end in themselves but the means by which local government can win the trust of local people.

Steve Martin and Annette Boaz (2000) point out that an additional constraint has been the lack in many pilots of the expertise needed to engage effectively with local people and/or to use the information that is gathered. The start for the Better Government for Older People project also highlights the resource implications in terms of costs, staff time and skills of more

participatory methods of consultation.

In fact, enlarging public participation and citizen-centred service delivery could further deepen the implementation of democracy and make policy more feasible. Referring to the British experience, the detailed means to accomplish this goal when conducting the BV model are needed to develop civil service reform.

(3). Implementing the proposal of benchmarking

In UK, the benchmarking skill is also playing an important role and is expected to supplement the function of the BV model. Local authorities were invited to 'bid' to become BV pilot sites; the bidding criteria (DETR, 1997) promoted benchmarking as a key tool in the BV regime. This guidance gave the signal that a successful bid would be expected to contain proposals for benchmarking.

Early DETR pronouncements (DETR, 1997, 1998b, d and e), although couched in broad terms, implied that benchmarking would support the 'compare' and 'compete' elements of BV. As the BV scheme was firmed up, however, the role of benchmarking in the 'compare' element of the project was played down by government, while its role in 'compete' temporarily assumed greater prominence. The white paper, *Modern Local Government, in Touch with the People*, stated:

There are a number of ways that an authority might meet the test of competitiveness. It could, for example - commission an independent benchmarking report so that it could restructure the in-house service to match the performance of the best private and public sector providers (DETR, 1998a, Para. 7.29).

On the use of benchmarking for comparison, authorities will be expected to compare their performance with the best using the national performance indicators and, for example, through benchmarking clubs (DETR, 1998a, Para. 7.20).

The implication of the white paper was, therefore, that the use of benchmarking within BV

would be in 'proving' that an authority compares well against alternative service providers. In short, benchmarking is seen as a test of favourable comparisons against the competition and, if found lacking, the next logical step would be to contract out the 'failing' service.

The British government's thinking on the use of benchmarking was perhaps influenced by its experiences in the piloting of benchmarking in central government departments and agencies. Many government agencies assessed their management processes against benchmarks provided by the European Foundation for Quality Management (EFQM) Excellence Model (Samuels, 1998; Massey, 1999). Use of an excellence 'benchmarking' model is being actively promoted by the Cabinet Office to all organisations in the wider public sector (see Cabinet Office, 1999e, f and g).

The private sector benchmarking literature dates from the late 1980s. Camp (1989, p.12) defined benchmarking as 'the search for industry best practices that lead to superior performance'. During the late 1990s, benchmarking has been proposed as an activity from which the public sector could benefit. More emphasis on benchmarking for 'improvement', rather than to justify existing performance, would demonstrate even greater benefits than are already being achieved which would in turn lead local authorities to use the full spectrum of benchmarking approaches (Bowerman and Ball, 2000).

As for the result of implementation, Bowerman and Ball (2000) indicate that there has been a meaningful conceptual change with the motivation for benchmarking in UK. The local authorities have, in the past, been primarily 'defensive' in that they have sought to demonstrate 'good' performance, rather than to strive to be the best. The majority of all local authorities are at the early stages of benchmarking, so it is perhaps not surprising that they have not yet progressed to benchmarking against out-of-sector partners. While the private sector uses benchmarking voluntarily as a management tool, the local authorities they visited have been motivated to benchmark to satisfy the government's vision of a BV authority.

To solve this problem, Bowerman and Ball (2000) suggest that benchmarking for

'improvement' could be encouraged and supported by an independent third party, for example through an organisation such as an Improvement and Development Agency. Such a body might, for example, provide advice on benchmarking techniques, definitions and conventions, and develop tools and methodologies suited to the sector. It might help to identify leading service providers, not just from within local government but from other parts of the public sector in the UK and internationally, as well as the private and voluntary sectors. It could establish a database or website to communicate developments and good practice, and maintain a contact list for organisations undertaking similar benchmarking reviews. This type of support and encouragement might help to free benchmarking to fulfil its potential as a radical way of challenging and improving current practices. In this way, it could become a tool for delivering improved services rather than for defending current performance.

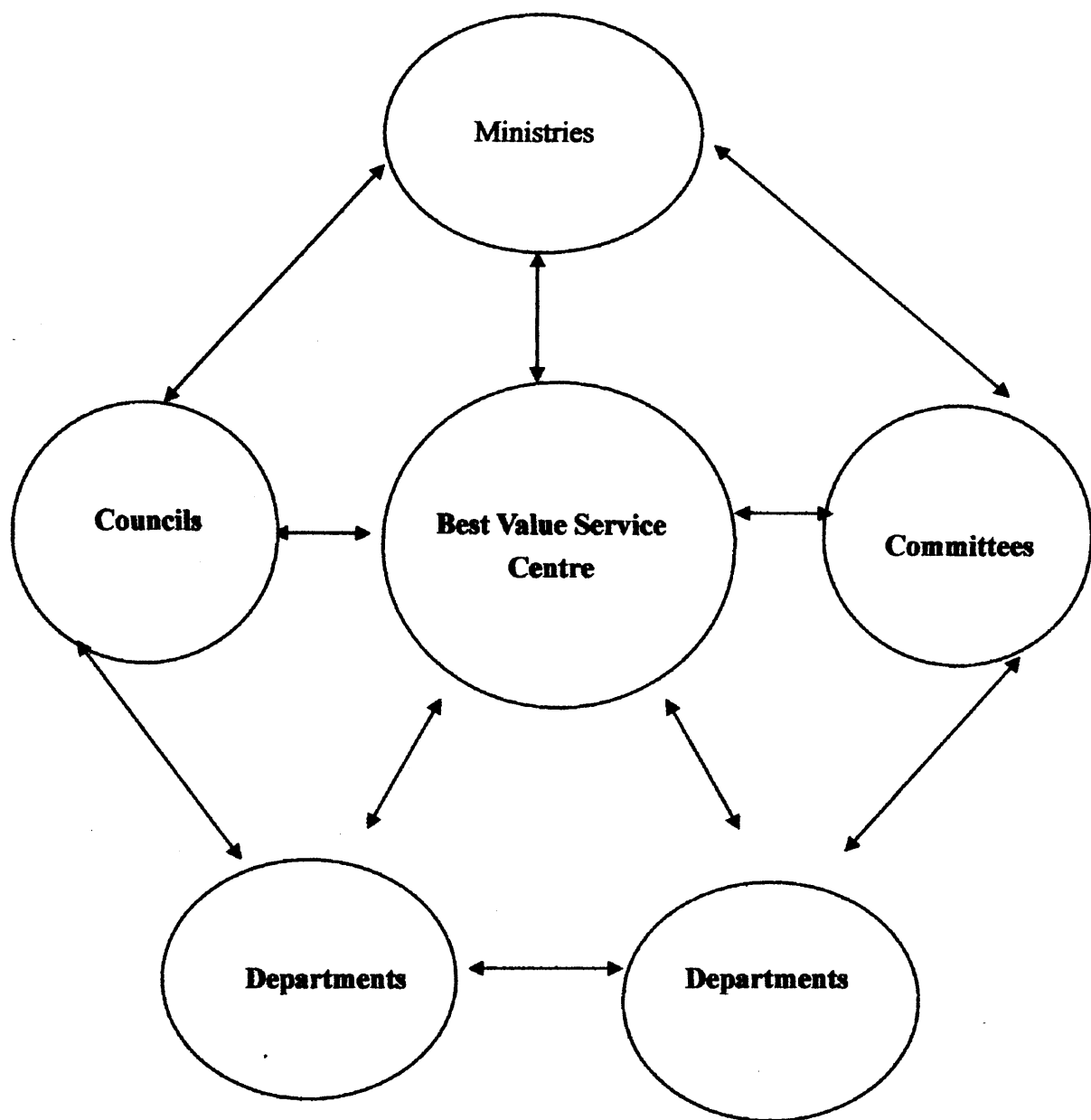
According to the above review, although there are a number of strategies which could be considered for advancing the development of benchmarking, it is still necessary to establish suitable mechanisms to enforce management skills step by step. In Taiwan, formalism particularly could be an unwanted impetus that erodes the effect of implementing such management skills.

In conclusion, the BV model represents an ideology based on a never-ending pursuance of BV, which encourages people to make continuous improvements for raising their performance standards. This model provides an opportunity to challenge, compete, compare and consult in order to obtain economy, efficiency and effectiveness. The setting of performance indicators, consultation and continuous improvement marks the three cornerstones of this model. Through the combination of internal management and external regulations, the model elaborates mechanisms to deliver a higher quality of service, which is expected to help accomplish the policy of the ruling party. It is therefore a useful method for conducting relevant reforms.

As the BV model in the UK was originally designed to gain improvement in local services,

there are at least two aspects that need to be noted when transplanting this model to Taiwan. Firstly, there are cultural differences between the UK and Taiwan which could cause different interpretations of this model. Secondly, the model in the UK is imposed on the local authorities by the central government in order to synchronize the policy implementation, which is different from the hypothesis that the transplantation of BV model in Taiwan is to strengthen civil service reform. Thus, the use of the BV model in Taiwan needs to be carefully examined. To meet the different circumstances, the model should be appropriately modified. For the purpose of combining the civil service system as a responsive and effective entity, this model should emphasise concepts such as partnership and cooperation. The structure of central government has to discard the hierarchy and establish a horizontal BV service centre surrounded by departments. The BV service centre supports departments with the expertise of BV information, consultation, supervision and the provision of performance indicators. Figure 7.3 illustrates the mutual relationships among different units. Actually, the BV service centre is expected to play a role of headquarters for the civil service system. The harmonisation of policy-making and the distribution of common resources could be the major affairs of the headquarters without being basing on the concept of control.

Figure 7.3 Best Value Model for Taiwan's Civil Service (Without Hierarchy)

