3ʳᵈ International Conference

on Public Policy (ICPP3)

June 28-30, 2017 – Singapore

Panel T02P03 Session 3

Comparative public administration : Eastern vs Western Perspectives

Title of the paper

Furthering results-based planning through leadership: Empirical evidence from Vietnamese public organizations

Author(s)

Ha Pham, Victoria University of Wellington- New Zealand,
pnh237@gmail.com

Evan Berman, Victoria University of Wellington, New Zealand,
evanmberman@gmail.com

Karl Lofgren, Victoria University of Wellington, New Zealand,
Karl.Lofgren@vuw.ac.nz

Date of presentation

29 June,2017

Furthering results-based planning through leadership :

Empirical evidence from Vietnamese public organizations

"First version presented at the 3rd International Conference on Public Policy, Singapore,

28-30th June 2017".

ABSTRACT

This study adds to the literature by examining the role of administrative leadership with the focus on middle manager's leadership styles in deploying results-based planning (RBP). Our research results find (1) an indication that RBP is in place and in use, and how well it is operating regardless of the skeptics' voices about the effectiveness of results-based management application in developing countries, and that (2) combined leadership behaviors (transformational, transactional, and autocratic) among public middle managers have a strongly positive effect on the practices of RBP. This research includes recommendations for furthering RBP through administrative leadership in Asian developing countries.

Key words : Middle managers, results-based planning, RBP practices, leadership styles, public organizations.

Introduction

In developing countries where national development planning remains to be a primary instrument of policy-making, there has been an increased use of results-based approach in planning in practice over the past decade as an effort to improve the planning functions of states and single public organizations, providing for more efficient, effective and transparent government goals and programs (OECD-DAC, 2007, 2008; World Bank, 2011; OECD, 2013). While an outgrowth of performance-oriented reforms around the globe (Gao , 2015), results-based planning (RBP) is promoted as countering inappropriate use of public resources and lack of transparency and accountability. Examples of its benefits include increased clarity of development objectives, increased feasibility and quality of plans and programs, closer linkage of planning and budgeting, increased monitoring and evaluation toward results, and more which do seem to 'loosen up' some of these issues, even not all applications of RBP are successful and some doubt about its success still exist (World Bank, 2011; OECD, 2013).

Though this planning approach has been enthusiastically supported and embraced by top public leadership-political leaders and top managers as one among recent attempts to build up trust in government, their major role is limited to making RBP adopted and sustained in organizations (OECD-DAC, 2008). However, in order to ensure its effective deployment and positive outcomes even in traditional bureaucracies that do not provide optimal conditions, their lower level-managers undoubtedly occupy a prominent place. Indeed, middle managers, especially in such hierarchical systems as public organizations can take leadership in implementing RBP that is imposed by top management within their own unit or department. Traditionally, they can influence upon the planning process both upwards and downwards. However, the major influence middle managers have is upon the translation of overall goals into specific objectives and the

determination of performance indicators, and targets within the sector or subsector they are responsible for through conducting rigorous analysis with stakeholders and staff.

This study focuses on downward roles of middle managers in implementing RBP which involves their leadership within their unit or department. In other words, we aim to examine how leadership behaviors used by middle managers affect RBP use and its outcomes. Hence, this article addresses the following questions: (1) *What is the evidence of RBP outcomes in the developing country context? (2) How leadership styles that middle managers practice matter the use of RBP and its outcomes?* To date, very little information exists on RBP and these matters. Data of this research are obtained from both systematic surveys and in-depth interviews with public managers and employees in 15 Vietnamese public organizations which have recently experienced RBP.

The research adds to the literature on public sector reforms in developing countries by emphasizing the need for increasing administrative leadership in the application of results-based approach in various stages of public sector management, beginning with RBP despite the existence of skeptics' voices about public sector managers. Over the past decade, there has been a number of important research on the widespread practices of performance/results-oriented reforms in developing countries (e.g. Taylor, 2007; OECD-DAC, 2008; Berman, 2011; Gao, 2015). These studies show the effectiveness of reforms, but also find uneven implementation and the need for more leadership to overcome some of the specific barriers in them. This inquiry aims to provide a more detailed discussion of the importance of organizational leadership among administrative managers in furthering RBP that remains under research.

