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**POLITICS VERSUS CULTURE:
AN ASSESSMENT OF 14 MINI-CASES OF MANAGEMENT
IMPROVEMENT IN DEVELOPING COUNTRIES**

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CONTENTS

I.	INTRODUCTION	1
II.	SCHOOLS OF THOUGHT	3
	The Cultural Values School	3
	The Political Rationale School	6
III.	MANAGEMENT IMPROVEMENT	9
	The Process	9
	The Strategy	10
IV.	EVIDENCE FROM THE FIELD	13
	Characteristics of the Total Sample	13
	Lessons of the Mini-Cases	14
	Informal Political Dynamics	18
	Capacity Building	19
	Incentives	20
V.	CONCLUSION	23
	NOTES	27
ANNEX A:	DETAILS OF 14 CASE STUDIES	A-1
ANNEX B:	LIST OF 48 CASES	B-1

I. INTRODUCTION

When things do not work, a common response is to look for a solution that can be imported. Peddlers of PERT/CPM, position classification, and organizational development have certainly found this to be true in developing countries. At the same time, however, both peddlers and purchasers have learned that imported management solutions tend to have short life spans.

As a result of this discouraging experience, interest has grown in reasons why Western management methods often fail to improve performance in low income countries. This interest is especially pertinent today, as attention shifts away from purely economic and technical views of the development process toward an institutional perspective. Evidence of this shift is found among the writings of numerous scholars, and is echoed in the practitioner world by such practices as AID's emphasis on institution building and the World Bank's focus in the next World Development Report (No. 6) on "The Management of Development." For this new emphasis to be fruitful, however, much more must be understood about the management improvement process and experience.

To this end, we reviewed literature and searched for case studies of documented attempts to improve the management of public sector bureaucracies and projects in developing countries. Our literature review uncovered two perspectives: an emphasis on the political nature of management and implementation,[1] and a cultural interpretation of the variation in the receptivity of different environments to different management practices.[2] Our case studies review of "reform mongering in bureaucracies"[3] revealed two facts: first, there are very few solid examples of reform attempts showing what resulted or why; and second, the few that we could find overwhelmingly supported a political interpretation.

Upon reflection, the practice of personnel deployment in many African bureaucracies should have alerted us to this likelihood. Many agricultural extension services (and other agencies with field staff) have an open policy of placing people outside their home area. Bureaucracies desire this because it limits the field worker's ability to build a constituency and make demands on the organization; individuals desire such assignments because they weaken the ability of kin to enforce demands on the extension worker's resources. Thus the bureaucracy has implicitly decided that political considerations are more important than such cultural factors as language and ethnic similarity.

Even so, some observers continue to stress the cultural theme. Thus we decided to examine both perspectives before extracting any lessons from the available field experiences. We reviewed fieldwork, assuming the introduced management improvement practice was already deemed technologically and financially feasible.

This paper proceeds in four steps: first, the two schools of thought are examined; second, the different implications of the two schools for preferred management improvement processes are noted; third, the cases are introduced (see Annex A for mini-case studies) and discussed in terms of the two schools; finally, conclusions are drawn.

Although this paper does not constitute a scientific test of either school of thought, it does suggest that some roads are to be preferred in the quest for more knowledge about, and more success with, management improvement in Africa and elsewhere in the Third World. Moreover, the lessons of these cases are especially pertinent to change agents involved in social development management and the promotion of organizational learning processes.

II. SCHOOLS OF THOUGHT

Numerous observers have attempted to explain the apparently irrational behavior that permeates public bureaucracies in the developing world. A review of the literature suggests that two major approaches have been used to find explanations. The first school can be called the "cultural values" perspective, whereas the second can be labeled the "political rational" view. Both are explained below.

The Cultural Values School

Nearly two decades ago, Fred Riggs put forward his theory of "prismatic society," which suggested that developing countries are neither modern nor traditional but instead they simultaneously exhibit values inherent to both. His "bazaar/ canteen" model, for example, explains behavior as based on values emphasizing both interpersonal process (the bazaar) and economic exchange (the canteen). Thus in a prismatic world both behavior patterns will exist side by side, and an observer immersed in only one perspective will find much action frustratingly unfathomable.[4]

This view was used by Robert Price to examine bureaucratic behavior in Ghana.[5] Price's main argument is summarized in the following excerpt:

When social status is determined by the extent of one's positive social relations, as is true in most African societies, only with great trepidation can a bureaucrat risk the application of universalistic standards when these are in conflict with particularistic expectations.

When organizational identification on the part of members is paralleled by positive effect toward the organization on the part of those in society who are outside it, then the conditions exist for social pressure to "encourage" members to contribute to the

cooperative system. In such a situation social rewards and punishments will be so arranged that it is in the interest of individuals to act in accordance with the rules prescribed by their organizational positions, and to make critical innovative decisions to further organizational goals in situations where routine regulations are inapplicable. An organization with this type of relationship to its social environment can be considered institutionalized.

From such a perspective, a major research task is the development of typologies of social values, and the identification of the places within the typologies occupied by individual societies. This task, in fact, has absorbed the energies of numerous researchers. Bernard Bass and his colleagues, for example, have amassed an immense data base of the preferences, or value orientations, of managers throughout the world.[6] Aggregation of these survey responses suggests that, in fact, various peoples do have different priorities that they assign to alternative approaches to the definition and management of problems.

Other researchers, such as Anant Negandhi and his coworkers, have followed similar pursuits with similar results.[7] A scholar whose work has received much recent attention is Geert Hofstede, and one might argue that his work represents the present state of the art of the cultural values school.

Between 1967 and 1978, Hofstede used standardized questionnaires to collect value-oriented data from managers in 40 countries[8] and since 1980 10 more countries have been added.[9] He derives four independent dimensions from the response data and uses them to classify national cultures. The dimensions are:

- Individualism versus collectivism;
- Large or small power distance;

- Strong or weak uncertainty avoidance; and
- Masculinity versus femininity.

The conclusion, not surprisingly, is that cultures vary in their task versus relationship orientation[10] and in their ways of dealing with problems. The implication for project management is that the building of an organizational culture and a high degree of cultural sensitivity is required for success when the task focus is imported into a culture, as in development projects or administrative reforms.

Poor success in transferring management practices can thus be blamed on a mismatch between the assumptions inherent in a practice and the those that pervade the environment receiving the transfer. This school of thought's main contribution is to reject universal management principles and attempt to classify sets of contingencies that influence management effectiveness in different settings.

The data base for this school relies on questionnaires that explore preferences, followed by tabulation of responses according to cultural dimensions and geographic sources. The emphasis is on typing environments independently of technique introduction. It is non-behavioral and static. Recent work has advanced the "prismatic" argument by going beyond a twofold typology based on functional differentiation and by no longer assuming an historical flow from "like them" to "like us." [11] Even so, there is a danger integral to this way of looking at the world. The cultural values school may be little more than a subtle and sophisticated form of ethnic stereotyping that moves blame for failure off the shoulders of donors and reformers and onto the backs of Third World people. Thus alternatives to blaming the victim must be explored seriously.

The Political Rationale School

Two decades ago observers of post-colonial societies commonly remarked upon the uneconomic or irrational nature of peasant behavior. Culture was seen as the great separator that made it difficult for outsiders to predict or understand how things worked on the other side. Economists used backward bending supply curves and others used fatalism to express the peasant outlook.

However, a counterattack was soon mounted. Analysts emphasized that, given local conditions, local behavior was often rational, and such labels as "optimizing peasants" began to spring forth.[12] In this regard, an Indonesian example comes to mind. An expatriate had been criticizing the fatalism of Indonesian villagers, supporting his argument by pointing out a case where a bridge had been destroyed by a flood and the community's members were unwilling to band together and reconstruct the bridge. Upon closer examination, however, community inaction was hardly due to fatalism. Instead, it stemmed from power relationships unseen by the expatriate. As long as the bridge was unmended, those who had boats could profit from ferrying people back and forth across the river. Since the village headman was benefiting by having relatives provide the service, villagers were unwilling to confront him with demands for restoring the bridge until the burden became intolerable.[13]

Thus, this second school of thought interprets the non-use of imported methods as related to the effect that the use of the method is likely to have on the distribution of power and authority and the resulting access to resources. In fact, some go so far as to say that if local elites do not see the change to be in their interest, it will not occur.[14]

The data base for this school of thought is not survey questionnaires. Instead, it relies on a collection of largely unrelated micro-level case studies without an integrating theme.[15] Sometimes the cases simply describe how local bureaucracies are used to cement a distribution of power, whereas others focus directly on reactions and rejections associated with attempts at administrative reform or technique transfer.