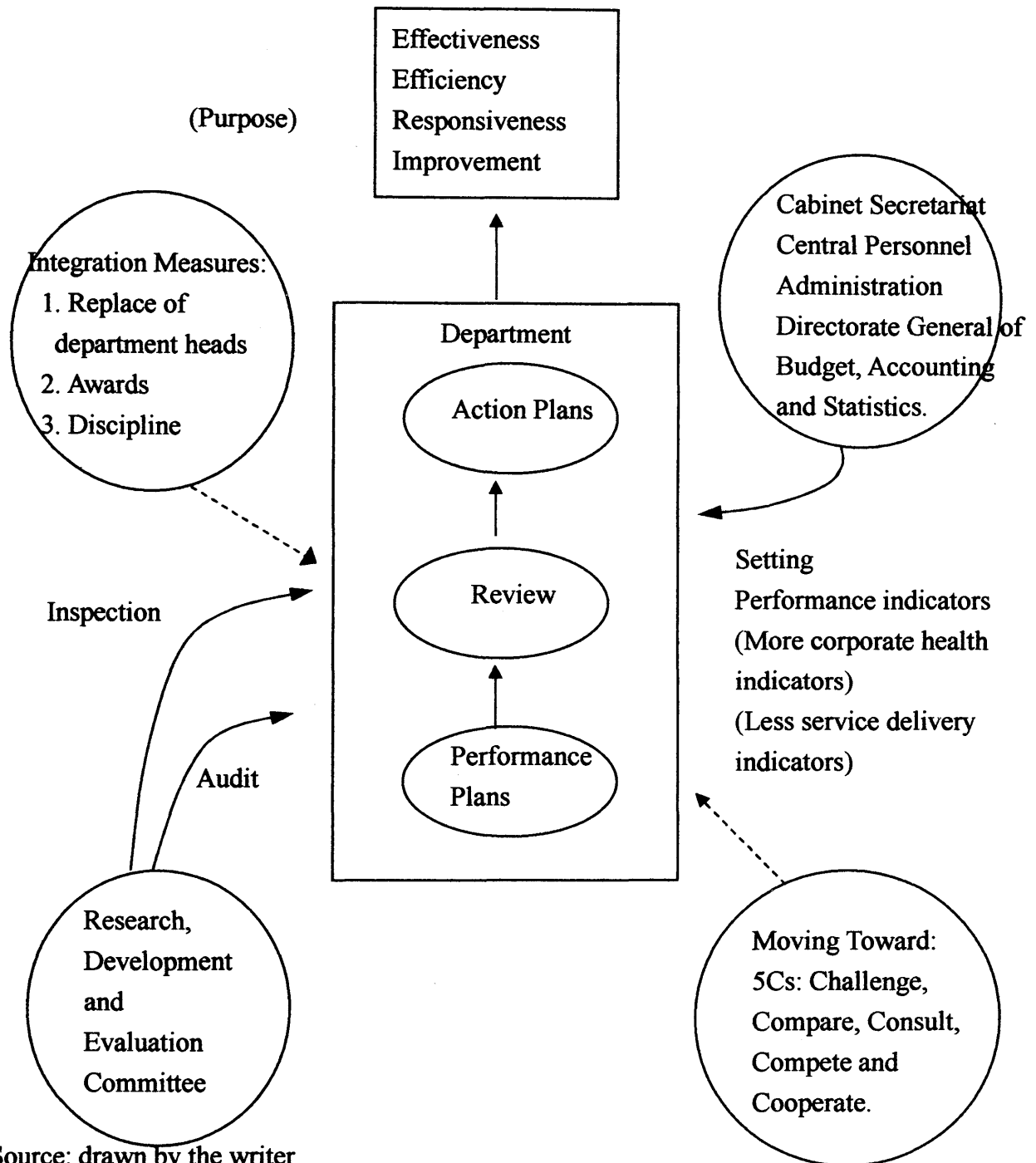


◄→ Showing Interaction with support and consultation

Source: drawn by the writer

From the point of view of individual departments, the BV model is also focused on internal management and external regulation. As mentioned above, the activities coming from the units of the BV service centre should stress partnership and cooperation and be on the basis of providing assistance in order to pursue service quality. The whole picture of this concept can be shown as the following (see Figure 7.4):

Figure 7.4 Best Value Model for Taiwan's Civil Service (from the Aspect of Departments)



Source: drawn by the writer

7.3 The Establishment of a Change Management System

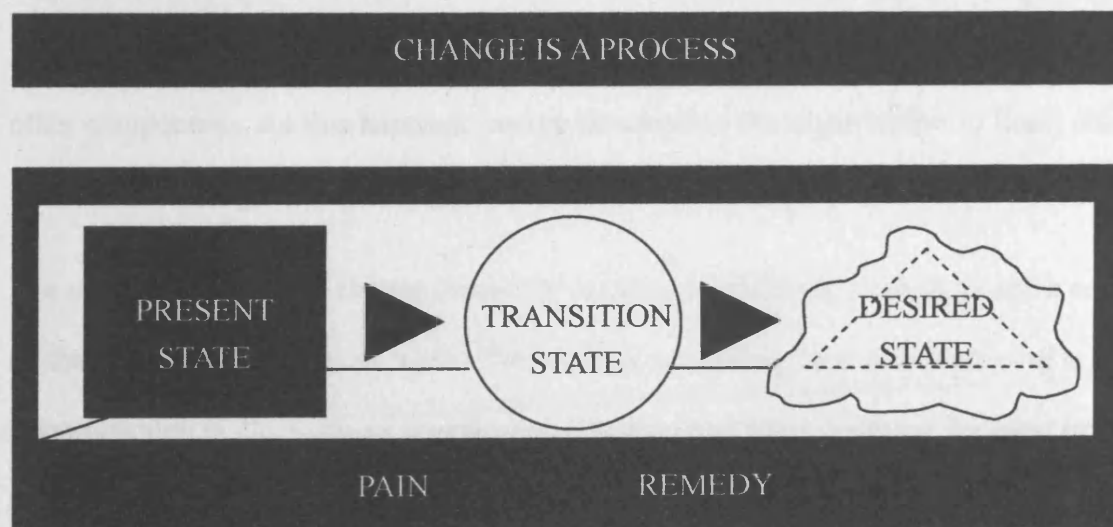
Reform creates change. As mentioned above, the Best Value model pursues continuous improvement and so-called best value, which means that the related changes will be never-ending. Since the world evolves constantly and rapidly, a lot of new problems or

challenges will also frequently emerge. Change has become part of normal life, and there is a need to solve problems and challenges that arise. Particularly, during the process of using the BV model to implement civil service reform in Taiwan, the question of how to deal with 'change' becomes a serious issue that should not be ignored.

7.3.1 The Definition of Change

Change is the act or instance of becoming different, which can also be defined as a process of adjusting the current phase. In 1958, social psychologist Kurt Lewin classified the change process into three phases: the present state, the transition state and the desired state (Conner, 2002, p87). According to Conner's (2002) explanation, the present state is the status quo – an established equilibrium that continues indefinitely until a force disrupts it. The transition state is the phase during which we disengage from the status quo. During this period, we develop new attitudes or behaviours that lead to the desired state. Undoubtedly, for the purpose of gaining benefit from the desired state, we must pass through the uncertain, uncomfortable phase of the transition state. Making major change successful is only possible when the pain of the present state exceeds the cost of the transition state. Figure 7.5 illustrates the content of the change process.

Figure 7.5 Change Process



Source: Conner, 2002, p.98

As pain is an important element for generating change, Conner (2002) indicates further that change-related pain is the level of discomfort that we experience when we can't meet our goals (current pain) or don't expect to meet them (anticipated pain). This discomfort stems from either the unresolved problems or missed opportunities of the present state. Managing pain messages throughout an institution is the first step in developing organisational commitment to change. The goal of pain management is to motivate people to pull away from what they are doing now and prepare for change by developing a strong commitment.

Another important element for generating change is remedy, which contains desirable, accessible actions that would solve the problem or take advantage of the opportunity afforded by the current situation. Apparently, remedy provides the motivation to proceed to the desired state. Working together with pain makes transition from the present state to the desired state successful.

7.3.2 The Effect of Change

The process of creating change is more difficult than it might seem. It is tempting to think of an organisation as a large machine where parts can be replaced at will. On the contrary, the task of changing the behaviour of organisations, groups and individuals has turned out to be a difficult and often frustrating effort. The forces of equilibrium tend to work to cancel out many changes. Changing one component of an organisation may reduce its congruence with other components. As this happens, energy develops in the organisation to limit, encapsulate or revise the change.

In a large organisation, a change frequently leads to a rethinking of strategy and a redefinition of the organisation's task or work. The analysis of strategy and redefinition of a task is an important step in changing an organisation. On the other hand, many of the most troublesome problems of changing organisations occur not in the strategy or task shift, but in the implementation of organisational transition to support the change in the nature of the strategy and the work. Diagnosing the current system to identify the source of problems (or

opportunities for improvement) thus may become an important issue in many changes. Normally, any major organisational change presents three major sorts of effect, which must be dealt with.

1. Individual's resistance to change

Any individual faced with a change in the organisation in which he/she works may be resistant for a variety of reasons. People have a need for a certain degree of stability or security; change presents unknowns, which cause anxiety. In addition, a change that is imposed on an individual reduces his/her sense of autonomy or self-control. Furthermore, people typically develop patterns for coping with or managing the current structure and situation. Change means that they will have to find new ways of managing their own environments – ways that might not be as successful as those currently used. Particularly, those who have power in the current situation may resist change because it threatens that power. They have a vested interest in the status quo. Moreover, individuals may resist change for ideological reasons; they truly believe that the ways things are done currently is better than the proposed change. In another words, change generate individual's resistance easily, particularly when lacking comprehensive communication.

The way individuals express resistance differs according to how they view the change. There could be two sorts of responses to change, which are: (Conner, 2002)

- Positive responses – looking for potential benefits to see if high change is encouraged or if low change is tolerated.
- Negative responses – desiring not to lose something and considering parochial self-interest or calculating personal loss vs. organisational gain, which will result in defensive strategies or sabotage of strategies. Negative responses are partly caused by misunderstanding of change and its implications. If based on low trust, people tend to focus on personal costs and benefits.

the formal arrangements. Change may make some systems irrelevant and/or inappropriate. As a result, during a change it may become easy to lose control of the organisation. As goals, structures and people shift, it becomes difficult to use normal control processes for monitoring performance and making corrections.

A related problem is that the formal organisational arrangements are designed for a stable state. Organisational leaders become fixated on the future state and assume that all that is needed is to design the most effective organisational arrangements for the future. They think of such a change as simply a mechanical or procedural detail. The problems created by the lack of concern for the transition state are compounded by the inherent uniqueness of it. In most situations, the management systems and structures developed to manage a stable or future state are simply not appropriate or adequate for the management of a transition state. They are steady-state management systems, designed to run organisations already in place, rather than transitional management systems. Namely, the implementation of not well-prepared change could jeopardise organisational control.

3. Problem of power struggle

Observing from the dimension of an informal system, we may perceive that any organisation is a political system made up of different individuals, groups and coalitions competing for power. Political behaviour is thus a natural and expected feature of organisations. This occurs in both a stable state and future state. In a transition state, however, these dynamics become even more intense as the old order is dismantled and a new order emerges. This happens because any significant change poses the possibility of upsetting or modifying the balance of power among groups. The uncertainty created by change creates ambiguity, which in turn tends to increase the probability of political activity. Individuals and groups may take action based on their perception of how the change will affect their relevant power position in the organisation. They will try to influence where they will sit in the organisation that emerges from the transition, and will be concerned about how the conflict of transition period will

affect the balance of power in the future state. Finally, individuals and groups may engage in political action because of their ideological position on the change, which may be consistent with their shared values or image of the organisation (Pettigrew, 1973).

Generally speaking, each of the above problems is related primarily to one of the components of the organisation. Individual's resistance relates to the individual component of getting people to change their behaviour. Difficulty of organisational control concerns the design of appropriate organisation arrangements for the transition period. The problem of power struggle relates to the reactions of informal organisation to change. Therefore, if a change is to be effective, all three problems must be addressed without any prerequisites.

7.3.3 Change and Organisational Culture

During the above discussion, some details involve concepts concerning people's behaviour, shared values, organisational arrangements and patterns of informal groups, which are related with the review of organisational culture. The substantial volume of literature on organisational culture contains a variety of definitions. Two definitions, however, appear to come reasonably close to what many people understand by the term:

The customary and traditional ways of thinking and doing things, which are shared to a greater or lesser extent by all members of the organisation and which new members must learn and at least partially accept in order to be accepted into the service of the firm. (Jacques, 1951, p. 251)

The simplest way to think about the culture of any group or social unit is to think of it as the sum total of the collective or shared learning of that unit as it develops its capacity to survive in its external environment and to manage its own internal affairs. Culture is the solutions to external and internal problems that have worked consistently for a group and are, therefore, taught to new members as the correct way to perceive, think about, and feel in relation to those problems. (Schein, 1989, p. 58)

These definitions highlight three leading characteristics of the concept of organisational culture, which also reveal that organisational culture is shared, learned and transmitted. The notion of organisational culture has in fact become an increasingly popular metaphor for seeking to understand organisations, in that 'the organisation is now seen to reside in the ideas, values, norms, rituals and beliefs that sustain organisations as socially constructed realities'. (Morgan, 1986, p. 14)

However, the cultural metaphor can provide only a partial way of analysing and understanding organisations. Morgan (1986) suggests that the notion of culture as an ongoing, pro-active process of reality construction has both strengths and limitations for looking at organisations. In addition, the cultural metaphor may yield important and useful insights concerning organisational leadership, organisation-environment relations and organisational change.