Further, we draw attention to specific practices of middle managers that get RBP deployed and why they are needed. While recent studies embrace transformational leadership styles, transactional leaders have their place, and autocratic style is in fact quite common in the developing

country context. The effective deployment of RBP is dependent much on how middle managers practice these leadership styles in their units or departments. Also, this present research contributes to the modest number of performance management academic studies in developing countries by providing one more piece of empirical evidence of performance management practices in a development setting with Asian tradition and culture. While the most valuable studies provide fruitful information on the contents, strategies, best practice, progresses, and challenges of performance-based management reforms in the most advanced countries such as USA, UK, only limited perspectives of these movement are discussed in the developing world (Gao, 2015).

Conceptual framework

RBP in Vietnam

This study defines RBP as the application of performance management principles within the planning process of public organizations. More specifically, RBP involves rigorous analysis of intended results cascaded down from macro-level impacts to specific sector outcomes. These results must be clearly defined within a budget envelope, with indicators and targets, and with relevant monitoring and evaluation frameworks (APCoP, 2011). RBP here captures three main dimensions although in practice sometimes they are overlapping. First, it is the process encompassing the following steps: formulating goals or objectives, selecting performance indicators and targets, allocating resources, monitoring, and evaluating results. Second, its implementation produces a number of direct effects such as increased participation of different stakeholders in the planning process, better understanding of how inputs, activities, and outputs are linked, a development of linkage of objectives, performance indicators, and targets, and a closer link of planning and budgets. Third, RBP is expected to assist organizations in increasing

goal/objective clarity, improving the quality and logic of their plans, fostering transparency and accountability, and evaluation of outcomes against desired objectives.

It is worth noting that in Vietnam, national development plans that provide general development orientation for the whole country are consolidated from local and sector development plans at all lower levels (Mai, 2008; Tan, 2012; OECD, 2012; ADB, 2015). As a result of the growing awareness within the government of the limitations of traditional planning (e.g. unclarity of development objectives, weak linkages of planning and budgets, etc.) which lead to the non-transparent and inefficient use of public resources and difficulties in conducting performance monitoring and evaluation, national planning processes have taken place considerable reforms since 2001. Over past decade, with the support of many internationally-funded projects and the government's determinant to adopt a result-based approach, a number of provinces and line ministries have been reforming the planning process with this approach as an attempt to make planning more participatory, more results-oriented, and more closely linked to budgets (World Bank, 2011)

As observed in Vietnam, the results-based approach has been implemented in the public administration through incremental steps rather than one huge reform and the adoption of RBP in government agencies is not mandated by central government but voluntary and experimental so far. However, there exists a wide consensus from RBP adopting agencies that they need to shift from traditional planning to results-based planning approach (*See table 1*). A significant example is Ministry of Agriculture and Rural Development (MARD) where results-based approach has been applied within its planning process since 2005 and now becomes mandatory for all its subdivisions. As one of the pioneering government agencies adopting RBP, its initial positive

outcomes such as increased clarity of development objectives, a closer linkage of planning and budgets, etc., generated a strong interest from other ministries and localities.

Nevertheless, some skepticisms about actual benefits government agencies obtain from RBP compared to their expectations and the long-term sustainability of RBP have emerged recently. The modest number of RBP adopting agencies since its initial introduction in mid-2000s might be used as an evidence for this doubt. This can be partly explained by the following reasons. First, historically, because of the dominance of bureaucratic organizational culture with more resistance to change in the administrative system, almost government agencies have been difficult to reform, especially for such a complex management approach as results-based management. Second, the inappropriate budget allocated to RBP-related training and data collection due to resource constraints may result in the lack of necessary skills and knowledge in RBP among public servants and unqualified data respectively. Third, the weakness of coordination across and within agencies is another obstacle to RBP adoption, specifically when tackling with complicated cross-cutting issues. These may lead to the reluctance among public organizations toward RBP application and use, especially when its adoption in almost government agencies is not compulsory.