The implication of this reasoning is the tendency of project managers and aspiring reformers to emphasize the political rather than the cultural context. Project managers must see ethnic alliances and kinship systems as mechanisms to allow access to resources rather than just as expressions of world view and preference. Thus sensitivity to political dynamics is required for success.[16]

A recent attempt to find a simple integrating framework for this experience base suggests that the two key elements are the resources being managed and the incentives for those resources to be used for different purposes.[17] The focus of this approach, however, is on behavior rather than attitude and on an understanding of informal power usage as well as the application of formal authority.[18] The implication of this line of thought is that the responsibility for "failure" lies with naive reform peddlers rather than with those locals who must live within the system long after the reformers have left.

III. MANAGEMENT IMPROVEMENT

An observer's school of thought influences how management improvement is approached. If the cultural values interpretation is used, for example, it is logical to separate innovations into technical and behavioral.

The reasoning is that it is sensible to expect different reactions to each type of innovation. That is, it can be hypothesized that technical tools will be more culturally neutral, whereas behavioral ones tend to be culturally dependent. One cannot easily introduce an individual reward system into an environment that stresses group solidarity, whereas the logic of PERT/CPM should not be affected, since either groups or individuals can be responsible for activities.

If the political rationale school is used to explain experience, however, then the distinction becomes insignificant. Either type of change can disrupt an authority structure and redistribute power. A more revealing line of inquiry, then, might be to focus on the change process and its requirements.

The Process

Management improvement efforts often focus on formal dimensions. That is, the objective is to establish a new policy or implant a new technique such as an information system, analytical tool, or chain of command. The objective addressed by the reform defines the situation, and success is defined as an official adoption of the new practice. When things go wrong, explanation is sought by analyzing the situation as if the stated reform objective actually represented what was being done.

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However, such literal approaches often miss the point. Management systems seldom work as stated, just as organization charts fail to depict personal reporting channels, influence of unofficial groups, or cultural preferences for ways to provide feedback to managers. Usually such informal factors have more influence on organizational dynamics than stated ones, and ignoring them can cause organizational breakdowns.[19]

An important weakness of many management improvement efforts, then, is the reliance on formal process as opposed to engagement with informal dynamics.[20] A need to understand this would be acceptable to either of the two schools of thought since they both look for informal sets of factors to explain success or failure. The question is one of discovering the degree of congruence or discrepancy between the formal objective of the technique and the informal agendas of actors in the environment. Moreover, this perspective further erodes the technical/behavioral dichotomy because it implies that all innovations will have a behavioral dimension, and the question is whether or not the strategy takes this into account.

The Strategy

Two major strategies are employed to introduce new management practices: bypass and enhancement.

The bypass approach attempts to isolate an innovation from harmful environmental influences. This often dictates the establishment of an independent organizational unit, such as a project management unit or parastatal body, as an experimental location for new methods. Implicit is the assumption that the innovation's technical rationale will provide the overriding mission for the new unit and allow it to avoid the cultural or political traps lurking in the larger environment.

The enhancement strategy, however, assumes that only when adjustments are made to accommodate informal factors will success follow. Therefore, it emphasizes building innovation on pre-existing capacities and stressing self-learning by an organization rather than importing packaged solutions.[21] The issue for management improvement, then, is not one of transferring techniques as much as it is of building local capacities to learn how to get things done.

IV. EVIDENCE FROM THE FIELD

The case material is divided into two groups. Forty-eight examples of management practices or reforms were identified. Fourteen of these cases have been chosen for discussion.

It should be noted that developing a data base was not easy. Most experience that we were able to locate was not recorded with our interest in mind. That is, attempts to introduce management improvements accompanied by in-depth examinations of why they did or did not work are few and far between.

The 14 cases chosen for presentation as mini-cases are not intended to be representative of the 48. Instead, they were selected because they have more potential to cast some light on issues identified in previous sections of this paper, and thus they are of special interest. As a result, no claim can be made that this paper provides a scientific test of either school of thought. Instead, the intention is to provoke suggestions for ways to further our perception of the issues.

Characteristics of the Total Sample

Table 1 displays the regional and substantive distribution of the 48 cases of management practices and reforms. Although over half of the sample is from Asia, Africa and Latin America also are represented. In terms of substance, four of the 13 categories constitute 30 citations.

Case sources include published accounts, teaching materials assembled for the "Baselines for Discussion" series at the Kennedy School, unpublished field reports, and personal interviews. For example, John Thomas of the Harvard Institute of International Development was kind enough to assemble a brief description of some recent field experience.

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The group of 48 cases exhibited both success and failure: 20 were successes, 13 were failures, and 15 had mixed results. As expected, the cases tended to reflect the political rational school of thought: 44 examples fit this explanation, two fit the cultural values explanation, and the two others lent themselves equally well to either explanation. Interestingly, the two examples of the effect of cultural values were both failures, whereas either explanation fit one failure and one mixed result, and the political rationale explanation was useful for understanding success, failure, and mixed results.

Enhancement approaches produced 17 successes, seven failures, and 14 mixes. Bypasses resulted in two successes, six failures, and one mixture. One successful case had elements of both approaches in it.

All 48 illustrations of management improvement efforts or management practices are noted in Annex B, where titles, sources, and other data are noted. But for purposes of this paper, the most interesting lessons can be drawn from the 14 mini-cases.

Lessons of the Mini-Cases

The mini cases are described in Annex A, where a 150-300 word narrative captures the substance of each. Also, the lesson of each experience is noted and the source is identified.

To help one gain a sense of the points illustrated by the cases, Table 2 displays the titles of each of the 14 along with the lesson it provides. Two major themes emerge from these lessons. First, the importance of political dynamics is emphasized in 12 of the lessons. Second, five cases suggest that informal factors are more important than formal ones, and all of those cases suggest that informal essentially means political. Only two examples confound the issue with other factors.

Table 1: 48 Cases by Region and Management Component

	Africa	Asia	Latin America	Cross Regional	Total
1. Organizational Structure and Procedures	2	7	1	2	12
2. Financial and Budgetary Procedures	3	2	2	-	7
3. Wage and Position Classification	2	1	2	-	5
4. Monitoring and Evaluation	-	5	-	-	5
5. Organizational Leadership	-	3	-	-	3
6. Training	1	2	-	-	3
7. Extension Systems	-	2	1	-	3
8. Popular Campaign	-	2	-	-	2
9. Municipal Services	-	2	-	-	2
10. Traditional Authorities	2	-	-	-	2
11. Planning	-	1	1	-	2
12. Private Sector	-	1	-	-	1
13. Decentralization	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
TOTAL	11	28	7	2	48

Table 2: Lessons of the 14 Cases

Case	Lesson
1. Responsibility Charting in Kenya	The use of formal methods will be blocked if they are applied in a way that runs counter to informal political agreements or if they require those agreements to be made explicit and formal.
2. Microcomputer-Assisted Financial Management in Kenya	Management crises can provide opportune conditions for eliciting the behavioral changes that must accompany effective use of sophisticated management tools and technologies.
3. Financial Management for Non-Development in Liberia	Administrative systems, especially financial management procedures, often reflect the distribution of power, and direct attempts to change systems will not succeed if there is either no shift in that power alignment or no perception that the change will serve those in control.
4. Memos by Status in Tanzania	In some situations, either culturally based attitudes or the vested interests of an authority structure offer equally plausible explanations for the failure of procedural reform.
5. Alphabet Soup Management	Management styles labeled "national" are more accurately combinations of practices and behavior that usually exist in markedly different cultural settings.
6. Civil Service Reform in Venezuela	The composition of a national civil service can represent a political compact. Thus, efforts to reform the service by changing the criteria for personnel selection attempts to upgrade professional competence at the expense of national political stability.
7. Worker-Sponsored Productivity Increase in Japan	Worker responses to management improvement methods can be affected more by the way those methods might change employees' status relative to one other than by the substantive contribution they might make to company productivity.
8. Dazhai Production Brigade in China	Despite a uniform national policy of rural development through cooperative approaches, the success of specific rural communes is largely dependent on differences in social organization and management style.