The insights generated by the culture metaphor could send many managers and management theorists scurrying to find ways of managing corporate culture. Most are aware of the symbolic consequences of organisational values, and many organisations could start to explore the pattern of culture and subculture that shapes day-to-day action. On the one hand, this can be seen as a positive development, since it recognises the truly human nature of organisations and the need to build organisation around people rather than techniques. But there are two potentially negative consequences of such an approach: (1) the attempt to manage corporate culture in a manipulative way that makes it a tool of ideological (management) control and (2) the mistaken belief on the part of management that culture is a mechanistic phenomenon which can be easily managed, controlled or changed by senior management.

Organisational culture has been described as the 'glue' which holds the organisation together (Schein 1983, 1985). When discussing effective approaches to radical or strategic change, culture always plays a key role. The core argument proposes that longer term change in an

organisational system will not be effected or sustained, unless the underlying values and belief systems of the members shift. This may be particularly true if the foundational logic of the system is changing, as when a public sector organisation shifts to a market-based and more commercial mode of operation.

But indeed, culture is an ambiguous and loose concept, which is difficult to define. Undoubtedly, if one defines organisations as patterns of meaning, values, and behaviour (Morgan et al. 1983) then organisations are cultures. Pettigrew (1990) questions the utility of the term and the concept, and in particular questions the effect which management action can have on culture. Even in the relatively more simple and concrete definitions of culture, such as those of Schein (1985) and Smircich (1983), different levels of visibility and analysis are acknowledged. But all of these are underpinned by the values held by organisational members. Mayerson and Martin (1987) distinguish three different views of culture which help to expose ambiguities and contradictions. They identify three paradigms: culture as an integrative mechanism; culture as characterized by diversity and differentiation; and finally, culture as ambiguity. Emerging from these debates, it is interesting to note that the second paradigm, culture as diversity, embraces and recognises the existence of subcultures in many organisations.

As organisational culture virtually conducts the development of organisations, it is important to maintain a state of equilibrium if we plan to make a perfect change. If an organisation's cultural environment is not managed well, people will feel that changes are coming at a greater volume, momentum and complexity than they can adequately assimilate. These feelings hinder the process of absorbing change for many organisations. In short, a key element to enhancing resilience and minimizing the chance of dysfunctional behaviour is to actively manage the organisation's culture.

Definitely, lack of cultural management would be catastrophic for organisations. The combined effect of a quantum leap in business changes and the inability of management to

understand and orchestrate the cultural infrastructure to support these changes have generated problems of crisis proportions in many organisations.

Organisation's cultural traits must be consistent with what is necessary for driving new decisions, or those decisions may not be successfully implemented. But the overlap between the existing beliefs, behaviours and assumptions, and those required for changes to succeed, may be very great.

If an organisation's current culture and the change we want to make in the organisation have little in common, the chances of successfully achieving that change are slim. The odds of implementing the proposed change grow as the similarity grows between the existing culture and the beliefs, behaviours and assumptions required by the new initiative.

Whenever a discrepancy exists between the current culture and the objectives of our change, the culture always wins (Conner, 2002). The effective management of our corporate culture is an essential contributor to the implementation success. It cannot be left to chance. Because it is durable and resistant to major change, corporate culture requires the investment of a great deal of time and resources before it can be modified. Figure 7.8 illustrates the relationship between change and organisational culture.

3. Prepare for the change to fail.

Normally positive organisations view their cultures as key resources crucial to the success of major change. It could be realised that culture is an aspect of business operations and that culture can be guided and orchestrated in the same way as we manage other strategic assets effectively. Indeed, there is profound relationship existing between change and organisational culture. We should tackle the issues of organisational culture thoroughly, if such change as civil service reform is expected to be accomplished.

7.3.4 Adapting and Overcoming Change

If we prepare ourselves for adapting and overcoming change, some questions could be raised such as “What will happen?” “When?” and “How will it affect us?” Answering these questions will decrease ambiguity, reduces anxiety and restores a measure of control, although the pain of the transition will still exist. With change being so critical to organisational success, high levels of positive reaction are necessary at all three levels. The question of how to accommodate change and travel successfully through change should attract more attention.

Conner (2002) points out that change management is perception management. Superficial patronising responses are never a substitute for letting civil servants know of the understanding and care about their concerns at their levels. To gain commitment to move from the present state to the desired state, public organisations must be willing to honour (with action) civil servants perceptions for the reality of change.

When involved in major organisational change, for the purpose of dealing with resistance well, ways of enhancing resilience could be: (Conner, 2002)

- Understanding the basic mechanisms of human resistance.
- Viewing resistance as a natural and inevitable reaction to the disruption of expectations.
- Interpreting resistance as a deficiency of either ability or willingness.

- Encouraging and participating in overt expressions of resistance.
- Understanding that resistance to positive change is just as common as resistance to negatively-perceived change, and that both reactions follow their own respective sequence of events which can be anticipated and managed.

From the dimension of change process, if we want to adapt and overcome change well, the process itself should be made transparent, although the discomfort of ambiguity is normally seen as a natural reaction to transition. During the change process, there will be a need to address the fact that the status quo is far more expensive than the cost of transition in order to increase the persuasion of implementation. Since the payment for change is unavoidable, the better approach to change is to find out feasible remedies for dealing with the related issues.

It is also important to consciously accelerate our speed of absorbing change and that of others by learning to use the elements within the structure of change to our advantage. In fact, learning to apply the implications from organizational change has become a key component of leadership. To lead a successful change, some factors need to be anticipated beforehand such as how and when the related people will react to the change, how they will express their resistance, how the needed commitment can be attained and how the internal and external culture will affect the change.

In short, according to the above review, we can conclude that there could be some reasonable measures for accomplishing an effective change. These are:

- Raising awareness to change through diagnosis of the problems.
- Developing a shared vision of competitiveness.
- Fostering consensus for the new vision, enabling its achievement.
- Spreading enthusiasm from the top, through all levels.
- Creating and adjusting strategies throughout the process.

7.3.5 The Strategy for Dealing with Change in the Taiwanese Civil Service Reform

According to the above, we can interpret change as a continuum and it may be iterative. The context of change is as critical as the process. Change itself should be well-prepared for. We need to manage for change well in advance of managing change. In addition, change needs to be balanced with stability as well.

As civil service reform represents a never-ending change, it is worth contemplating setting up related mechanisms for ensuring that the reform goes smoothly and constantly. In the UK example, we have seen the strategy concerning change management emphasised with a high level of attention. Bennington (2000) suggests that during the process of civil service reform, the UK government recognizes that it will take time to put things right and therefore sees modernisation as a long-term project. Key elements of the UK government's modernisation agenda include vision (developing the big picture), outcomes (setting goals), delivery (implementing improvement), performing (monitoring achievement) and follow-up (rewarding success and acting on failure). All of these form a wide range of tools for achieving an agenda according to the need for change. Bennington (2000) also points out that, even in the private sector, it is increasingly recognised that more sophisticated theories and strategies of change are necessary if organisations are to achieve and sustain the kinds of transformational change necessary for effectiveness in a complex, and changeable, environment.

In addition, Housden (2000) indicates that in organisational terms, yesterday's asset can be tomorrow's handicap. Organisational development strategies must therefore engage with three dimensions of analysis as the following:

- The mission or purpose of the organisation.
- The particular circumstances of the organisation in time, space and socio-economic relations - what the old Marxists used to call 'the conjuncture'.

- The existing capacity of the organisation to deliver its mission in this context.

This sort of organisational development is thus also a way of dealing with change. When we manage to establish change in a system, how to match organisational development is an important approach representing the accessible direction of change.

Furthermore, according to Conner (2002), managing the structure of change for a specific project is normally accomplished by:

- Determining the level of baseline resilience that exists among key people involved in the change.
- Identifying the support pattern that will provide the greatest leverage for the desired outcome.
- Recognising the principles from the support pattern that can be most useful in reinforcing baseline resilience.
- Applying the correct resilience principles with the appropriate resilience characteristics to bolster the basic strength of an individual's or group's overall resilience pattern.

Therefore, for the purpose of effectively implementing Taiwanese civil service reform, there will be some methods we can follow as a means of dealing with change:

1. Developing a vision for change

An organisation's sense of what needs to change comes out of the process of organisational diagnosis and creative thinking. One vision might imply a different strategy in terms of services or circumstances. It might also imply a change in structure and culture – including the way people are managed and led. Furthermore, a vision must drive the related organisation forward, and inspire and yield sustainable advantage. Namely, the development of vision could play a leading role for change management.

2. Establishing change units to tackle change problems

Currently, the Taiwanese civil service reform depends upon the personnel system to permeate reform messages from top to bottom or to collect responses from bottom to top. Since civil service reform involves a huge range of change events, there should be a new unit located in the core area of the central government to tackle the related problems. Even in managerial departments, the need of establishing a change unit exists due to their big organisational scale. This professional change unit could be expected to provide full information about change in order to form a consensus for the entire civil service system.

3. Setting up a psychological consultation system

As mentioned above, we have to maintain the balance between organisational culture and change when implementing civil service reform. Particularly, it is extremely important to modify organisational culture to harmonise our change. Indeed, during the process of the modification of organisational culture, there will be a huge impact on civil servant's behaviour. That is the reason for setting up a psychological consultation system. Actually, this consultation system doesn't only play a role in assisting civil servants with overcoming change, but also helps discover beneficial and practical viewpoints from the frontline staff for modifying future change.

7.4 Strengthening the Strategy Concept

As analysed above, Taiwanese civil service reform has accomplished some progress while some defects have also emerged as well. Most importantly, according to lessons learnt from the critical evaluation within the previous chapter, the civil service has to clarify and find a better way to reshape its reform objectives and goals. Namely, it has the obligation to give its citizens the whole picture concerning where, how and when to go. And then it can develop strategy skills to combine all related factors to formulate an entire strategic plan to be constantly implemented in order to gain best value for its future. To accomplish this end, how to develop the strategy concept could be an important lesson. In the next section, I will discuss the related matters further.

1. The definition and content of strategy

The concept of strategy has gained the attention of both the private and public sectors, and is quite a new event compared with other management theories. As a relatively new concept, 'strategy' has a key role to play in the way in which people think about themselves and their organisations. Normally, strategies help organisations think through what they want to achieve and how they will achieve it.

There are different dimensions to the definition of strategy. For instance, Knights and Morgan (1991) mention the definition of strategy at least twice, which is that "strategy" is "a set of 'rational' techniques for managing complex businesses in a changing environment" (p.251) and that "Strategy is also a technology of power that creates as much as it responds to the problems it professes to resolve" (p.260). But from the aspect of dealing with civil service reform matters, at least, the concept of strategy can roughly be interpreted as an overall process of deciding where we want to get to and how we are going to get there for the organisation we serve.

The design of successful strategies is rarely achieved by ordinary thinking, but rather results from the thoroughly systematic collection, analysis and evaluation of facts, circumstances, trends and opinions. All strategies need to be adaptable, with quick feedback and effective information flows to respond to new information, and take account of changing circumstances or unexpected events.

Advanced interpretation of strategy definitions reveals that the successful design of strategy relies on certain factors, including institutionalized strategic planning and strategic thinking in existing organisations. When strategic planning has become an organisational norm, it deeply embeds within the organisation's decision-making process, and participants learn to think strategically, which becomes part of their regular daily activities (Lerner, 1999). Particularly, strategic thinking touches on an array of options through a process of opening up institutional thinking to a range of alternatives and decisions that identify the best fit for the organisation,

its resources and the environment (Rowley et al., 1997). Indeed, successfully putting strategies into practice and acting strategically ensures that we are focusing on the things that really matter and are able to handle our resources effectively.