[Insert Table 1 About here]

Table 1. Traditional planning vs results-based planning

Dimensions	Process/input-oriented planning	Results-based planning
Main focus	Inputs, activities, outputs	Outputs, outcomes, impacts
Process	Internal process (within individual agencies and localities)	Participatory process (different stakeholder's involvement)
	Goals, objectives, and targets are identified without linkage.	Goals are translated into specific objectives (outcomes) with indicators and targets,
	Compliance monitoring	Performance/results monitoring
Output of planning	A plan contains a large number of general targets which are not often linked to objectives	Increased linkage among development objectives, performance indicators, and targets (*results matrices*)
	Weak linkage of planning and budgeting	Planning is more closely linked to budgeting
	Lack of stakeholder's participation	Increased participation among different stakeholders
Outcome of planning	Objectives are not clearly developed	Increased clarity of objectives
	Non-transparent and inefficient use of resources	Increased transparency and efficiency
	Low quality of plans	Increased quality and logic of plans
	Difficulty in conducting evaluation of actual achievement with set goals and objectives.	Improved evaluation of outcomes against desired objectives

Role of public managers in the planning process

In this study, middle managers are defined as those "typically head a function, a team, or a department, and supervise day-to-day and other operations" (Varma, 2012; Chen et al., 2014). They are responsible for each of functional lines in the organization and for specialized units within these areas. Middle managers are conventionally regarded as implementers and contributors to plan-making process though they may be responsible for the former more often than the latter. In public agencies, middle manager's mandate relates to developing sector or subsector plans for the area they are responsible for. RBP is a complex process as it integrates results-based approach into the planning process, therefore it requires the involvement of qualified and skilled staff. We suppose that middle managers are in an appropriate position to influence their staff's perceptions, attitudes, and then commitment to RBP.

Hence, in addition to traditional roles of middle managers, we identify four roles derived from the requirement of RBP with downward activity concentration. First, they provide guidance of RBP to lower managers and employees in order to avoid any confusion of staff during the planning process. The role of middle managers is to translate the purpose and content of RBP into an understandable and feasible way of doing things effectively. Second, they can assign RBP-related tasks to their staff based on their capacity or delegate work and authority to reduce their workload when their staff have the necessary experience to do a specific task independently. Third, middle managers need to develop their subordinates through providing time for guidance and coaching or sending them to relevant training programs or can discover and use subordinate's talent for developing unit or department plans. Fourth, middle managers with their knowledge and

experience normally are well placed to connect divergent ideas generated from their staff and different stakeholders during RBP process.

It can be said that the effective deployment of RBP and the achievement of its positive outcomes depend much on how well middle managers practice these roles. A question that follows is what motivates middle managers to do these? On the one hand, as they are accountable to top management for their department's plans or in other words, making plans is one among their compulsory tasks. On the other side, RBP is a reform initiative imposed by top management, therefore, its deployment may affect their professional development and future career. In addition, some middle managers may see the application of RBP in their department as an increased demand of work that they need to meet. For others, they perceive the potential value of RBP, appreciate its benefits, and then engage with it.

In order to practice these downward roles, middle managers use a range of different styles. Two popular leadership styles mostly discussed in the recent leadership literature and utilized by leaders in both public and private sectors are transactional and transformational styles. The transactional leadership style is characterized by motivating subordinates to perform as expected through cost-benefit exchange process and management by exception (Bass, 1990; Hater and Bass, 1988). The transformational leadership style is characterized by inspiring subordinates to do more than originally expected through charisma, inspiration, individual consideration, and intellectual stimulation processes (Bass, 1985; Bass and Avolio, 1990; Yamamarino and Bass, 1990). These leadership styles are at opposite sides of a leadership continuum, however, many authors argue that a leader can be both transactional and transformational (Bass, 1985; Bryman, 1992).