Table 2. (continued)

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| 9. Civil Service Reform in the Philippines | Differing organizational agendas often make a package of incentives for one institution a set of disincentives for another institution. This is especially evident in an attempt to rationalize a civil service's system of wage and position classification based on a cross-agency common denominator. The absence of such a common denominator then allows common cultural norms to prevail. |
| 10. Informal Style Manages Conflict in the Philippines | The use of informal behavioral techniques is superior to formal ones even in "open" cultures, and the source of the techniques is less important than the willingness of authority figures to use them. |
| 11. Informal Support for Information System in the Philippines | The "rational" value of a technique may be less important in explaining its adoption or non-adoption than the way it fits into the power structure, i.e., who benefits from its use and their ability to support or block it. |
| 12. The Introduction of Mechanical Accounting to the Vietnamese National Budget | Tradition-oriented cultural norms do not necessarily prevent the adoption of dramatic technical and behavioral changes if these changes address a demonstrated management need, and are implemented by dynamic leadership backed with high-level political support. |
| 13. Participatory Management in an Authoritarian Environment in Indonesia | Support from authority figures can allow the use of behavioral methods considered at odds with local cultural practices. |
| 14. Disincentives Block Methods in Indonesia | Bureaucrats act rationally. Rejection or limited use of imported behavioral techniques may be more related to disincentives for using the techniques than to cultural receptivity to them. |
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Informal Political Dynamics

Efforts to upgrade indigenous management practices must accommodate the prevailing blend of cultural norms and local political priorities and perspectives. For example, Cases 6, 9, and 12 suggest that attempts to restructure civil service systems by introducing such practices as standardized wage and position classification and merit promotions have failed because of their anticipated impact on prevailing political systems. The composition of a national civil service system often represents a political agreement. Thus, any attempt to alter personnel selection or classification procedures threatens a delicate political balance realized through an unofficial civil service patronage compact. Administrative reformers must address this tradeoff between increasing civil service competence and maintaining political stability.

The necessity of accommodating political concerns during the course of administrative reform efforts is also vividly demonstrated in countries made up of many different ethnic groups. Responsibilities are often distributed, and performance appraisals conducted on the basis of ethnic, tribal, or regional affiliation. Any attempt to systematize job assignments and reviews by introducing a formal set of criteria will therefore be prone to failure, as these functions are already being rationally performed, even if the rules and procedures are neither clearly nor publicly articulated. This is demonstrated by Case 1.

Disregard for the above-described cultural and political concerns of local administrators can lead either to outright confrontation if the party in question is powerful enough, or to more subtle resistance through agreeing in principle but failing to follow through in practice. That is, a common bureaucratic means for resisting change is to adopt suggestions on ways to

improve personnel performance, but then to neglect allocation of the requisite resources for the implementation of these suggestions.

These cases do not disprove the importance of culture in management improvement. However, they do suggest very strongly that, at the level of intervention, a most necessary concern will be with the political implications of management improvement efforts. This also holds true regardless of whether the innovation is primarily technical or primarily behavioral. A major determinant of success, then, is the degree to which those who see a reform to be in their best interest can mobilize the resources needed to make it work.

Capacity Building

Resources are sometimes not mobilized because those within the system see the reform attempt as an imposition by the donor. For example, the Liberian and Tanzanian cases illustrate this. Thus a significant question is, "Who defines the proposed change as an improvement?"

The idea of improvement rather than substitution also implies that local practices will be enhanced rather than bypassed. At the same time, donors often lock on to imported solutions that are insulated from contamination by local factors. As the third case shows, the result is often a dead end. An obsession with production and engineering analogs avoids the issue of capacity building and the concomitant need to harness informal dynamics.

In the final analysis, however, development performance in a country depends on more than just individuals. Enhancing the skills of individuals through education and training helps strengthen performance, as does timely provision of the material

inputs needed in the work setting. Beyond these, however, job performance depends critically on how individuals are managed and motivated within work units and how those units are staffed and their tasks are defined.[22]

Incentives

When civil servant salaries are pegged to productivity, kept slightly below private sector remuneration, and employed in an environment with little tolerance for corruption (for example, Malawi), a performance focus is enhanced. At the same time, when the public sector is not a viable alternative to private employment, performance can go down as turnover draws people away from the public sector. Thus the total benefit package must be treated seriously and linked to performance. Motivation (not control) should be the moving force behind the design and adoption of appropriate packages tailored to varied circumstances.

The non-salary package has developed for different reasons in different places, and no single solution exists. Providing housing, for example, can offer a civil servant better protection against high inflation than a salary increase. At the same time, housing may be a no-cost item to the local government when the facilities are provided through a donor-assisted project. Thus strengthening the non-salary package may be an important key to performance improvement, as Cases 3 and 14 suggest. Likewise, in some places a lack of retirement benefits has caused salaries of long-deceased employees to be collected by widows. Any reform attempt should thus be preceded by careful assessment of local factors and accompanied by a system that relates incentives to performance.

In some countries, cultural tendencies can be harnessed to serve management development efforts. In the Philippines, for example, each time a training session or technical workshop is conducted, T-shirts are printed with the dates, title, and place of the program emblazoned on them. These are then worn as a badge of pride. Such a tendency supports the use of workshops (monthly, semi-annual, etc.) as part of the normal management and team-building process. Inventorying and using similar attributes of other societies could help to bridge the training/action gap and make field management more human resource oriented.

In East Africa, field workers prefer to receive and pay off loans for bicycles or motorcycles rather than receive more salary. This is because the demands of kinship require that money be shared and depleted instead of saved, whereas the presence of the physical possession is a legitimate justification for not distributing those monies paid on it. Thus a sensitivity to culture is necessary when assessing the behavioral impact of incentive systems.

Japan's temporary success during a period of high growth in developing a management style consistent with its own societal values has also reinforced the view that countries should attempt to devise management practices in tune with their own political and cultural practices. The weight of the evidence is that performance must be defined within locally acceptable parameters and rewarded accordingly. A major focus for future effort, then, should be the cataloging of successful indigenous practices, [23] and the enhancement of institutions that embody them. Assistance to local institutions in inventorying and categorizing indigenous practices is an area where donors can play a greater role.

A related informal aspect of innovation also emerges from three of the cases: the importance of timing. Management crises, personnel turnover, and other events that alter a balance of power can all provide an improved environment for management reform efforts. An ability to take advantage of such political opportunities might characterize successful field experience.

V. CONCLUSION

What has experience taught us about the transferability of management methods across national and cultural boundaries? The case studies discussed in this paper have one unifying theme: bureaucrats are rational.

Bureaucrats will adopt new management methods if these methods help them fulfill personal or organizational objectives. If the methods obstruct achievement of these objectives, bureaucrats will either subvert them, or reject them outright. Like the theory of the rational peasant, the proposition of the rational bureaucrat is both intuitively logical and empirically substantiated.

Community and organizational social traditions and beliefs are indeed important in shaping a bureaucrat's perspectives and behavior. However, they usually allow a bureaucrat enough flexibility to respond in a variety of ways to attempts to change his or her management practices. The same management methods have been introduced in similar cultural and organizational settings using common transference techniques, with dramatically different results. Adoption was less a function of existing cultural norms than of the compatibility of the new method with the operational needs and desires of its intended users.

This conclusion has a corollary: if bureaucratic context is more important than cultural contours in determining the acceptability of a new management method, then the source of that method is largely irrelevant. Instead, the situational function of the method will determine its relative utility to a bureaucrat, regardless of that method's national or cultural origin.

A focus on whether a management practice or behavior is imported or home-grown obscures the motivations underlying public sector bureaucrats in highly differentiated circumstances. It thus precludes the formulation of guidance leading to either constructive interventions, or benign non-interventions as it leads one down a myopic path through fields rich in misinterpreted experience. That is, the problem may be the proclivity to import methods, rather than to understand how local actors define the situation.

A more fruitful approach is to devote attention to thorough needs assessments of bureaucracies receiving assistance. A needs assessment that includes an understanding of both the nature of, and rationale for, current management practices will also contribute significantly to identifying appropriate methods for upgrading these practices. Thus public management in developing countries can best be improved by accurately diagnosing local problem definitions and supporting organizational self-learning rather than by peddling technical cures in search of patients. Moreover, research strategies divorced from the improvement process may be prone to misinterpretation. Progress in our understanding is more likely to emerge from engaged action research than from global inferences based on attitudinal questionnaires.