Furthermore, periodic evaluation of strategies is also essential to assessing the success of the strategic planning process. It is important to measure performance often and periodically, to evaluate the effect of specific actions on long-term results and on the organisation's vision and mission, making sure strategic thinking is based on suitability, feasibility and acceptability.

2. Why civil service reform needs a strategy concept

Tracing the original reasons of civil service reform, we can see that the adoption of a strategy concept will be helpful for the implementation of civil service reform. As discussed in the previous chapters, we have concluded the opinions of Wright (1994) and Pollitt and Summa (1997) with that some factors such as economic pressures, the rapid development of information technology and the emergence of management fashion – the New Public Management have fuelled the civil service reform. We also mention that Rhodes (2000e) concludes the British civil service reform has taken many forms over the past two decades, which includes privatisation, marketisation, corporate management, regulation, decentralisation and political control. And that Jackson (2001) talks about the future mainstream of management thinking – a “third way” - which is a mixed economy of the best features of market and bureaucratic designs. Synthesising the above discussion, it is not difficult to find that civil service reform is deeply affected by the spirit of the private sector, and seeks solutions for economic pressures and public accountability.

Dealing with such a complex public sector issue, the effective way needs to be paved onto the strengthening of strategy concept. As the strategy concept can be interpreted as an overall process of deciding where we want to get to and how we are going to get there for the organisation we serve, the civil service system can employ it to complete the reform picture as a whole and reach its goal. Knights and Morgan (1991, p. 251) indicate the importance of

adopting strategy by saying that “every organisation must have a strategy, because otherwise it is without direction in an increasingly turbulent economic and politically charged environment”, which can be identified as evidence for the need of strategy for civil service reform. Llewellyn and Tappin (2003) explain that the emergence of strategy can help the public sector deal with resource matters and increase organisational political control over the professionals, which also provides the feasibility of adopting strategy concept as an effective reforming method for the civil service system.

Thus, for the purpose of properly devising the scope and depth of, and making practical progress toward, civil service reform, it would be no doubt that Taiwan needs to develop strategy skills in looking into the reform’s core values, concepts, procedures, attitudes, local factors and all other aspects simultaneously, in order to alleviate and solve problems comprehensively.

3. Some issues concerning the strengthening of the strategy concept

Within the previous parts, the definition and need of a strategy concept have been identified. The following aims to clarify certain issues related to the strengthening of the strategy concept, which is also vital for putting this concept into practice; otherwise, it would become a mere political slogan. As organisations are complicated systems with regard to the staff’s thinking and behaviour, organisational policy and influential factors, the discussion of the following issues is based on observation from the angle of system.

(1). The gap between concept and implementation

Strategy in the civil service system tends to be more complex than strategy in other fields. It generally involves multiple goals rather than one single bottom line and it is implemented through a wide range of policy instruments, including laws, taxes and services. Far from being a neat linear process, it is shaped by unexpected events and political pressures. When strengthening the strategy concept, strategic documents may be produced to fulfil policy

requirements, in reality they might have not completely been put into practice. This gap between concept and implementation could be generated by certain factors such as the professional persistence of staff, the inherent passivism of public service and formalism. Further, in the modern world, specific pressures coming from political parties, the mass media, benefit groups and pressure groups can also cause inconsistency in the implementation of strategy. Reducing the gap therefore relies on the change of organisational culture. After all, the establishment of a strategic planning process and strategic thinking need enough time to gradually mature.

(2). The relationship between policy and strategy

Although differences exist between policy and strategy, taking the public sector as a whole, policy and strategy are closely related. Normally, politics is interpreted throughout the whole government as the business of deciding what to do and getting it done; policy is decision as to what to do and strategy is getting it done. While the terms strategy and policy are used in many different ways, they operate closely and sometimes interchangeably.

Particularly, when implementing civil service reform, the strategy concept needs to be promoted within each subordinate organisation to help maintain control over their reform measures, and effective strategies also need to be devised to implement reform within the entire civil service system, which is closely connected to policies. Policy provides the means of moving in that direction and often a number of policies need to work together to deliver particular strategic outcomes. Policy design work is sometimes concerned with identifying how to achieve strategic objectives, selecting the most suitable policy instruments for doing this and detailing how these instruments will work in practice.

The relationship between strategy and policy should be highly interactive. Strategies should be developed together with a realistic idea of how they might be realised, and policies should exist within a strategic framework that explains how they contribute to desired outcomes, which will be helpful for the implementation of civil service reform.

(3). The influence of external and internal factors during the formation of strategy

When processing strategy, possible influences arise from external or internal factors, which should all be thoroughly examined in order to maintain the proper formation of strategy. Recent developments of civil service reform reveal an increase in external contact for public organisations. Particularly, the introduction of New Public Management and the third way has caused huge structural change among organisations and increased influence from private sector. Further, the shortage of resources has necessitated that public organisations enforce their outward relationships in order to obtain more support. As these supporters probably wish to influence strategy, the consequence could be the loss of mission orientation. For the purpose of dealing with the possible external intervention on the organisation, it is appropriate to find means based on cooperation in order to meet and balance the different demands.

Internal influence on strategy mainly comes from competition among the different formal or informal groupings in the organisations. Normally, an organisation is a mutually interactive system, composed of members from different backgrounds such as accountants, marketing people, information technology experts, human resource professionals, management consultants and general managing directors. Within any particular organisation, these various groupings and professions, combined with a proliferation of external consultants, create a veritable plethora of experts on strategy. Each group in turn seeks to draw a lesson on strategy formation to aid its own particular role from outside pressures. Thus, conflicts can be widely produced. Furthermore, organisations in the public sector can face severe pressure, particularly when their organisational scales become bigger. Another element that also needs to be carefully evaluated is the informal structure traditionally found within the organisation. When the leading group perceives a risk of losing its leading role during the process of strategy formation, power struggles normally emerge and result in the instability of the organisation. Such a consequence could severely erode the efficiency and effectiveness of the civil service and cause the delay of reform. Since internal competition amongst different

groupings is unavoidable, a strategy for harmonization should already be in place. Balance, sufficient communication and measuring through mission-orientation are possible methods for such harmonization.

4. The use of strategy concept in Taiwanese civil service reform

During the process of civil service reform, Taiwan's responsible agencies have tried to adopt a so-called "strategy" to deal with related matters. In practice, when reviewing and analysing the reform results from different aspects, it can be seen that there is no connection among the different events of the reform and each agency even adopts different measures to handle the reform events according to its own different interpretation of the reform. The whole picture is not harmonised, which results in stumbling steps towards reform. To solve this problem, the strengthening of the strategy concept should play an important role in providing necessary assistance. As described previously, Taiwan is very keen to gain the lessons of the private sector for its civil service system that could cause the need to deal with a great number of matters concerning partnership between different sectors. The future approach to solving organisational issues first of all needs a strategy that puts more emphasis on the interaction between the public and private sectors. Secondly, as it is an unavoidable tendency to make the Taiwanese civil service system more accountable, Taiwan needs to use the strategy concept to achieve more transparency through consultation. Thirdly, according to the evaluation in chapter 6, the Taiwanese civil service reform has been firmly affected by political factors, which also reveals the need to clarify the relationship between policy and strategy, but without ignoring the close link between the two. As for the pragmatic method of strengthening the strategy concept, there should be a lot of training programmes and imposing clearly the combined duty of strategy management on a certain unit such as one of the above-mentioned "change system".

7.5 The Pursuit of Political Impartiality

Mankind is a political animal. Within all the activities of mankind, we can see political factors

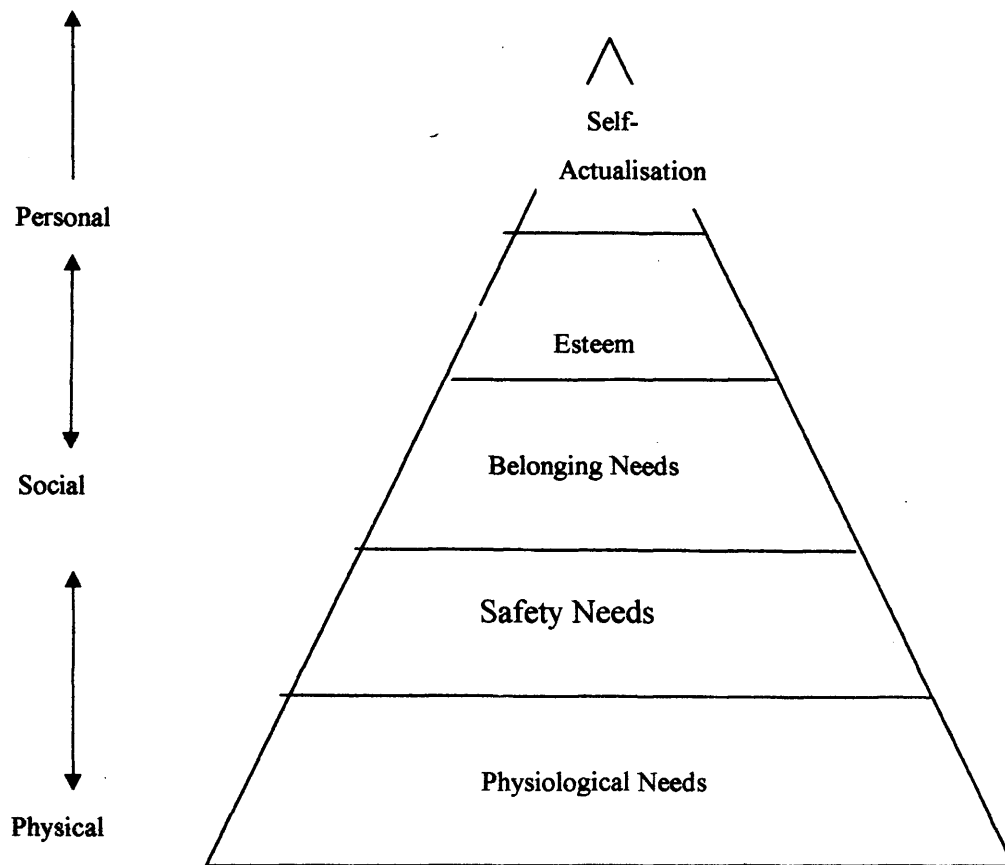
playing an important and influential role in human life. Although political structures vary in accordance with their particular surroundings, they are always the most fundamental and necessary systems for mankind. The political factor penetrates everywhere within human society. As a system of human society, the civil service can, without any doubt, be hugely affected by political ethos.

The purpose of civil service reform is normally designed to pursue better quality service delivery. What sort of attitudes should the civil service adopt while it faces the effect of political factors? What sort of phases should the above attitudes be led through when implementing civil service reform? The answers to these questions require building up related core values for the civil service and clarifying the boundaries between political parties and the civil service. For the benefit of creating a stable and efficient civil service, this is worth discussing further.