In addition, one leadership style that is traditionally regarded as prominent in developing countries with highly bureaucratic structures is autocratic leadership. This leadership style is

characterized by controlling all decisions, closely and strictly monitoring the activities of subordinates, and directing employees with punishment, etc. (Gastil , 1994; Cremer ,2006; Vugt ,2004). Theoretically, transactional and autocratic leadership are two different terminologies, but more similarities than differences exist between these views. Both leadership styles primarily aim at the maintenance and monitoring of organizational operations. These two models differ on the process by which the leader motivates followers. To be specific, the transactional leadership style is founded on a set of exchanges or implicit bargains between leaders and subordinates (contingent reward), whereas the autocratic style is based on hierarchical power (legitimate power).

Combined leadership practiced by middle managers and the use of RBP and its outcomes

Transformational leadership has received a significant attention within the literature as it is associated with organizational changes or reforms (e.g.Van wart , 2013; Van de Voet , 2014; Eisenbach et al., 1999). According to Bass (1985, 1999), though transactional leaders can be effective as they motivate their followers to fulfill their leaders' expectations, transformational leaders are more effective as they motivate their subordinates to perform beyond those expectations. Similarly, autocratic leaders can be effective in some instances but is not suitable for changes or innovation. Though each leadership style can be successful depending upon the situation within which it is implemented, hybrid leadership strategies with transformational styles could result in even higher performance than each strategy separately (Trottier et al.,2008, Rowold, 2011, and Bass et al., 2003).

From practical observations, we suppose that middle managers tend to use different styles or combined leadership during RBP process. To examine what specific leadership behaviors utilized by middle managers during RBP process are and to what extent these combined leadership styles affect the practice of RBP, we propose a framework regarding the relationship between

combined leadership which is founded on transformational, transactional, and autocratic leadership models and the use of RBP, its outputs and outcomes (RBP practices). In addition, based on the assumption that leadership style can influence employee commitment to change which leads to the success of change (Van de Voet, 2014; Herscovitch and Meyer, 2002), we eager to test the connections between combined leadership, employee commitment to RBP, and RBP use, outputs, and outcomes.

Controlling for other organizational factors

This research includes some organizational factors effecting the practice of RBP that may be beyond the control of middle managers, namely organizational culture, RBP-related training received, funding for RBP implementation, stakeholder support. As observed in many developing countries, the public sector traditionally has an administrative or bureaucratic culture which emphasizes the permanence and stability of organizations that can cause resistance to RBP. Moreover, implementation of such a results-based approach as RBP is a daunting task which requires adequate training for almost of those involved is of great necessity in order to avoid failure (World Bank, 2002; Perrin, 2002). We include a variable for sufficient funding for RBP implementation as the lack of budget or resources may result in RBP failure (Binnendijk, 2000). We also control for external support including international donor support and other stakeholder support (other government agencies, enterprises, mass organization).

Methods

Sampling and data collection. This article focuses primarily on the RBP adopting government agencies in Vietnam that perform state authority execution and control functions and are closely involved in socio-economic development planning processes. The sample (both for surveys and interviews) consisted of public employees, supervisors and their corresponding direct leaders

(middle managers) from the 15 selected organizations who are considered as the most knowledgeable about RBP and directly involved in its implementation and use. The sampling frame was constructed using the snowball sample technique which started with the collaboration with several government agencies at central and local level who facilitated the researcher's access and provided us a list of RBP adopting agencies and public managers central to the agency's RBP practices. We then contacted with those managers and asked them to provide information needed to locate other directly involved members in their organizations. As a result, 343 participants were identified.