This requires reorienting inquiry from an emphasis on the appropriateness of specific methods to concern with the dynamics of local contexts. Behind-the-scenes patterns of decision making are more likely to hold the key to management improvement than idealized views of social norms or elaborate interpretations of the inherent value assumptions of management techniques. Moreover, an overemphasis on the ambiguities of culture can lead to subtle stereotyping that avoids responsible action.

The central theme, then, is clear. Management improvement and organizational learning require efforts that go beyond a formal focus, and such efforts must contend directly with the political dimension of development management.

NOTES

- 1 See, for example, Merilee Grindle, ed., Politics and Policy Implementation in the Third World, Princeton: Princeton University Press, 1980; Marc Lindberg and Benjamin Crosby, Managing Development: The Political Dimension, West Hartford: Kumarian Press, 1981; George Honadle, "Development Administration in the Eighties: New Agendas or Old Perspectives?," Public Administration Review, vol. 42, no. 2, March/April 1982, pp. 174-179; Richard Heaver, Bureaucratic Politics and Incentives in the Management of Rural Development, Staff Working Paper No. 537, Washington, D.C.: The World Bank, 1982.
- 2 See Jon R. Moris, "The Transferability of Western Management Concepts and Programs: An East African Perspective," in Laurence D. Stifel, et. al., Education and Training for Public Sector Management in Developing Countries, Rockefeller Foundation Working Paper, New York: Rockefeller Foundation, April 1978, pp. 73-83; Geert Hofstede, Culture's Consequences: International Differences in Work-Related Values, Beverly Hills: Sage, 1980.
- 3 Phrase first coined in John D. Montgomery, ed., "Reform Mongering in a Bureaucracy," The Administration of Economic Development Programs: Baselines for Discussion, No. 4, Cambridge: Lincoln Institute of Land Policy and John F. Kennedy School of Government, Harvard University, no date.
- 4 Fred Riggs, Administration in Developing Countries: The Theory of Prismatic Society, Boston: Little, Brown, 1964. Also, the idea that culture affects administration is hardly new. See Dwight Waldo, The Administrative State, N.Y.: Ronald Press, 1948.
- 5 Robert Price, Bureaucracy and Society in Contemporary Ghana, Berkeley: University of California Press, 1975.
- 6 Bernard M. Bass et. al., Assessment of Managers: An International Comparison, New York: The Free Press, 1979.
- 7 Anant R. Negandhi and S. Benjamin Prasad, The Frightening Angels: A Study of U.S. Multinationals in Developing Nations, Kent, Ohio: The Kent State University Press, 1975; also see Elmer H. Burack and Anant R. Negandhi, eds., Organization Design: Theoretical Perspectives and Empirical Findings, Kent, Ohio: Kent State University Press, 1977.
- 8 Geert Hofstede, Culture's Consequences: International Differences in Work-Related Values, Beverly Hills: Sage Publications, 1980.

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- 9 Geert Hofstede, "Motivation, Leadership, and Organization: Do American Theories Apply Abroad?" in Organizational Dynamics, Summer 1980, pp. 42-63. For a similar view relating technical assistance personnel values to the heterogeneous values of locals, see D. Brian Marson, "Dissimilar Value Commitments and the Dynamics of Development Administration," Thai Journal of Development Administration, vol. xi, no. 4, (1971).
- 10 Interestingly, Riggs' elegant theorizing and many elaborate empirical studies by others all come back to the task/relationship dualism, which forms a basic tenet of the most elementary management literature, including Blake and Mouton's "Managerial Grid" and McGregor's "Theory X and Theory Y."
- 11 For a rejection of this one-way flow, see George Honadle and Philomene Makolo; "Capacity Building in Development Administration: A Comparative Perspective," Canadian Journal of Development Studies, forthcoming.
- 12 Michael Lipton, "The Theory of the Optimizing Peasant," Journal of Development Studies, vol. 1, no. 2, 1967.
- 13 George Honadle, "Structural Aspects of Capacity-Building, or Who Gets the Fish?," Rural Development Participation Review, vol. 3, no. 3, Special Supplement, 1982.
- 14 David K. Leonard, Reaching the Peasant Farmer: Organization Theory and Practice in Kenya, Chicago: University of Chicago Press, 1977.
- 15 One attempt at unifying the data collection approach has been John D. Montgomery's promotion of "critical incidents" questionnaires.
- 16 This includes a wider "political economy" view as well. For example, advocates of copying Volvo's approach to worker participation neglected the fact that in the mid-1960s Sweden's full employment made it necessary for organizations to compete for workers, while elsewhere a ready pool of unemployed provided employers with less incentive to attract and hold workers.
- 17 Honadle, RDPR, op. cit.
- 18 George Honadle, "Rapid Reconnaissance for Development Administration: Mapping and Moulding Organizational Landscapes," World Development, vol. 10, no. 8, August 1982.
- 19 A classic depiction of this is the gypsum plant example described by Alvin Gouldner. See his Patterns of Industrial Bureaucracy, New York: Free Press, 1954.

- 20 See, for example, Chapter 12, "Advising About Development," in Bernard Schaffer, The Administrative Factor, London: Frank Cass, 1973; also, Albert Hirschman casts this in a slightly different light in his discussion of the "Centrality of Side Effects" in Development Projects Observed, Washington: Brookings, 1967.
- 21 See George Honadle and John Hannah, "Management Performance for Rural Development: Packaged Training or Capacity-Building?," Public Administration and Development, vol. 2, no. 4, December 1982.
- 22 The staffing aspect is critical. In many situations, civil service regulations make it difficult, and sometimes impossible, for public units to attract and keep staff. In such cases it makes more sense to build what Jennifer Bremer calls "process capacity" (the ability to engage someone else to perform the job) rather than "internal capacity" (the ability to do it oneself). See Jennifer Bremer, "Sustainability Without Staff: Adapting Institutional Theory to Development Realities," forthcoming as IRD Working Paper No. 11, Washington, D.C.: Development Alternatives, Inc., 1983.
- 23 Although Robert Iversen promoted an approach that would harness and build on "folk management" skills, very little has been done to inventory or create a taxonomy of such skills. See Iversen's "Personnel for Implementation: A Contextual Perspective" in George Honadle and Rudi Klauss, eds., International Development Administration: Implementation Analysis for Development Projects, N.Y.: Praeger, 1979.

ANNEX A
DETAILS OF 14 CASE STUDIES

MINI-CASE NO. 1

TITLE: RESPONSIBILITY CHARTING IN KENYA

DESCRIPTION:

In the late 1970s, the Permanent Secretary of Agriculture (PS) in Kenya was very dissatisfied with both the Ministry's overall management structure, as well as with his specific role in it. The PS was devoting all of his time reacting to critical problems and dealing with momentary crises, and was thus unable either to plan for future agricultural development or to anticipate imminent difficulties with current agricultural policies and programs.

At the same time as the PS was being overloaded with the burdens of crisis management, his assistant secretaries were highly underutilized. They were serving the PS on a task basis, responding to specific requests, often with no continuity between them, while remaining largely idle during the periods between these tasks.

The PS therefore decided to allocate responsibilities among his assistant secretaries on a continuing basis, in the areas of ministry management (budget, personnel, motor pool, communications, etc.) and development issues (by crops and special programs). This would enable the assistant secretaries to remain abreast of development in their assigned areas, so they could alert the PS of potential problems and opportunities before they arose, as well as have the professional satisfaction of following-up their own efforts.

This plan was discussed with all senior management staff, and job assignments were revised to suit individual skills and preferences. The overall plan was received enthusiastically, and everyone seemed eager to make it work, except for the two deputy secretaries, who were afraid the proposed arrangements might reduce their power in allocating tasks.

However, there were several unforeseen problems when the PS began to implement these changes. Most of these were the result of the nature and influence of an informal power structure within the Ministry. This informal hierarchy was based on ethnic backgrounds, and often officers were reluctant to move across these informal power networks and share information with those of other groups.