7.5.1 The Origins of Political Effect

An eminent psychologist, Abraham Maslow, was fascinated by the question of what motivates people. His observation led him to conclude that, as a species, human beings constantly strive to fulfil a variety of needs. Basic needs, such as food, warmth and shelter come first (physical needs), followed by more complex emotional needs in the middle level (social needs). Finally, there are more abstract needs, such as ‘self-actualisation’ (personal needs): (see Figure 7.9)

Figure 7.9 Human Needs



Source: Based on Maslow's theory – Hierarchy of Needs

(See <http://www.ship.edu/~cgboeree/maslow.html>)

No sooner are the desires at one level met, people turn their attention to those at the next level. It therefore follows that our priorities change along with developments in the standard of living. However, not all individuals ultimately reach the top of the pyramid, hence the form chosen: the higher the level, the fewer people will attain it. (Have et al. 2003, p. 135)

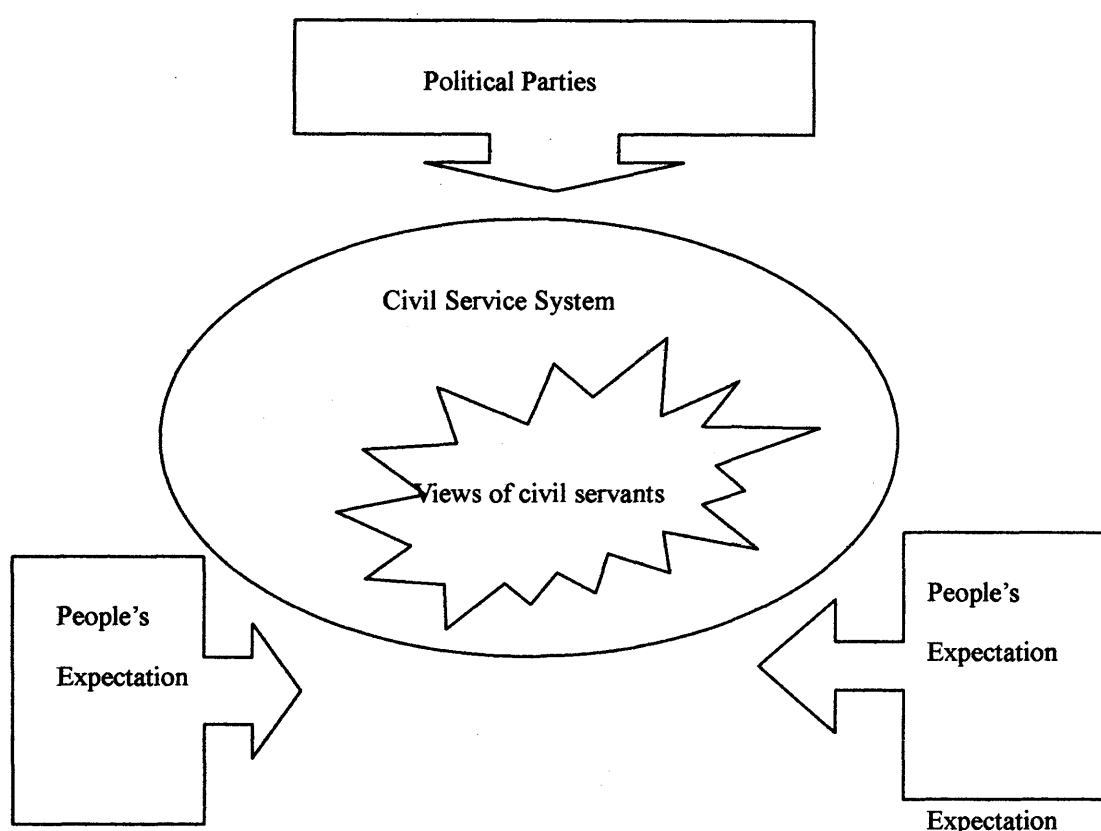
Generally speaking, people adopt political tendencies according to their needs. The people who are at the level of personal needs are supposed to have extremely positive roles to play in politics. Those who are at the level of social needs are very keen to be actively involved in politics. Even people who are at the level of physical needs will have their say when they perceive threats affecting their basic demands.

As a system of providing services to the public, the civil service is surrounded by a variety of

needs. Political effect undoubtedly penetrates all the parts of this system. It makes sense that the origins of political effect come from three main factors as the following: (see Figure 7.10)

- ◆ Political parties.
- ◆ People's expectations.
- ◆ The civil service itself – namely the value judgements of civil servants.

Figure 7.10 Factors on Political Effect



Source: drawn by the writer

Normally, political parties are the direct users of the civil service system. Through elections, a political party can become a ruling party with the power to handle the civil service system. Political manifestos are put into the system in order to generate a variety of policies being transferred to the public. Accompanying the direct steering is the potential to jeopardize civil servants' political tendencies, which is why many arguments related to the politicisation of the

civil service exist.

People's expectation includes opinions coming from the mass media, theorists in universities and taxpayers who have their special needs. Thus, this dimension combines service users' expectation and researchers' ideals. Their views are expressed normally through votes or complaints systems. When implementing civil service reform, they are the key decision makers in deciding which path the civil service system should take in dealing with the political effect.

As for the civil service system itself, civil servants cannot easily prevent the effects of political factors, because they are composed of different types of people with different values and thinking. Civil servants are human beings also, coming from different backgrounds and with different demands. The quality of performance and service delivery are manifested through their own inner value judgement systems. For the benefit of society as a whole, it is extremely important to clarify their roles properly when they are tackling political problems.

Since political factors can affect the civil service system so deeply and widely, what is the right way for civil servants to handle political effects? Particularly, how should we pursue this goal when implementing civil service reform?

7.5.2 Political Impartiality – the Doctrine of UK Civil Service Reform

Sir Richard Wilson, who was head of the home civil service in the UK until September 2002, defined the character of the UK civil service as having the following five elements: "Integrity, political impartiality, merit, the ability to work for successive governments and public service."

In his speech shortly before his retirement, Sir Richard Wilson praised the character of political impartiality as:

'There is real benefit in having a non-partisan Civil Service. This is not because politics is a dirty business. I have worked for a great many politicians for 35 years and I know

them to be decent, honourable people as a breed.

It is however fundamental to the working of our constitution that the governments should use the resources entrusted to them, including the Civil Service, for the benefit of the country as a whole and not for the benefit of their political party; and that opposition parties should feel confident that this position is being respected. The non-political character of our Civil Service underpins that convention. Very few countries have such a Civil Service. It is an asset which politicians of all parties value.’ (Wilson, 2003, p. 366)

Actually, the above-mentioned elements have strong links with the ideal of political impartiality as well. Particularly, the element of the ability to work for successive governments is almost part of the quality of political impartiality. Sir Wilson described this element as the following:

‘The permanence of a non-political service carries with it a commitment to certain standards of conduct and discretion, which ensure that it can provide loyal service to whatever government is in power, responding flexibly to new political priorities. It also ensures that there is in every government department a body of knowledge and experience – a corporate memory – which is at the disposal of every government, however inexperienced. This is to the public good, too, all the more so given that much of our constitution is unwritten.’ (Wilson, 2003, p. 366-7)

During the past two decades, Sir Richard Wilson has conducted numerous policies concerning civil service reform. His conclusion somewhat identifies that the UK civil service selects political impartiality as its doctrine for civil service reform when dealing with the political effect on the service itself. To this end, he claimed to create an Act to regulate the device of ‘Special Advisers’ and to clarify the boundaries between political parties and the service. Especially, on the topic of ‘Special Advisers’, he noted:

‘Let me be clear. Special advisers have long been part of our political system, and as an

institution they are here to stay. In my view we should take a positive approach to their role, bring them in from the shadows, put them on a proper footing, as clearly as we can, and recognise that they have a legitimate contribution to make to the working of government as it is evolving.' (Wilson, 2003, p. 373)

It seems that the UK civil service is very keen to establish a mechanism to tackle the problem of politicisation via the concept of political impartiality.

7.5.3 The Pursuit of Political Impartiality in Taiwanese Civil Service Reform

In general, referring to the UK experience, the pursuit of political impartiality will be helpful for Taiwanese civil service reform because it brings the following advantages:

1. Promoting the stability and constant development of the nation.

As the effect of political factor exists everywhere, advocating the concept of political impartiality is important for neutralising the provision of services by the civil service. For this, a non-partisan civil service system is therefore expected to work for successive governments. As such, panic and confusion caused by frequent reorganisation of the national ruling instrument can be averted and emphasis placed on the stability and development of the nation.

2. Maintaining the equilibrium between democracy and effectiveness.

Democracy has become a universal value. Election activities exist everywhere in democratic nations. But service quality cannot be decided by counting votes. As a provider of civil services, the civil service system has to avoid getting involved in election campaigns and make itself more competitive through the pursuit of effectiveness. Nevertheless, political impartiality does not mean that this system can refuse the ruling party's manifesto, which probably contains some sort of political priority.

3. Enhancing professionalism in the civil service system.

Normally, the implementation of political impartiality means providing a pure environment

for the civil service system. Without political effects, it can focus on the pursuit of Best Value through continuous improvement in management skills and the establishment of a flexible organisation in order to make itself more responsive, competitive and highly service-quality oriented.

The Taiwanese government is not blind to the importance of pursuing political impartiality either. In 1991, the Civil Service Department of Examination Yuan triggered a series of research concerning the advocacy of this concept. Subsequently, the government introduced a draft of the Civil Service Administrative Neutrality Act for approval from the Legislative Yuan, in 1994, which was designed to match the implementation of Lien's civil service reform. Unfortunately, as political parties were busy engaging in ideological struggle, this draft has been put aside until now. Although the Taiwanese government introduced the odd administrative regulation to stress the idea of political impartiality in the past, in reality there has been no further development based on this value. Political parties apparently put more emphasis on power struggle. Every ruling political party always claims the real need for political impartiality. But in practice, it even goes so far as to deliberately deteriorate this value as a ploy to gain political power.

The following are examples concerning the deterioration of political impartiality. Firstly, politicians abuse their power to rapidly promote higher-ranking civil servants who are members of the ruling party. According to the Taiwanese Civil Service Promotion Act, the minister of a department or head of an agency has the power to give points to candidates when making promotions. The minister even has the power to directly promote a civil servant to becoming the first level director in the department or the agency without any further procedures, which is originally a device to let the minister or the head gain the flexibility of personnel appointments based on the special demand for business. Thus, such promotions in the name of considering special business demands are legal, even though they may not be appropriate. Secondly, when a political argument emerges, legislators tend to force civil

servants to reveal their political position with regard to the argument as a means to attack their political rivals. Under such pressure, civil servants must worry about their future in the civil service system. How can we expect that they carry out business from the position of political neutrality? This feature certainly erodes political impartiality. Thirdly, civil servants sometimes hesitate to implement laws as the interpretation of laws may differ when the ruling party changes its policy, which is ridiculous because 'administration according to laws' is the norm in the democratic world. This phenomenon reveals the lack of encouragement to assist with political pressure and that the political effect has been maximised in society.

According to the above observation, it is again proved that the pursuit of political impartiality needs to be initiated within society as a whole, with the support of political parties, the civil service system itself and the general public. Most importantly, the organisational culture of the civil service system should be consistent with the concept of political impartiality, which is expected to eventually win esteem from political parties and civilians. On the other hand, the political environment in which the civil service operates is changing. It now includes much more news coverage around the clock, more competitiveness, more aggression, more questioning and less respect for authority. Civil servants often work closely with politicians in an intensely partisan political environment. This easily generates the argument that the civil service has become politicised. In practice, there is still no direct and clear evidence that ministers want the permanent civil servants who work for them to share their political views. What ministers should be interested in is having competent people, the best people to do the job, working for them. The eternal challenge for the civil service is to win the trust of the government of the day in its ability to serve them well. It requires a constant supply of able and rising stars in every field, and the insistence of political impartiality should deserve praise as well.

To seek political impartiality is indeed the right goal for Taiwanese civil service reform. Limited by the lack of knowledge regarding the swiftly changing political environment, can

we overcome the barriers to reach this goal?