Quantitative surveys and qualitative interviews were used in our three-stage data collection. The first stage began with *9 interviews* that assisted the researcher to further refine the survey questionnaire which was initially developed based on the literature review and pre-tested by two experts. In the following step, to test the clarity of the study as well as to avoid errors, *two pilot surveys* were conducted with 15 and 50 randomly selected respondents respectively. Based on the results of quantitative data analysis using SPSS 23, final revisions were made before conducting the main survey. Subsequently, of all 343 paper questionnaires distributed, 260 completed responses were returned within 6 weeks giving a response rate of 75.8%. Of the 260 respondents, middle managers accounted for almost 10 per cent, while the rest consisted of supervisors and employees. About 15 % of the respondents were from central government agencies, whereas 42.5 % from provincial agencies, and the rest was from district and commune level organizations. Respondents have undergraduate degrees (76.6 %) and graduate degrees (16.6 %), and have been working for 8 years in their organizations on average. This suggests that respondents had sufficient knowledge and ability to understand and thus response the questionnaire appropriately.

The final step of our data collection involved the follow-up interviews aiming at verifying the survey results as suggested by Wang (2001). Five out of 23 survey respondents were randomly selected and contacted by email and cellphone. In the phone interviews, they were asked to provide evidence of their statements (e.g. specific examples, cases, and documents), thereby adding an evaluation of the reliability of survey results and further qualitative information on leadership styles, and RBP processes and outcomes as well.

Measures. The survey included all key variables measured on a fully anchored 5-point Likert scale including leadership styles (transformational, transactional, autocratic), RBP practices (processes, outputs, outcomes), and other variables as described in the framework. A detailed list of measures is shown in appendix. The scale for leadership styles includes 19 items in which six items measure transactional leadership, seven items measure transformational leadership, and the rest of items measure autocratic leadership. We measure this construct with an instrument based on Bass (1999), Vugt (2004), Trottier, Van Wart, and Wang (2008), and Cremer (2006) with some adaptations to fit the context of the study. The instrument for RBP practices was purposely developed for this research. This term is defined as the actual application of results-based approach in the planning process, which is operationalized into three dimensions: RBP activities- how often RBP's activities are used; RBP outputs-what RBP directly produces; RBP outcomes- what benefits RBP brings to the planning process.

Our model also comprises a rather broad set of controlling variables. RBP- related training involves a new developed set of four items (after removing two items with low outer weight). The bureaucratic culture variable is measured based on the instrument used by Ogbonna and Harris (2000) including three items. Commitment to RBP is measured with four items based on Hercovitch and Meyer's (2002) commitment to change scales with a minor adaptation. We

measure external support with two dimensions namely international donor support and different stakeholder support including six items. The variable of funding is a single item measure. These two instruments were purposively developed for this study. The research also consists of geographic variables measured with single items such as levels of government agencies and respondents' personal information (age, gender, qualification, years of working experience, positions). All measures are found in the Appendix.

Data analysis. In this study, beside using conventional regression techniques, we apply PLS-SEM to investigate how leadership styles and other organizational factors impact RBP use and outcomes. Table 1 and 2 provide the information on variables and measurement. Items utilized to measure all reflective constructs were highly reliable with all the Cronbach's Alpha > 0.79, indicator outer loadings were greater than 0.70 (not shown), the average variance extracted (AVE) for all variables was higher than accepted level of 0.5 (Hair et al., 2014), and composite reliability was well above 0.8, demonstrating acceptable convergent validity. In addition, outer loadings of all constructs were higher than all their cross loadings with other constructs (not shown), indicating acceptable discriminant validity. In regard to the higher-order construct of "Combined leadership", the result shows that all above criteria were met with composite reliability (.95), AVE (.598) that are well above its critical value, and acceptable discriminant validity based on the square root of the AVE (Hair et al.,2014) (not shown).