For example, there was a major delay in the implementation of a sugar project. The PS had not been warned of this delay by the senior secretary responsible for development of the sugar industry, and when this official was asked why not, his answer was quite revealing. He said that he had been unable to get good

information on the sugar industry because the sugar industry was located in Western Kenya, while he was from Central Kenya, and traditionally the sugar industry was controlled by those from Western Kenya, and they were reluctant to discuss problems or share information fully with others. Thus, the impact of the PS's formal reorganization plan was severely constrained by a pre-existing rationalization of authority and responsibility.

LESSONS LEARNED: The use of formal methods will be blocked if they are applied in a way that runs counter to informal political agreements, or if they require those agreements to be made explicit and formal.

SOURCE: Personal memorandum, Dr. John Thomas.

MINI-CASE NO. 2**TITLE: MICROCOMPUTER-ASSISTED FINANCIAL MANAGEMENT IN KENYA****DESCRIPTION:**

The coffee-boom period from 1976 to 1978 fueled a continual expansion of the Kenyan national budget, nearly tripling it over the next seven years. However, by mid-1981, Kenya's economy was beginning to have severe problems, due to a world-wide recession, increased energy prices, increased food imports, lower prices for export goods (most notably for coffee), and smaller government revenues. This budgetary crisis forced the Kenyan government to review critically its financial procedures and practices.

This receptivity to change was well received by management advisers to the Ministry of Agriculture (MOA), who had been unsuccessfully advocating improved financial and budget management systems since they arrived in 1976. They thus began to work with the Ministry's Management Systems Unit to upgrade the work of MOA finance and budget officers. Most of their suggested changes involved the application of microcomputers to daily administrative tasks.

Microcomputers were used to improve:

- o expenditure reporting and facilitate decision making in situations where budget overexpenditures were imminent;
- o budget estimates; and
- o data collection and reporting on donor-funded projects and programs.

To date, the use of microcomputers has made the above financial systems function much more efficiently and effectively by making data collection and manipulation more clear, timely, and accurate. However, it would be misleading to overstate the impact of microcomputer use on financial management in the MOA, for the presence of the microcomputer itself was the result of a combination of conditions conducive to administrative reform.

LESSONS LEARNED: Management crises can provide opportune conditions for eliciting the behavioral changes that must accompany effective use of sophisticated management tools and technologies.

SOURCE: Summarized from Thomas C. Pinckney, John M. Cohen, and David K. Leonard, Microcomputers and Financial Management in Development Ministries: Experience from Kenya, Development Discussion Paper No. 137, Cambridge, Mass.: Harvard Institute for International Development, August 1982.

MINI-CASE NO. 3

TITLE: FINANCIAL MANAGEMENT FOR NON-DEVELOPMENT IN LIBERIA

DESCRIPTION:

Donor attempts to promote rural development in Liberia often use "bypass" strategies. That is, financially autonomous organizations (such as project management units) are established to avoid the burdensome financial management practices of the central government.

Lack of local purchase authority, preaudits by both the ministry of origin and the finance ministry, as well as bribery practices make local procurement of small supplies take up to six months. Payroll disbursement practices, using a travelling paymaster on short and unannounced visits, combined with sight identification and check cancellation if the individual fails to appear during the visit, causes field staff to spend about one third of their time waiting for the paymaster rather than carrying out their duties. Such practices result more in an uncertain, disempowered, and controllable staff rather than a cadre of development practitioners.

Resistance to reform has led donors to adopt bypass mechanisms. There is no evidence that the streamlined procedures of PMU's have been adopted by any permanent institutions.

LESSONS LEARNED: Administrative systems, especially financial management procedures, often reflect the distribution of power and direct attempts to change systems will not succeed if there is either no shift in that power alignment or no perception that the change will serve those in control.

SOURCE: George Honadle "Organization Design for Development Administration: A Liberian Case Study of Implementation Analysis for Project Benefit Distribution," PhD. Dissertation, Syracuse University, 1978.

MINI-CASE NO. 4**TITLE: MEMOS BY STATUS IN TANZANIA****DESCRIPTION:**

In rural areas of some of the poorest nations, copying machines are practically non-existent, mimeograph stencils are rare, carbon paper is difficult to obtain, and even paper itself is very scarce. In fact, memos may be written on the back of outdated bureaucratic forms. When this scarcity of communication materials is combined with cultural factors, management capability is affected. In one organization, only one copy of intradepartmental memos is circulated. The memo is routed to all those concerned, in order of status, and then filed. If five officials are to see it and the third one is on safari, it will not be passed to the last two until he returns and initials it. Thus, a rigid adherence to formal process combined with a shortage of resources can significantly alter the time required for administrative action.

This situation was encountered in a parastatal in Tanzania. An attempt to change the practice was unsuccessful, but, the reasons for the failure were unclear. Those whose cooperation was necessary gave procedural change a low priority, but, the basis for their judgement was not certain.

LESSONS LEARNED: In some situations, either culture-based attitudes or the vested interests of an authority structure offer equally plausible explanations for the failure of procedural reform.

SOURCE: George Honadle, "Rapid Reconnaissance for Development Administration Mapping and Moulding Organizational Landscapes", World Development, vol. 10, no. 8. (August 1982), pp. 639-640.

MINI-CASE NO. 5

TITLE: ALPHABET SOUP MANAGEMENT

DESCRIPTION:

In The Human Side of Enterprise, published in 1960, Douglas McGregor refers to two management styles: "X" and "Y". A Theory X manager assumes that people are fundamentally lazy, irresponsible, and in need of constant supervision, so is thus quite authoritarian. A Theory Y manager, in contrast, assumes that people are fundamentally hard-working, responsible, and self-driven, and therefore are in need more of support and encouragement than of surveillance. William Ouchi, in the recently published Theory Z, combines elements of both X and Y styles as he formulates a fresh set of management characteristics which he labels the "Z" style. Theory Z is based on the management style of many large Japanese conglomerates (zaibatsu), as applied to American firms such as Eastman Kodak, Hewlett-Packard, Procter and Gamble, and IBM. Theory Z's opposite is what Ouchi calls Theory A, the traditional style of American corporate management. The main distinctions between Theory A and Theory Z are as follows:

Theory A

Short-term Employment
Rapid Evaluation and Promotion
Specialized Career Paths
Explicit Control Mechanisms
Individual Decision Making
Individual Responsibility
Segmented Concern

Theory Z

Long-term Employment
Slow Evaluation and Promotion
Non-specialized Career Paths
Implicit Control Mechanisms
Collective Decision Making
Collective Responsibility
Wholistic Concern

Theory Z style of management is frequently cited as the principal reason for Japan's astounding economic growth and accompanying high industrial productivity. Public administration specialists and practitioners have thus looked to Theory Z methods for possible transference to other countries and cultures, in both developed and developing countries. This seems to be quite possible, for although Theory Z is based on the Japanese zaibatsu, and Theory A on corporate America, both styles of management are used on opposite shores of the Pacific. Theory Z management is used in the American firms cited above, while Theory A is used by "satellite" small- and medium-size Japanese firms. However, Theory Z also has several drawbacks. Corporate cultural values are so predominant that Z organizations tend to be homogeneous, xenophobic, sexist, and racist. They can also adapt much more easily to operational changes than to alterations of these cultural values.

LESSONS LEARNED: Management styles labeled "national" are more accurately combinations of practices and behavior that usually exist in markedly different cultural settings.

SOURCE: Drawn from Douglas McGregor, The Human Side of Enterprise, New York: McGraw-Hill, 1960; William Ouchi, Theory Z: How American Business Can Meet the Japanese Challenge; and Bohdan Hawrylyshyn, "Cultural Values and Management Styles," New Realities, The Twentieth Century Management Conference, Killarney, 20-22, April 1982.