7.6 Conclusion

As discussed above, Taiwanese civil service reform lacks an entire framework for systematic implementation. Particularly, when meeting the enormous change caused by the reform, there is no effective management to establish an appropriate organisational culture in order to maintain the impetus of progress. In addition, the concept of political impartiality does not function well and has not been rooted in the core of the civil service system. In fact, the legislation concerning civil service reform should not be interpreted as politicalisation. However in Taiwan, measures for civil service reform are always tangled with politics. Accordingly, the positive results of reform could be sacrificed for the political power struggle among political parties. In other words, the incompleteness of civil service reform may have been directly or indirectly affected by the development of Taiwanese politics and economics in recent years. At the moment, if we need to pave a future approach for Taiwanese civil service reform, it would be useful to transplant the Best Value model as a framework for thorough and systematic reform. As civil service reform is never-ending work, the pursuit of best value in order to gain continuous improvements should be well managed. Furthermore, since change is becoming a normal phenomenon, there is a need to establish a change management system, and strengthen the strategy concept, to constantly deal with related problems and create a suitable organisational culture as the basis of the reform. As for the stress of political impartiality, there should also be a way to generate consensus which would give the civil service system sufficient space for development. The Taiwanese civil service system should therefore take note of this approach for its reform.

Chapter 8 Conclusion

The main purpose of this research was designed to examine the strategy and value of Taiwanese civil service reform, with reference to the UK experience, to seek a better and more feasible future approach to such reform for Taiwan. As the civil service covers a huge area of government affairs, it is difficult to look at everything for the system. Thus, this research has only focused on the Taiwanese civil service as a whole, and does not include a detailed analysis of the affairs of particular departments. From the longitudinal dimension, the observation period began from 1993, when the reform was first introduced, up to 2003. It was an enormous challenge to find the correct way to figure out the appropriate context of this research. Particularly, during the above-mentioned period, there were changes to the ruling parties in both the UK and Taiwan, which underlines the changeable nature of this research, and yet also enriches the study by offering an opportunity to see how these changes have affected civil service reform on both sides. Those political changes produced unpredictable effects on the direction and development of civil service reform.

There were certain questions which needed to be answered for such a pioneering study. Those questions were: What is the reality of the UK experience? Can the difference provide further lessons? What stage has Taiwanese civil service reform reached? Are there any problems in the Taiwanese civil service? What strategy should be developed for this reform? Does the Taiwanese civil service have a bright future? As described in chapter 1, for the purpose of obtaining answers, this research has tried to analyse Taiwanese civil service reform from various aspects of function, which demands multiple methods in order to be able to critically judge whether it is value-added and in order to unveil the facts, impact and key links. Valuable reform concepts should be thoroughly evaluated and transferred into concrete and recommendable suggestions for any future approach. In this chapter, I summarised the contents and findings of all the chapters included in the thesis and presented an overall conclusion.

In chapter 2, I figured out the correct approach to this study. Researchers have long debated the relative value of qualitative and quantitative inquiry. Any study of civil service reform needs to be based on flexibility and agility. Particularly, the value judgment for policies and strategies within a political environment depend upon observation and getting involved directly inside related activities. As this research has looked into the phenomena concerning Taiwanese and British civil service reform activities as a whole, the research targets were huge and it was not possible to experiment by controlling all the related conditions. In particular, political changes were comprised of unpredictable effects on the direction of civil service reform and demanded further observation. The appropriate way of implementing this research therefore was mainly designed to follow a qualitative methodology. In addition, owing to the fact that this research has focused on examining the strategy for, and possible valuable future approach of, Taiwanese civil service reform with reference to the UK experience, data collection was necessary for both Taiwan and the UK. The adopted data collection methods essentially concentrated on interviews and team assessments (based on observation), but also combined some other methods such as case study, document analysis, comparison and a model approach. As qualitative methodology is a tool used in understanding and describing the world of human experience, we maintain our humanity throughout the research process; it is largely impossible to escape the subjective experience. A major strength of the qualitative approach is the depth to which explorations are conducted and descriptions are written, usually resulting in sufficient details for the reader to grasp the idiosyncrasies of the situation. When carrying out the research process, the related methods naturally followed the typical requirements of qualitative research. Technologically, however, there could also be a slight modification in designing research details according to the need of suiting certain events. A researcher who is neutral tries to be non-judgmental, and strives to report what is found in a balanced way. The research attitude may sometimes sway between subjectivity and objectivity. I don't wish though to get involved in the traditional arguments between qualitative and quantitative inquiries.

In chapter 3, I traced the historic development of the British civil service reform. From this dimension, I have found that civil service reform is ongoing in the UK. The most important reforms were initiated from the 19th century onwards. The now internationally renowned structure of the British civil service system has evolved profoundly. There are five stages in the process of this most important reform:

The 1st stage: based on the 1853 *Northcote-Trevelyan Report*, the British civil service system was reformed and transformed into its modern form with characteristics of fairness, correctness, political impartiality and emphasis on generalist recruitment.

The 2nd stage: on the basis of the 1968 *Fulton Report*, the British Civil Service placed emphasis on specialists.

The 3rd stage: based on the programme of Improving Management in Government - the Next Steps in 1988, the organisational structure, management and culture of the British civil service system was completely examined and reorganised.

The 4th stage: according to the 1994-1995 white papers, *The Civil Service: Continuity and Change* and *The Civil Service: Taking Forward Continuity and Change*, the UK government summarised the results of legislation bringing about changes to the civil service, continued to carry out the Next Steps and pointed out the policy direction of future civil service reform.

The 5th stage: based on the Labour Party's modernisation policy, the British civil service continues to consolidate its reform results.

During the above process, a wide range of reform measures were introduced in turn to enrich the content of the British civil service reform. The most famous examples are the Next Steps programme, the Citizen's Charter, Market Testing, Privatisation, Modernising Government, and the Excellence Model. The British civil service reform seems to provide us with a new direction of thinking. The characteristics of transparency, effectiveness, simplification, industrialisation, human-friendliness and flexibility required by the reform have shown the

confidence and resolution to regard the civil service system as a pure governance tool. It is reasonable to expect that the British civil service system can play a more active and positive role for citizens, and can fulfil the essence of democracy.

In chapter 4, I mainly presented the general picture of the Taiwanese civil service reform strategy. During the period 1993 to 2003, three important events developed in Taiwan regarding civil service reform. These were the Lien (KMT) cabinet's Administration Reform, the Siew (KMT) cabinet's Government Reinvention and the DPP government's Government Reform. Generally speaking, administrative reform was expected to create a modernised administration, and establish an incorrupt and capable government. Administrative inefficiency and official corruption were important problems. For the purpose of carrying on the Lien cabinet's spirit of reforming and reconstructing the administration, the succeeding Prime Minister Vincent Siew, stressed 'government reinvention' as a way of continuing the implementation for civil service reform. This reinvention initiative was very keen to dispel the conviction that 'the government can do everything' and introduce business-like ideas and management so as to effectively enhance the government's service, function and efficiency. During the period of his cabinet, Siew's most important achievement concerning civil service reform was the work of restructuring the Taiwan Provincial Government. After the DPP took power in 2000, three cabinets were formed in turn, those of Tang Fei, Chang Chun-Hsiung and Yu Shyi-Kun. In general, their attitudes towards civil service reform were similar to each other, and were distinctly affected by the elected President Chen Shui-bian, since he was the virtually irreplaceable leader of the new ruling party. Another reason was that the three cabinets held relatively short office terms and the prime ministers were merely sharing power with the president. Accordingly, the general picture of the Taiwanese civil service reform from 2000 to 2003 can be lumped together as a whole. The main theme of the DPP government's reform has been an emphasis on making use of the spirit of professionalism in order to make achievements and efficiency gains, and has continually pursued professional excellence and innovation. It has also bestowed civil servants with the vitality of being more independent. Its

vision for the civil service has been to provide a democratised service, responsible performance, professional innovation, empowerment and vitality.

In chapter 5, I reviewed and analysed the Taiwanese civil service reform from different aspects of leadership style, reform objectives, organisational reform, management reform and culture change. With regards to leadership style, as the prime minister is the most important leader for the reform, I examined the prime ministers' conversations over the period between 1993 and 2003. I found that there was no reasonable design with which each prime minister adopted a suitable leadership style to suit or lead the organisational cultural change during the reform process. The leadership styles adopted were essentially based on each leader's random personality and were not effective in civil service reform. It was argued that adjustments to leadership style should be frequently evaluated and adapted accordingly so as to be able to respond to the needs of cultural change. The alternative is to change the leaders to meet the needs of the reform. There is, however, no evidence to suggest that Taiwanese leaders have had this sort of connection with the above considerations. Indeed, they were very keen to push forward with the implementation of civil service reform on the basis of their own political positions.

As for reform objectives, the main focus of the Lien cabinet has been interpreted as having placed emphasis on internal organisation and management change, which was criticised for lacking public participation. Subsequently, the Siew cabinet revised the Lien cabinet's previous Administrative Reform to that of Government Reinvention; the reform objectives at that time were mostly focussed on the aggressive advancement in refining the role of the Taiwan Provincial Government. Since the DPP took power, the DPP government has adjusted its reform objectives by enlarging their scope to extend beyond the Executive Yuan, building a partnership between the central government and local governments, initiating parliament reinvention, and creating a mechanism of innovation and benefit-oriented services (e.g. the public-private partnership). The results of these, however, will need to be further identified.

With regards to organisational reform, the main measures include:

- Downsizing the scale of the central administrative organisation, this includes the amendment of the Organisation Act of Executive Yuan and the cutting back of staff numbers.
- The restructuring of the Taiwan Provincial Government, which is designed to re-clarify the boundary of the civil service system, and reduce the overlap of affairs between the central and provincial government.
- Creating a new type of flexible organisation – the public corporation.

Among the above-mentioned measures, some have been delayed with no further results hitherto due to the involvement of different political powers. Some are almost finished but waiting for a final in-depth examination. As for the creation of a public corporation, there are many different views on its functions because it is a new test.

As for management reform, it was designed to focus on improving day-to-day service delivery. Reform events concerning management skills are mainly concentrated on:

- (1). Promotion of work simplification.
- (2). Advancing the civil servants participation and suggestion system.
- (3). Establishing a Service Quality Award to advocate activities of total quality management.
- (4). Advancing e-government.

Among these, the creating of e-government has made good progress. As of 2003, all administrative organisations in Taiwan were online and email had achieved an up-take of 94%. The other measures have, however, encountered problems. For example, the establishment of the civil servants participation and suggestion system was received enthusiastically in the first stage of the reform. Today, although the government still regularly audits the implementation results, in reality it amounts to nothing much more than paper work and the programme is not

popular any more. As for the setting up of a Service Quality Award to advocate total quality management, this has a weak link as well. In the real world of the civil service, the term total quality management is perceived as purely academic.

In respect to culture change, I have seen that organisational culture in Taiwan includes such elements as emphasis on personal relationships, the tendency for authoritarian leadership and formalism. For the purpose of transforming this organisational culture, Taiwan's political leaders have been keen to push certain measures forward. For example, Lien's cabinet created an important method for reforming organisational culture by establishing a civil servant participation and suggestion system, which attempted to encourage civil servants to examine the civil service system and make suggestions for improvement. Vincent Siew's cabinet felt confident that it could introduce an entrepreneurial spirit to speed up government restructuring. In 2003, the DPP Government introduced the so-called performance bonus system to encourage a new culture, which was designed to integrate the concepts of performance management and performance evaluation to transform civil servants' behaviour. However, due to the lack of concrete goals and effective steps, the reform of organisational culture is still in its infancy.

In chapter 6, I identified that while Taiwanese civil service reform has made some progress, there are also some defects. I found two specific phenomena hindering reform: firstly, too much emphasis has been placed on organisational reform, simultaneously causing too many cumbersome arguments; and secondly, political factors have negatively affected the due process of the reform. Furthermore, there have been certain changes influencing the Taiwanese civil service: the changing boundary of the Taiwanese civil service; the diminishing size of organisation and human power; the increasing influence of the private sector; the rising sense of unsteadiness among Taiwanese civil servants; the expanding gap in management skills; political interference has become more deteriorated; the decision-making centre has moved from the Executive Yuan to the Presidential Office; and the core values for

changing organisational culture are still being sought.