[Insert Table 2&3 About here]

Also, as shown in Table 3 correlations among variables of three different leadership styles used by middle managers and three dependent variables are moderately or strongly significant (the lowest r =+. 562 and highest r =+.898, p < 0.05). The association among these variables and other variables included in the survey instrument is also reported in Table 3 except of insignificant

variables. To provide a more rigorous testing of these relationships, we run three regression models (1,2,3) for three dependent variables: RBP process, RBP outputs, RBP outcomes, respectively (see Table 4). The next step is to assess how combined leadership directly or indirectly impact the frequent use of RBP, RBP outputs, and RBP outcomes by applying hierarchical component model analysis in PLS-SEM. After running standard regressions, PLS algorithm and bootstrapping in PLS-SEM, we dropped all insignificant variables out of the model (e.g. external support) except of the variable of "autocratic leadership" as it is involved in the higher-order construct of "combined leadership."

[Insert Table 4 About here]

Results

Use of RBP and its results. Table 5 and 6 show perception among managers and employees about the frequent use of each element of RBP process as well as its results (outputs and outcomes). Among respondents, more than 70 per cent indicate that three of the activities, including "Identifying goals and objectives", "Monitoring and reporting results", and "Evaluating performance processes and outcomes" are often or almost always undertaken in their agencies. Almost two-thirds also report the frequent use of other RBP elements of "Selecting performance indicators for each objective", "Setting targets for each performance measure/indicator", and "Allocating resources based on specific performance targets". Such high percentage of responses on the frequent use of RBP proves that RBP is in place and in use with almost its key elements.

16

Table 2. Descriptive Statistics

	The whole sample (n=258)	The employee and supervisor sample (n=233)	The middle manager sample (n=25)
Study variables			
RBP activities	3.51 (1.19)	3.44 (1.23)	4.16 (0.46)
RBP outputs	3.94 (0.59)	3.92 (0.60)	4.22 (0.38)
RBP outcomes	4.00 (0.64)	3.97 (0.65)	4.34 (0.40)
Transformational leadership	3.88 (0.57)	3.88 (0.57)	
Transactional leadership	3.88 (0.58)	3.88 (0.58)	
Autocratic leadership	3.68 (0.53)	3.68 (0.53)	
Commitment to RBP	3.93 (0.62)	3.85 (0.62)	4.16 (0.58)
Control variables			
Familiarity with RBP	2.44 (0.86)	2.39 (0.85)	2.92 (0.76)
RBP- related training	3.56 (0.62)	3.51 (0.63)	3.70 (0.57)
Funding	3.24 (0.92)	3.32 (0.91)	3.03 (0.91)
Bureaucratic culture	4.13 (0.51)	4.10 (0.51)	4.20 (0.51)
Database and information for RBP	3.57 (0.84)	3.58 (0.83)	3.56 (0.92)
Number of RBP trained staff	3.53 (0.84)	3.53 (0.85)	3.56 (0.87)
Stakeholder support	3.74 (0.60)	3.73 (0.61)	3.85 (0.41)
Public service motivation	3.91 (0.57)	3.89 (0.57)	4.13 (0.51)
Timing of RBP adoption	2.05 (0.51)	2.04 (0.51)	2.16 (0.47)
Age	2.15 (0.70)	2.03(0.67)	2.51 (0.68)
Qualification	3.10 (0.47)	3.04 (0.46)	3.32 (0.56)
Working time	3.00 (0.88)	2.95 (0.86)	3.52 (0.92)

Note: Means are shown with standard deviations in parentheses.