MINI-CASE NO. 6

TITLE: CIVIL SERVICE REFORM IN VENEZUELA

DESCRIPTION:

In 1958, Venezuela's President Larrazabal appointed a panel, the Public Administration Commission (PAC), to formulate recommendations for national civil service reform. This commission offered a package of reforms which included a proposed merit system law, position classification plan, and uniform compensation plan. The PAC's strategy for fostering acceptance of these proposals changed over time with changes in national leadership and in the overall political context. In the beginning, when PAC enjoyed the full support of the President and popular press, it pressed for immediate, government-wide reform. However, late in 1958, President Larrazabal was replaced by Romulo Betancourt, and with this change came significantly less support for the reform package. Thus, PAC then tried to implement its proposals gradually, on an agency-by-agency basis, but with little more success. Although there was some genuine receptivity by the politically powerful national controller, as well as by the influential head of the national planning agency, Cordiplan, PAC made no attempt to cultivate this support, and in fact usually bypassed these officials. However, despite these tactical errors, PAC's biggest mistake was its disregard of the relationships between administrative reform and political instability from 1958 to 1963. The tradeoff involved was between the civil service's increased competence versus continued national political stability through loyalty to the President. That is, to implement the proposed reforms, the President would have had either to purge the bureaucracy of political appointees and replace them with personnel selected on the merit system, or to impose the new civil service system on the existing bureaucracy. Either option would have upset the delicate political balance of the civil service, based on a patronage system whereby spoils were distributed proportionate to a party's political strength. PAC's recommendations were therefore largely ignored.

LESSONS LEARNED: The composition of a national civil service can represent a political compact. Thus, attempts at reforming the service by changing the criteria for personnel selection attempts to upgrade professional competence at the expense of national political stability.

SOURCE: Summarized from Roderick Groves, "The Venezuelan Administrative Reform Movement, 1958-1963," in Clarence Thurber, ed., Development Administration in Latin America, Durham: Duke University Press, 1973, pp. 47-80.

MINI-CASE NO. 7

TITLE: WORKER-SPONSORED PRODUCTIVITY INCREASES IN JAPAN

DESCRIPTION:

An American company installed a suggestion system in its Japanese plant similar to those systems in its United States plants. Workers were encouraged to place suggestions for improving productivity into special boxes located throughout the plant. If an idea was accepted, corporate management would award the worker who proposed it some fraction of the productivity savings which resulted from the suggestion.

However, after a period of six months, not a single worker had submitted a suggestion. When the plant managers asked workers why they had not used the suggestion system, the employees responded that "no one can come up with a work improvement idea alone. We work together, and any ideas that one of us may have are actually developed by watching others and talking to others. If one of us was singled out for being responsible for such an idea, it would embarrass all of us."

The company then changed to a group suggestion system. Workers were to submit suggestions collectively, and if an idea was accepted, bonuses would be paid to the group. The boxes were soon filled with suggestions. Management adopted many of the ideas, and group bonuses were saved until the end of the year, when they were used either for a restaurant party, or a family vacation together if funds were sufficient.

LESSONS LEARNED: Worker responses to management improvement methods can be affected more by the way those methods might change employees' status relative to each other, and thus corporate distribution of political power and social influence, than by the substantive contribution they might make to company productivity.

SOURCE: Recounted in William G. Ouchi, Theory Z: How American Business Can Meet the Japanese Challenge, New York: Avon Books, 1981.

MINI-CASE NO. 8

TITLE: DAZHAI PRODUCTION BRIGADE IN CHINA

DESCRIPTION:

The Dazhai production brigade in Shanxi Province's Xiyang County, the People's Republic of China, has been famous for the past two decades as a model cooperative approach to rural development. Dazhai's success appears to be the result of both its physical setting, and consciously selected organizational arrangements. Xiyang county contained many guerilla and base areas during the Sino-Japanese war, which gave the county a proud heritage of revolutionary activities and a cadre of strong, nontraditional leaders. Xiyang was also a very poor area, with a widely dispersed population and subsistence-based economy, which provided an opportunity for communes to intercede and produce dramatic results quickly. It also had a relatively short frostless growing season, which left considerable free time for peasant mobilization. However, these characteristics were not unique to Xiyang county, as were seven organizational features of the Dazhai production brigade:

- 1) two-level ownership by the commune and the brigade, with the brigade as the basic unit of account, rather than a three-level ownership of the means of production (commune, brigade, and team) with the team as the basic accounting unit;
- 2) collectivization of private plots;
- 3) collectivization of pig husbandry;
- 4) labor remuneration by self-assessment and public discussion, rather than by fixed work points;
- 5) grain distribution through self-assessment and public discussion, rather than through fixed rations;
- 6) spatial reorientation of housing, with village regroupings during construction following the 1963 flood; and
- 7) rationalization of population-land use patterns.

These seven features of collective social organization and management appear to be principally responsible for Dazhai's continued success through periods of political turmoil and natural catastrophes during the past twenty years.

LESSONS LEARNED: Despite a uniform national policy of rural development through cooperative approaches, the success of specific rural communes is largely dependent on differences in social organization and management style.

SOURCE: Summarized from Tang Tsou, Marc Blecher, and Mitch Meisner, "Organization, Growth, and Equality in Xiyang County," Modern China, vol. 5, no. 1, January 1979, pp. 3-39.

MINI-CASE NO. 9

TITLE: CIVIL SERVICE REFORM IN THE PHILIPPINES

DESCRIPTION:

On November 7, 1957, Executive Orders 277 and 278 introduced a national Wage and Position Classification (WAPCO) scheme for the Philippine civil service. WAPCO divided the 300,000 people then serving in the national government's executive branch into 269 occupational groups, which were subdivided into 2,919 classes. Further, each of 75 salary ranges were segmented into 5 pay steps, with a 5 percent pay differential between steps. Although formulation of WAPCO was relatively easy, its implementation was not. Difficulties revolved around the unintended negative effects of what were thought to be incentives for WAPCO adoption. For example, although the plan included wide-spread salary increases for civil servants, it was housed in a zealously expenditure-cutting Budget Commission, and so the very party which was to implement WAPCO opposed it. These salary increases were designed to place civil servants on pay scales equal to those of their private sector counterparts, but another tactical error turned these into disincentives for another party: public sector professionals, like scientists at the National Science Development Board, who would have actually lost income by the classification scheme. Opposition to the proposed salary adjustments provoked WAPCO to de-emphasize their importance, which in turn alienated its base of popular support throughout the rest of the bureaucracy. Finally, attempted depersonalized rationalization of personnel selection ran counter to a highly structured, well entrenched national system of familial patronage, exemplified by such concepts as utang na loob (debt of gratitude). A combination of these factors led to WAPCO's ultimate failure.

LESSONS LEARNED: Differing organizational agendas often make a package of incentives for one institution a set of disincentives for another institution, which is especially evident in an attempt to rationalize a civil service's system of wage and position classification based on a cross-agency common denominator. The absence of such a common denominator then allows common cultural norms to preside.

SOURCE: Summarized from Hermenegildo C. Cruz, "Job Classification in the Philippines: A Misunderstood and Misused Administrative Reform," paper for Gov. 284, Harvard University, Fall 1978.

MINI-CASE NO. 10**TITLE: INFORMAL STYLE MANAGES CONFLICT IN THE PHILIPPINES****DESCRIPTION:**

The Director of a Regional Planning and Coordinating Agency in the Philippines was very successful at managing conflicts among national line agencies. He relied upon informal discussion, such as dinner meetings at village festivals, to develop consensus and overcome conflicting interests and concerns. He also welcomed participation and stimulated his own staff, whose morale and commitment were very high, to perform beyond the minimum level of working hours and work quality.

He was replaced by a military officer whose style was authoritarian and formalistic. The result was a decline in morale and performance and an increase in conflict. The strategy of the new director was to build a network of informants in his own organization as a way of obtaining control. The resulting backlash led to further formalization of decision-making processes and a parallel decline in performance.

LESSONS LEARNED: The use of informal behavioral techniques is superior to formal ones even in "open" cultures, and the source of the techniques is less important than the willingness of authority figures to use them.

SOURCE: George Honadle and Jerry Van Sant, Implementation and Sustainability: Lessons from Integrated Rural Development West Hartford, Conn., Kumarian Press, 1983.

MINI-CASE NO. 11

TITLE: INFORMAL SUPPORT FOR INFORMATION SYSTEM IN THE PHILIPPINES

DESCRIPTION:

An information system was installed in a field project in the Bicol Area of the Philippines in 1977. That system incorporated the fledgling Irrigators' Association into the document flow and decision making.

The system required supervision to work. Use fell off by 1979, partly due to the area supervisors' limited commitment and assumption of other duties. In 1981, however, there was a renewed use of the documents, especially the "Request for Action" form which pinpointed problems and suggested action to alleviate the problem. A major user of this form was farmers - members of the Irrigators' Association.