According to the results of the reform, the Taiwanese civil service has moved towards a more effective phase and there are many positive proposals for helping raise its capacity. The accountability factor, however, still needs to be elevated to reach a level on par with democratic values. Most importantly, the civil service has to reshape and clarify its reform objectives and goals according to global trends and its own national needs. Particularly, it is obliged to provide citizens with the whole picture of where, how and when to go. Then it can develop strategy skills to combine all related factors to formulate an entire strategic plan under which that reform can be constantly implemented.

In chapter 7, I explored feasible ways for the Taiwanese civil service to promote its future approach towards reform. First of all, the transplantation of a Best Value model would be a useful framework for handling the overall reform thoroughly and systematically. As previously discussed, the Taiwanese civil service reform lacks a complete framework within which to effectively implement reform. Particularly, when encountering large-scale change, there is no useful management through which to establish an appropriate organisational culture and maintain the momentum of progress. Thus, the pursuit of a Best Value model could provide meaningful assistance. As the Best Value model has its own limits, I considered a slight modification by creating a Best Value service centre to promote partnership and cooperation within the civil service system. I also provided some supplementary suggestions to meet the particular needs of Taiwan's situation. Secondly, I recommended establishing a Change Management System to deal with the possible challenges. As change becomes a normal phenomenon, there is a need to develop a "change vision" and establish "change units" for consultation and for creating a suitable organisational culture as a foundation for reform. Thirdly, the strategy concept should be strengthened. Civil service reform needs more management concepts to sustain continuity and to maintain continuous improvements. From this point of view, I have clarified the difference between policy and strategy, and explored

the proper use and harmonisation of strategies, which would be helpful for organising the civil service reform. Lastly, I stressed the pursuit of political impartiality. In Taiwan, civil service reform measures are always getting tangled up in politics. In the evaluation of chapter 6, I pointed out that one of the most important changes caused by the Taiwanese civil service reform was the worsening of political interference. At the moment, if a future approach for the Taiwanese civil service reform is indeed needed, there should also be a way to generate consensus, which would be expected to give sufficient space for the civil service system to develop healthily in society forever.

This study contributes to understanding the present and the future development of Taiwanese civil service reform. Theoretically, it also benefits researchers who are interested in the area of improving the civil service. As pursuing best value is a norm, the reform work is therefore never-ending. Owing to the fact that the setting up and running of a better civil service system involves value judgements, the questions of how to pursue reform in a way better suited to meeting the rapidly changing environment, and of how to create adaptive organisational culture to meet the needs of reform, require further research.

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Appendix I

List Of Interview Meeting			
Date	Location (organization visited)	Interviewees (code name)	Discussing Questions Category
24/08/1995	Leicester City Council	LCC1	A
30/08/1995	Leicester County Council	LCN1	A
26&27/09/1995	The Scottish Office	SO1 SO2	A
29/09/1995	Department of Finance & Personnel (Northern Ireland)	N I1	A
4/10/1995	Cabinet Office Office of Public Service and Science	OPS1 OPS2	A
6/10/1995	Civil Service College	CSC1	A
16/10/1995	NUCPS (The National Union of Civil and Public Servants)	NUCPS1	A
13/10/1996	Civil Service College	CSC1	A
27/10/1996	Office of Public Service and Science	OPS1	A
20/10/1997	Cabinet Office	OPS3	A
21/10/1997	Institute of Public Policy Research	IPPR1	A
7/10/1998	Employment Tribunals Service (Region Office of Leicester)	ETSL1	B
9/10/1998	Companies House	CHJ1	C
23/10/1998	Office of Public Service (Cabinet Office)	OPS3	E
23/10/1998	Employment Tribunals Service(Headquarter)	ETSH1	D
16/10/ 2000	Scottish Executive	SCE1	A
25/10/2001	Civil Service College	CMPS1	A
5/11/2001	Scottish Executive Civil Service Reform Unit	SEC2	F

Questions for Discussion (A)

Part 1 Government Institutions and Utilization of Public Human Resources

1. What is the structure of the central government and local government in the UK? How are powers divided between the central and local government and what is the underlying statute? How is a discordance settled if there is any?
2. What is the structure of the personnel department of the central and local government? What is their authority?
3. What is the definition of "Civil Service"? Does it include public enterprise workers, public school faculties, soldiers, and manual and skilled workers in public sectors?
4. What is the total number of civil servants? And what percentage does it have in relationship to the population of the UK?
5. Which agency is in charge of controlling the increase and decrease of your civil servants? Is there any specific criterion used for reviewing other institutions applications for increasing their members? If so, please describe the content of the criterion.
6. What is "the Next Steps"? What methods have you taken in carrying out "the Next Steps" policy? What is the updated result in downsizing the organization of government agencies after the above policy was implemented? And do you have any appraisal and further plan to this policy?
7. What are the details of privatization and contracting out in the UK? During the procedure of performing the above programmes, did you encounter any problems and how did you overcome them in practise?
8. For the necessity of development, what methods have you taken to properly care about the actual demands of human resources while carrying out the downsizing policy?
9. How does your government deal with personnel that have been made redundant because of cutbacks and retrenchment?
10. To solve the shortage of human resources, does your government encourage or assist institutions to develop a "Volunteer Service System" or a "Part-time Job System"? If yes, what is the function of these systems?
11. How is the transfer of civil servants within public institutions? And to private business? What is the percentage of those who have left or retired from their jobs in relationship to the civil servant population for the last three years (1992-1994)?

Part 2 System of Appraisal and Promotion and Cultivation of Talent

1. In an agency, who is in charge of the performance appraisal of civil servants? The chief of a section? Or does the section chief makes the initial assessment to be approved by the section supervisor?
2. Does the present performance appraisal system apply for civil servants in all kinds of positions?
3. How does the performance appraisal system work together with other management methods such as promotion, training programmes, reward and punishment, and the pay system?
4. How do you keep your performance appraisal system fair and objective? Is this assessment system open?
5. What is the legal system for the promotion of your civil servants? Please describe the qualifications and processes required for the promotion of middle or senior civil servants.
6. Does every case regarding promotion of civil servants have to be pre-checked by a board within the agency? If so, what is the standard for evaluation? Is it necessary that a civil servant should accept training before he gets promoted? How is the relation between his training score and the promotion? Is there any way to make them match each other effectively?
7. Has your government set a ratio of inward promotion and outward recruitment? If so, what is its content?
8. What are your primary approaches for developing qualified personnel? Is there any relation between these approaches and your promotion system?

Part 3 System of Training Programmes

1. What is the attitude of civil servants toward training programmes?
2. Which agency is in charge of civil servant training programmes? What are the types and main methods of the above programmes? Are there different classes and teachers for civil servants of different position?
3. How do you evaluate and improve the results of training?
4. What is the budget for civil servant training programmes?

Part 4 System of Pay, Benefits and Insurance

1. What is the legal basis of the pay system for civil servants in UK? Does the same system apply to both the central government and local government?
2. What are the details of the pay system including items and standards?

3. Are there different standards for different categories of civil servants? And what are the factors for considering the difference?
4. What is the order of top ten highest paid civil servants?
5. What factors are usually taken to determine the pay adjustments for civil servants?
6. When were the latest five pay adjustments for civil servants? And what were the percentages?
7. Which agency is in charge of the pay adjustments for civil servants? And what is the procedure for determining the above adjustments?
8. What is the gap (in multiples) between the highest and lowest pay standards of civil servants? Please explain the trend over the latest five years (1990-1994).
9. How do you pay for the civil servants overtime?
10. How do you determine and manage the pay system of public enterprises?
11. What is the contrast of the pays between civil servants and public enterprises' employees?
What is the contrast of the pays between civil servants and private enterprises' employees?
12. Is there any kind of bonus system for civil servants in UK?
13. In the last five years (1990-1994), what were the percentages of the civil servants personnel costs to the total annual budget in central government or local government?
14. Which agency is in charge of the civil servants' benefit system? And what are the regulations?
15. How do you assist your civil servants solve their housing problems?
16. What subsidies do you offer for your civil servants' marriage, child-birth, family sickness, disability, death, etc.?
17. Do you buy insurance for your civil servants and their families? If so, what is the coverage of this insurance and how is the insurance paid and claimed?

Part 5 System of Retirement, Pensions and Severance Pay

1. What kind of law does your government follow to handle the system of retirement, pensions and severance pay for the civil servants? Does the same law apply to both the central government and local government? And which agency is in charge of the above system?
2. What are the requirements (age, seniority) for your retirement system? What are the categories of this retirement pay? And what are the criteria for each category?
3. What are the requirements, methods and criteria for paying out pensions or severance pay?

Is there any specific benefit for civil servants and their families if they are handicapped or die on official assignments?

4. How are funds for the system of retirement, pensions and severance pay procured in UK?
5. Does your government provide retired civil servants other welfare programmes other than paying them retirement pensions?

Part 6 Unions and Administrative Neutrality of Civil Servants

1. What is the main policy of managing the civil servant unions of in UK? Can a civil servant join a union freely? How many unions for civil servants are there in UK? How is the performance of collective contracts in unions measured?
2. If the civil servant unions have the right to strike, what are the procedures and limitations of performance? Are there any regulations to control the activities of striking?
3. What is the proportion of performance on striking since civil servants were legally allowed to be unionized and exert their right to strike? Did the government always accept the right to strike? What influence have strikes had on national policies, administrative efficiency and financial controls?
4. What are the financial origins and the placement of inner workers in the civil servant unions? What other methods other than striking do the unions usually employ? And how are these actually conducted?
5. Is there any limitation, when civil servants attend party activities, especially for the special positions such as department leaders? And what measures will the government take against the offenders?
6. If a civil servant wants to join the campaign be a candidate, is it necessary for him or her to quit the job? If it's not necessary, what kind of remedy would your government take if national resources were used by the civil servant or his (her) party in improper ways? And if it's necessary, what kind of limitations does your government seek through the related regulations?
7. Owing to the close relationship between administrative neutrality and identity protection, please describe briefly the civil servant identity protection and appeal system of your country.

Questions for Discussion (B)

Fax: 2556099 7/10/1998

Discussion Questions for the Employment Tribunals Service (Region Office of Leicester)

1. What are the main goals of the Next Steps Programme?
 - Managerial independence?
 - Financial autonomy?
 - Service-user satisfaction?
 - Strengthening Staff-participation?
2. How do you set up the framework of your agency with the minister who is responsible for the affairs of your agency?
 - Is the framework changed every year?
 - What targets or criteria do you use when you setting up the framework?
 - What are the procedures to set up the framework in practice?
 - In your agency, which unit (post) is in charge of the setting up of the framework?
 - Do you usually quantify the goals of the framework? If yes, what is the right way normally used to achieve them?
 - What is the practical framework at present? (If possible, could you give me a copy?) Normally, what measurement do you adopt to evaluate the achievement of the framework?
 - Does the minister in charge have to report the framework to Parliament and have it approved by Parliament?
3. What elements affect the amount of the budget of your agency?
 - What are the procedures of setting up your budget? What kind of roles do the Treasury and Office of Public Service play when setting the budget?
 - What criteria do you use for managing the budget?
 - Does the amount of your budget increase every year? (If possible, please show me the yearly figures for the budget amount since 1994)
4. How do you recruit your staff and design the grading structure?
5. What is the range of your staff pay? What are the procedures you use to decide it? If it

should be decided through regulations set by the Treasury or OPS, what are the details of those regulations?

6. What is the present organizational structure of your agency? (If possible, please show me with a chart). How often do you adjust your organizational structure? Have you ever changed the organizational structure just for a specific tailored goal of your own affairs?
7. What are the working procedures of a normal case such as a request for an Industrial Tribunal? Have they been made shorter since your agency status was established?
8. Can you clearly separate executive functions from policy making role with your affairs?
9. Do you think that an Executive Agency can become more flexible and efficient?
10. How do you improve quality of service by better use of resources?
11. Have you run any surveys concerning consumer satisfaction, or do you have any figures about cost-reduction?
12. Do you think you can get more freedom to manage your work under the status of Executive Agency?
13. If an Agency can't achieve the targets set within its own framework, what penalties would be imposed for the failure?
14. Do you think the Next Steps programme has been successfully implemented during the past 10 years?

Questions for Discussion (C)

Fax:(01222)3808323 9/10/1998

Discussion Questions for Companies House

1. What are the main goals of the Next Steps Programme
 - Managerial independence?
 - Financial autonomy?
 - Service-user satisfaction?
 - Strengthening Staff-participation?
2. How do you set up the framework of your agency with the minister who is responsible for the affairs of your agency?
 - Is the framework changed every year?
 - What targets or criteria do you use when you setting up the framework?
 - What are the procedures to set up the framework in practice?
 - In your agency, which unit (post) is in charge of the setting up of the framework?
 - Do you usually quantify the goals of the framework? If yes, what is the right way normally used to achieve them?
 - What is the practical framework at present? (If possible, could you give me a copy?) Normally, what measurements do you adopt to evaluate the achievement of the framework?
 - Does the minister in charge have to report the framework to Parliament and have it approved by Parliament?
3. What elements affect the amount of the budget of your agency?
 - What kind of roles do the Treasury and Office of Public Service play when setting the budget?
 - What criteria do you use for managing the budget?
 - Does the amount of your budget increase every year? (If possible, please show me the yearly figures for the budget amount since 1994.)
4. How do you recruit your staff and design the grading structure?
5. What is the range of your staff pay? What are the procedures do you use to decide it? If it

should be decide through regulations set by the Treasury or OPS, what are the details of those regulations?

6. What is the present organizational structure of your agency? (If possible, please show me with a chart.) How often do you adjust your organizational structure? Have you ever changed the organizational structure just for a specific tailored goal of your own affairs?
7. What are the working procedures of a normal case such as a request for company registration? Have they been made shorter since your agency status was established?
8. Can you clearly separate executive functions from policy making role with your affairs?
9. Do you think that an Executive Agency can become more flexibility and efficiency?
10. How do you improve quality of service by better use of resources?
11. Have you run any surveys concerning consumer satisfaction, or do you have any figures about cost-reduction?
12. Do you think you can get more freedom to manage your work under the status of Executive Agency?
13. If an Agency can't achieve the targets set within its own framework, what penalties would be imposed for the failure?
14. Do you think the Next Steps programme has been successfully implemented during the past 10 years?

Questions for Discussion (D)

Discussion Questions with Employment Tribunals Service (Headquarters)

1. What are the main goals of the Next Steps programme?
 - Managerial independence?
 - Financial autonomy?
 - Service-user satisfaction?
 - Strengthening Staff-participation?
2. How do you set up the framework of your agency with the minister who is responsible for the affairs of your agency?
 - Is the framework changed every year?
 - What targets or criteria do you use when you setting up the framework?
 - What are the procedures to set up the framework in practice?
 - In your agency, which unit (post) is in charge of the setting up of the framework?
 - Do you usually quantify the goals of the framework? If yes, what is the right way normally you use to achieve them?
 - What is the practical framework at present? (If possible, could you give me a copy?) Normally, what measurements do you adopt to evaluate the achievement of the framework?
 - Does the minister in charge have to report the framework to Parliament and have it approved by Parliament?
3. What elements affect the amount of the budget of your agency?
 - What are the procedures of setting up your budget? What kind of roles do the Treasury and Office of Public Service play when setting the budget?
 - What criteria do you use for managing the budget?
 - Does the amount of your budget increase every year? (If possible, please show me the yearly figures of the budget amount since 1994.)
4. How do you recruit your staff and design the grading structure?
5. What is the range of your staff pay? What are the procedures you use to decide this? If it should be decided through regulations set by the Treasury or OPS, what are the details of

those regulations?

6. What is the present organizational structure of your agency? (If possible, please show me with a chart.) How often do you adjust your organizational structure? Have you ever changed the organizational structure just for a specific tailored goal of your own affairs?
7. What are the working procedures of a normal case such as a request for Industrial Tribunal? Have they been made shorter since your agency status was established?
8. Can you clearly separate executive functions from policy making role with your affairs?
9. Do you think that an Executive Agency can get become more flexible and efficient?
10. How do you improve quality of service by better use of resources?
11. Have you run any surveys concerning consumer satisfaction, or do you have any figures about cost-reduction?
12. Do you think you can get more freedom to manage your work under the status of Executive Agency?
13. If an Agency can't achieve the targets preset within its own framework, what penalties would be imposed for the failure?
14. Do you think the Next Steps programme has been successfully implemented during the past 10 years?

Questions for Discussion (E)

23/10/1998

1. The latest thinking of civil service reform?

“Better Government” with 4 key points

--cleaning up politics.

--rooting out waste and inefficiency in public spending.

--listening to the people and developing services to meet their needs.

--breaking down institutional barriers and working better together.

2. How to get copies of some original official reports such as:

--Northcote and Trevelyan report in 1853.

--Fulton report on 26, June, 1968 (including 158 suggestions)

--the Citizen's Charter (with effect from July, 1991)

--Competing for quality (with effect from October, 1991)

--Oughton report (by Efficiency unit of OPS, in 1993)

--Responsibilities for recruitment to the civil service (by Recruitment Studies Team of OPS, in 1994)

--Review of the Next Steps (the latest annual report or the overall review of this initiative)

3. What is the current policy on Next Steps Executive Agencies?

4. What are the changes when an ordinary organization becomes an Agency? Please select a case and explain from different dimensions such as form of structure, management methods, work performance etc.

5. How can OPS oversee departments combining all the initiatives of Citizen's Charter, Next Steps and Market Testing?

6. What is the real attitude of civil servants toward the above changes? Is there any survey or analysis operated by the government or academic groups?

7. How do you select the Agency candidates? After choosing candidates, what is your next step to assess them? Is there any specific procedure? And then do you adopt any measurements to assist them to reshape?

8. What is your role or the Treasury's role when a certain Agency is discussing its own

“framework” with its supervisor? Do they have to send the decided “framework” to OPS or the Treasury for review? Does this sort of “framework” have to be revised within a given period?

9. Does the Next Steps initiative really improve the efficiency and effectiveness of government? How do you evaluate this matter? Could you pick a case study?
10. How do you decide the pay and contracts of the senior civil service?
11. The restructuring of government has already become more important. But this movement may affect the present advantage and result in the loss of election. How do you solve this problem? (Agencies, departments’ combining)
12. In practice, how do you manage the so-called “the third sector” which is formed after civil service is divided (privatization, contracting out, some new organizations formed as foundations)?
13. How do you implement the Citizen’s Charter programme in practice?
14. Until now within the civil service, how many Agencies have been chartered?

Questions for Discussion (F)

5 Nov. 2001

1. What are the main points of Civil Service Reform in UK since 1997 (the Labour Party came into office)?
2. Has the UK Civil Service Reform made a lot of changes in the UK Civil Service System? If yes, what is the reality with regard to aspects such as organisation, performance management, working methods (chain) and culture change?
3. As the above reform has been carried out for some years, is there any difference to the civil service itself? Is there any evidence to identify the differences such as customer satisfaction survey?
4. What is the relationship between the Modernising Government agenda and the Civil Service Reform agenda?
5. For the need of implementing the above reform, what sort of measurements have you adopted to adjust your day-to-day work? Is there any particular effect caused by the political devolution?
6. What is the content of 'Enforcement Concordat'? As I understand, there have been a lot of central agencies and local authorities signing up to the Concordat - does it work for the implementation of Civil Service Reform?
7. What is so-called 'EFQM Excellence Model'? Is it a management skill based on a certain matrix? As a tool to help make business planning, how do you use it to drive measurement and benchmarking in your practical affairs?
8. What is 'the Public Services Productivity Panel'? How does it work in reality when focusing on a particular matter in order to raise productivity? Have you had any practical cases involving this panel? If yes, do you have comments on this approach?
9. How do you adjust your pay and appraisal system to match the need of strengthening performance management?

Appendix 2

Team Assessments in Taiwan

Period	Agencies assessed	Notes
April to June / 1996	Occupational Training Service of the Council of Labour Affairs (TA1)	This assessment includes its three subordinate training centres.
June to August / 1997	Taiwan Area National Expressway Engineering Bureau (TA2)	This assessment includes its four subordinate engineering departments.
March to May / 1998	The Third Group of Security Police (TA3)	This assessment includes its headquarters and the deployed units according to the need of mission.
April to June / 1999	National Expressway Police Bureau (TA4)	This assessment includes its headquarters and the deployed units according to the need of mission.
July to September / 1999	Taiwan Forestry Bureau (TA5)	This assessment includes its subordinate managing departments, which are spread throughout the whole Taiwan area.
May to July / 2000	National Property Bureau (TA6)	This assessment includes its four subordinate managing departments.

(Assessment plan sample attached below)

(Plan sample)

Onsite Organisation and Human Resources Team Assessment Plan for Northern, Central and Southern Area Branches and the Headquarters of the National Property Bureau, Ministry of Finance

1. Purpose of the assessment: to conform to the policy of streamlining organizational human resources, the onsite assessment is carried out to examine the existing problems of the visited organisation and used as a reference for adopting feasible measures in reshaping the functions and appropriate scale of human resources for the visited agency.
2. Main points of assessment: (four copies of printed briefing materials should be prepared by the National Property Bureau and delivered to the assessment team for reference before the day of visit). The briefing materials should include the topics as the following)
 - A. Review of current human resources deployment at the Northern, Central and Southern Area Branches of and the said Bureau (with diagram to illustrate problems, if any, of uneven workload and wasted human resources)
 - B. The number of cases regarding leasing national land by the public processed by Northern, Central and Southern Area Branches of and the said Bureau (including data of the past five years). Any feasibility regarding streamlining the leasing procedure? What is the appropriate human resources deployment for meeting the needs of implementing business?
 - C. The expected number of cases regarding leasing national land to the public in the future? Its expected time span and expected human resources increases and detailed plan for utilisation.
 - D. Pre-assessment review of human resources assessment by itself.
 - E. Feasibility of work delegation to the private sector so as to meet the Government Reform policy.
3. Members of assessment team: representatives of various organisations as follows:
 - The Research, Development and Evaluation Commission.
 - The Executive Yuan Secretariat.
 - The DGBAS (Directorate-General of Budget, Accounting and Statistics).
 - Professors from universities, who have the relevant expertise concerning the assessed subjects.
 - The Central Personnel Administration.
 - Ministry of Finance.

4. Method and Procedure of Assessment:

Events	Contents	Time to be used	Remarks
Introduction	<ol style="list-style-type: none">1. Address by the host and the introduction of the representatives of the assessed agency.2. Address by the leader of the assessment team and the introduction of its team members.	10 min.	Meeting minutes should be taken down by the assessed agency and delivered to the Central Personnel Administration.
Briefing	<ol style="list-style-type: none">1. Business Briefing.2. Report on the evaluation of organisational functions, human resources deployment and related problems.	20 min.	
On-site Assessment	On-site visit and assessment.	60 min.	
Meeting	<ol style="list-style-type: none">1. Opinions exchanges.2. Conclusion by the Chair.	60 min.	

5. Schedule for Assessment:

(To be omitted, being designed according to the practical needs)

6. Miscellaneous:

- Transportation support should be provided by the assessed agency, if needed.
- Any changes of assessment schedule will be notified whenever necessary.