Upon examination, the explanation for renewed use was twofold. First, the farmers liked the system, second, the vice president of the Irrigators' Association had married a member of the project staff who worked in the section responsible for distributing MIS forms and who controlled the duplicating machine, thus the farmers gained access to forms they wished to use.

LESSONS LEARNED: The "rational" value of a technique may be less important in explaining its adoption or non adoption than the way it fits into the power structure; i.e., who benefits or suffers from its use and their ability to support or block it.

SOURCE: George Honadle and Jerry VanSant, Implementation and Sustainability: Lessons from Integrated Rural Development, West Hartford: Kumarian Press, 1983.

MINI-CASE NO. 12

TITLE: THE INTRODUCTION OF MECHANICAL ACCOUNTING TO THE VIETNAMESE NATIONAL BUDGET

DESCRIPTION:

When Vietnam achieved independence in 1954, the national budget could not be reliably used as an instrument for programming the government's activities in conformity with national needs. All calculations were performed by hand, which made it impossible to prepare monthly budget statements or maintain current accounting. Furthermore, complex and archaic procedures made it difficult to control the regularity and continuity of expenditures. On April 24, 1957, the Administration of Foreign Aid, the Budget Directorate, and the Directorate of Obligations Control, all in the Department of Finance, were merged into a General Directorate of Foreign Aid and placed in the Office of the President. Mr. Vu Van Thai, former Administrator of Foreign Aid, was made its general director. Mr. Thai was a French-trained engineer with a reputation as a dynamic administrator. Although Mr. Thai was young, he enjoyed the confidence of the President. As a result of his experience as Administrator of Foreign Aid, he was well aware of the problems created by the use of slow and inaccurate hand accounting methods. Mr. Thai began to introduce mechanical accounting while Administrator, and in June 1957, he decided to introduce mechanical accounting throughout the entire national budget. The International Business Machines Company (IBM), which had subsidiaries both in France and Vietnam, was prepared to provide the necessary equipment and servicing. The use of the proposed accounting equipment would involve the preparation of punch cards, perforated in such a way as to permit sorting and classifying the information they contained. Accounts could thus be rendered current within a week after the end of each month, and agencies could be given statements showing the balance of all appropriations, allotments, obligations, and expenditures both for the total year to date, and for the previous month. The introduction of mechanized accounting could also be the occasion for other innovations in budget procedure, such as uniform budgetary accounts, consistent accounts classification, and mechanical overexpenditures control. Resistance to the proposal was almost immediate. A high-ranking official compared the introduction of mechanical equipment in the Vietnamese budget to installing air conditioners and telephones in a noodle cart. Many employees within the Directorate also objected, both because the new techniques appeared complicated, and they feared job displacement by their use. To counter this resistance, Mr. Thai felt it would be necessary to make his proposed changes immediately and universally, rather than gradually and selectively. Despite typical start-up problems such as coding errors and salary payment delays, the changes were implemented,

with considerable success, and the Directorate was able to demonstrate time savings in accounting reports, readily available data on salaries and the budget, and new personnel statistics for the civil service. At the end of 1958, plans were under consideration for the installation of an enlarged data processing center, to service not only budgetary but also other government statistical functions.

LESSONS LEARNED: Tradition-oriented cultural norms do not necessarily prevent the adoption of dramatic technical and behavioral changes if these changes address a demonstrated management need, and are implemented by dynamic leadership backed with high-level political support.

SOURCES: Summarized from John D. Montgomery, Cases in Vietnamese Administration, Washington, D.C.: Agency for International Development, no date.

MINI-CASE NO. 13

TITLE: PARTICIPATORY MANAGEMENT IN AN AUTHORITARIAN ENVIRONMENT IN INDONESIA

DESCRIPTION:

In two different districts on the island of Madura, there were motorized fishing projects. In both cases boats, motors, and nets were supplied. However, villagers in one location received two types of nets and in the other they received three. The difference is important, since fishing is poor during three months of the year except for the availability of one species of large fish. The two types of nets were appropriate for small fish and shrimp, but only the third type of net was effective for catching large fish. In the district where three nets were provided, villagers were consulted during project design. In the other case, they were not.

The connection between participatory management and project substance lies in the operational styles of the two bupati (district commissioners). One stressed a participatory style in his relationships with local line-agency personnel. He called it "collective responsibility." However, the second bupati followed a very authoritarian approach. The project with only two nets was in the district of the authoritarian bupati, and it was evident that the sectoral agency staff in that area were less interested in villager participation in development-related decision making.

LESSONS LEARNED: Support from authority figures can allow the use of behavioral methods considered at odds with local cultural practices.

SOURCE: George Honadle "Structural Aspects of Capacity Building, or Who Gets The Fish?" Rural Development Participation Review, vol. 3, no. 3, Supplement (1982), pp. 1-2.

MINI-CASE NO. 14**TITLE: DISINCENTIVES BLOCK METHODS IN INDONESIA****DESCRIPTION:**

A project was introduced into a subnational government unit on the island of Sumatra. Staff were trained in community organization methods and expected to use them in the process of developing subprojects. In addition, training equipment and four-wheel drive vehicles were provided. However, the vehicles were mainly used around town and field trips were few and far between.

Upon examination, the reason why the behavioral methods were not being used had little to do with cultural acceptability. Rather, administrative procedures rewarded non-performance. Responsibility for each project vehicle was assigned to one individual, and that person received, in cash, a standard monthly allotment to cover all fuel and routine maintenance costs. Though the practice minimized false and inflated expense claims, it provided a strong incentive not to make frequent trips to isolated rural areas as this would increase both fuel costs and the likelihood of minor repairs. Since any costs exceeding the standard allotment must come from the individual's own pocket, the procedure is an effective deterrent to delivering services to rural areas, monitoring field-work, or working collaboratively with villagers.

LESSONS LEARNED: Bureaucrats act rationally. Rejection or limited use of imported behavioral techniques may be more related to disincentives for using the techniques than to cultural receptivity to them.

SOURCE: George Honadle "Supervising Agricultural Extension: Practices and Procedures for Improving Field Performance" Agricultural Administration, vol. 9, no. 1, 1982.

**ANNEX B
CASE STUDIES**

48 CASE STUDIES OF PUBLIC SECTOR MANAGEMENT IN DEVELOPING COUNTRIES

TITLE	AUTHOR	SOURCE	COUNTRY	TECHNIQUE	VEHICLE	OUTCOME	COMMENTS
Electric Red Book	Wing Thye Woo	Baselines for Discussion #3	Malaysia	Technical: Mapping Project Implementation Progress	Enhancement: National Rural Development	Bureaucratic: Mixed, Because Physical Output Orientation	Convergence of Bureau and Cult. by Construction Focus, Computers (later)
Impact Indicators	John D. Montgomery	Baselines for Discussion #3	Thailand	Technical: Assessing Project Impact	Enhancement: CD and ARD Offices	Bureaucratic: Successful	Technical or Cultural
Gift Horse	Robert E. Klitgard	Baselines for Discussion #3	Fulano (fictitious)	Technical: Evaluation System	Enhancement: Planning Ministry	Bureaucratic: Mixed	
Responsibility Charting	John W. Thomas	Correspondence	Kenya	Behavioral: Rationalize (formally) Responsibilities	Enhancement: Ministry of Agriculture	Bureaucratic: Largely Unsuccessful	Stresses Importance of Informal Systems
Decentralization	Jay K. Rosengard	DAI Files	Egypt	Behavioral: Decentralization Planning and Management	Enhancement: Local Government	Bureaucratic: Mixed Reactions	Differing Agendas
ICOMP	David C. Korten	Stifel, et. al.	Cross-Country (global)	Behavioral: General Management	Enhancement: Existing Organizations	Bureaucratic: Effective	
Microcomputers	John Cohen	HIID Disc. Paper	Kenya	Technical: Budgeting with Microcomputers	Enhancement: Ministry of Agriculture, Finance	Bureaucratic: Effective	Gradual, Fun, Used Crisis
Bicol	Jerry Silverman	Project Evaluation Report	Philippines	Technical: Budgetary Procedures	Enhancement: IRD Administration	Bureaucratic: Conflicting Regulations	
Masagana 99	Morss, et. al.	Strategies	Philippines	Technical: Monitoring and Evaluation	Enhancement: National	Bureaucratic: Mixed Results	
Foreign Education	DAI	Kenyan Priorities	Kenya	Technical and Behavioral: Foreign Education	Enhancement: Existing Elites	Bureaucratic: Success Without Causality	

TITLE	AUTHOR	SOURCE	COUNTRY	TECHNIQUE	VEHICLE	OUTCOME	COMMENTS
Mao	Jay K. Rosengard	Case, HBS	China	Behavioral: Anti-Bureaucratic	Enhancement: Throughout Government	Bureaucratic: Mixed Results	
Educational Innovation	Rogers and Rogers	Communication in Organizations	Thailand	Technical: Education Practices	Enhancement: Ministry of Education	Bureaucratic: Bottom-Up Introduced	
Organizational Reforms for Water Management	B.B. Vohra	Baselines for Discussion #2	India	Behavioral: Reorganization of Ministries for Multi-sectoral Coverage	Enhancement: Government Mandate	Bureaucratic: Largely Positive	
Allocation of Authority for Reform	John D. Montgomery	Administrative Science Quarterly	Cross-Country Comparison (global)	Behavioral: Central vs. Decentralization vs. Devolution	Enhancement: Government Mandate	Bureaucratic: Development Most Successful	
Bank Nationalization	Michelguglielmo Torri	Asian Survey	India	Behavioral: State Nationalization	Enhancement: Mandate	Bureaucratic: Mixed Results	
Extension Services	E. B. Rice	Extension in the Andes	Latin America	Behavioral: Estimate of National Extension Services	Bypass: Services	Bureaucratic: No Institute	
Mechanical Accounting	John D. Montgomery	Cases in Vietnamese Adm.	Vietnam	Technical: Mechanical Accounting	Enhancement: Entire National Budget	Bureaucratic: Successful	Good Combo. of Behav. & Technical
Wage & Position Classification (1)	Hermenegildo C. Cruz	Harvard University Paper	Philippines	Behavioral: Rationalize Pay Scales, Job Classifs.	Enhancement: Entire Civil Service	Bureaucratic: Failed	Good Combo. of Bureaucratic & Cultural
Wage & Position Classification (2)	Roderick T. Groves	Baselines for Discussion #4	Venezuela	Behavioral: Merit System	Enhancement: Entire Civil Service	Bureaucratic: Threat to Pol. Stab. Led to Failure	
Organization, Personnel, Budgetary Reform	Roderick T. Groves	Administration and Society	Columbia	Behavioral: Rationalize System	Enhancement: Entire Civil Service	Bureaucratic: Mixed Results	
Administrative Reform	Ralph Braibanti	Asian Bureaucratic Systems	Pakistan	Behavioral: (mild) Reorganization Esp. Planning, Training, Public Corps.	Enhancement: Entire Civil Service	Bureaucratic: Largely Successful	

TITLE	AUTHOR	SOURCE	COUNTRY	TECHNIQUE	VEHICLE	OUTCOME	COMMENTS
History of Bur. Reform	John D. Montgomery	Political & Administrative Development	Overview	NA	NA	NA	Good Refutation of "Origins" Focus
Dazhai Prod. Brigade	Tang Tsou, Marc Blecher, Mitch Meisher	Modern China	China	Behavioral: Communes	Enhancement: Farm Production	Bureaucratic: Appropriate, Successful	
Family Planning	Aline K. Wong & Janet W. Soloff	Births in Singapore	Singapore	Behavioral: Reduce Population Growth w/ Disincentives	Enhancement: National Program	Bureaucratic: Successful	
Cross-Cultural Transfer	William G. Ouchi	Theory Z	U.S.A.	Behavioral: Theory Z	Enhancement: Private Sector	Bureaucratic: Successful	IBM, PR & G, H-P, E. Kodak, U.S. Mail
Private Sector	NA	MBS Case	India	Technical & Behavioral: Financial, Technical, Management	Bypass and Enhancement: Cummings Engine	Bureaucratic: Successful	Tech. Manager Transfer
IRD	IRD, SOAP, Cohen, Montgomery	DAI, HIID, KSG	Overview (global)	Mixed	Mixed	Mixed	Project Implementation
Municipal Government	Arthur R. Williams	Cornell University Occasional Papers	Philippines	Behavioral: Project Implementation	Enhancement: Local Government	Bureaucratic: Mixed	
Indigenous Bur. (1)	Lloyd A. Fallers	Bantu Bureaucracy	Uganda	Behavioral: Authority Distribution	Enhancement: National Government	Bureaucratic: Successful	
Indigenous Bur. (2)	Fred G. Burke	Local Government & Politics in Uganda	Uganda	Behavioral: Evol. of Trad. System	Enhancement: National Government	Bureaucratic: Successful	Lesson for West
Co-ops	D. Brian Marson	Thai Journal of Dev. Adm.	Thailand	Behavioral: Co-ops	Bypass: New Units	Cultural: Conflict	Lack of Data
Executive Service	Frederick J. Fletcher	Studies in Nigerian Adm.	Nigeria	Behavioral: Upward Mobility	Enhancement: Civil Service	Bureaucratic: Mixed	
Income Tax	George M. Walker, Jr.	Studies in Nigeria Adm.	Nigeria	Technical: Tax Collection	Enhancement: Tax Board	Bureaucratic: Unsuccessful	

TITLE	AUTHOR	SOURCE	COUNTRY	TECHNIQUE	VEHICLE	OUTCOME	COMMENTS
Administration Reform	Rederick T. Groves	Development Administration Latin America	Venezuela	Behavioral: Wage & Position	Enhancement: Civil Service Classif.	Bureaucratic: Instab. Led to Failure	
Planning	Fred D. Levy, Jr.	Development Administration Latin America	Venezuela	Tech.: Eco Pl	Enhancement: Cordiplan	Bureaucratic: Successful Re. Impl.	
Social Resp.	Jerry L. Weaver	Development Adm. Latin America	Guatemala	Behavioral: Effectiveness	Enhancement: Civil Service	Bureaucratic: Led to Failure	
Preparation & Travel	Honadle	ROPR Spring 82 Ag. Admin 9:1	Asia	Behavioral: Part. Planning	Enhancement: Project	Bureaucratic: Rejected	
Bridge	Honadle	ROPR Spring 82	Indonesia	Behavioral: Mobilization	Enhancement: Project	Bureaucratic: Rejected	
Bupati Style	Honadle	ROPR Spring 82	Indonesia	Behavioral: Part Planning	Enhancement	Bureaucratic: One Rejected; One Accepted	
Memos by Status	Honadle	World Development 10:8, 1982	Africa	Behavioral: Not Waiting for Return to Circulate Memo	In Parastatal	Could Use Either Explanation: Rejected	
Financial Management System	Honadle & PAS.	Dissertation & PAS Report	Liberia	Technical: Use of LPOs, etc.	Bypass	Bureaucratic; Worked in Project; Unacceptable to Government as Whole	
Position Reform	Calif. SSC	AID Reports	Liberia	Position Classification	Enhancement	Impact Unknown; Doubtful	
Marry the Source	Honadle & VanSant	Kumarian Press Book	Philippines	Behavioral: Information System	Project	Bureaucratic: Worked After Marriage Only	
Open Management	VanSant & Weisel	IRD Field Report, DAI/RTI	Indonesia	Behavioral: Open Mgmt.	Bypass: SCF	Bureaucratic: Successful in CBIRD Project	
MBO	a. Silverman, et. al. b. Carney, Honadle, Armor	Bula Evaluation, AID DAI, IRD Field Report	Philippines	Behavioral: Negotiated Expectations & Goals	Short-Term TA	Explanation: Short-Run Success; Could be Either	
Informal Partic. Mngmt	Honadle & VanSant	Kumarian Press Book	Philippines	Informal: Negotiation	Enhancement: Project	Successful	

53

TITLE	AUTHOR	SOURCE	COUNTRY	TECHNIQUE	VEHICLE	OUTCOME	COMMENTS
TA as Admin. Commission	Shaffer	The Admin. Factor pp. 220-239 Cass 1973	PNG	Visiting Mission	Bypass: Expert Recs.	Rejected: Due to Political Naivete	
Taxation	Gilbert B. Siegel	Dev. Adm. in Latin Am.	Cross-Country Comparison	Technical: Tax Collection	Enhancement: Federal Level	Bureaucratic: Mixed	Tradeoff Between Tech. & Org.

54