RBP = Results-based planning

	Alpha	CR	AVE	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Combined leadership	.956	.960	.589																		
RBP activities (1)	.974	.979	.887	1																	
RBP outputs (2)	.946	.958	.791	.754**	1																
RBP outcomes (3)	.965	.971	.826	.729**	.901**	1															
Transformational leadership (4)	.915	.932	.663	.759**	.775**	.786**	1														
Transactional leadership (5)	.923	.940	.726	.714**	.710**	.692**	.837**	1													
Autocratic leadership (6)	.850	.899	.690	.610**	.559**	.555**	.699**	.758**	1												
Commitment to RBP (7)	.917	.942	.801	.653**	.699**	.713**	.739**	.683**	.555**	1											
Public service motivation (8)	.794	.850	.592	.435**	.474**	.483**	.523**	.555**	.505**	.566**	1										
RBP- related training (9)	.895	.927	.761	.606**	.503**	.533**	.558**	.529**	.517**	.544**	.517**	1									
Familiarity with RBP (10)	1.00	1.00	1.00	.582**	.498**	.469**	.517**	.467**	.321**	.463**	.182**	.384**	1								
Bureaucratic culture (11)	.883	.928	.811	.127	.272**	.288**	.346**	.351**	.251**	.369**	.358**	.266**	.025	1							
Stakeholder support (12)	.847	.885	.619	.458**	.448**	.448**	.543**	.535**	.451**	.662**	.443**	.490**	.310**	.280**	1						
Funding (13)	1.00	1.00	1.00	.200**	.124	.116	.291**	.396**	.328**	.247**	.296**	.308**	.060	.144*	.472**	1					
Database for RBP (14)	1.00	1.00	1.00	.346**	.365**	.343**	.501**	.459**	.335**	.520**	.364**	.304**	.266**	.189**	.552**	.496**	1				
RBP trained staff (15)	1.00	1.00	1.00	.386**	.329**	.330**	.473**	.426**	.353**	.458**	.339**	.347**	.223**	.229**	.583**	.531**	.697**	1			
Working time (16)	1.00	1.00	1.00	.010	.154*	.167*	.086	-.031	-.002	.145*	.010	.046	.137*	.083	.031	-.144*	.082	.011	1		
Qualification (17)	1.00	1.00	1.00	.096	.192**	.222**	.091	-.034	.036	.101	.009	.079	.080	.124	.056	.176**	-.081	.000	.100	1	
Age (18)	1.00	1.00	1.00	.101	.194**	.183**	.148*	.071	.053	.172**	.090	.022	.257**	.151*	.056	-.091	.065	.006	.552**	.039	1

Table 3. Cronbach's Alpha (Alpha), Composite reliability (CR), Average variance extracted (AVE), and Pearson correlations.

Note: *p <0.10, **p< 0.05.   RBP = Results-based planning

Table 4. Regression models

	Model a: *RBP activities*		Model b: *RBP outputs*		Model c: *RBP outcomes*	
	Coefficient	p	Coefficient	p	Coefficient	p
Transformational leadership	**.290**	**.000****	**.358**	**.000****	**.448**	**.000****
Transactional leadership	**.229**	**.006****	**.311**	**.000****	**.229**	**.007****
Autocratic leadership	.053	.378	-.057	.364	-.071	.245
Commitment to RBP (H2)	**.184**	**.007****	**.233**	**.001****	**.271**	**.000****
Public service motivation	-.025	.608	.042	.425	.044	.383
RBP-related training (H3)	**.229**	**.000****	.064	.228	**.106**	**.039***
Familiarity with RBP	**.158**	**.001****	.039	.448	-.010	.841
Bureaucratic culture (H4)	**-.174**	**.000****	-.060	.181	-.065	.135
Stakeholder support (H5)	-.041	.466	-.035	.554	-.056	.333
Funding (H6)	-.083	.095	**-.115**	**.030***	**-.101**	**.047***
Database and information for RBP	-.077	.185	-.006	.919	-.074	.211
Number of RBP trained staff	.100	.081	-.008	.888	.023	.696
Working time	-.080	.082	.048	.321	.071	.127
Qualification	.036	.351	**.122**	**.003****	**.137**	**.001****
Age	.025	.584	.032	.515	.017	.723
Observations	230		230		230	
R square	.722		.689		.712	

Note: RBP = Results-based planning
*p < .05. **p < .01

It is noteworthy that public agencies selected for the sample have at least two-year experience with RBP, however, almost 16.2 per cent of employees from those agencies state that they rarely or never know about the existence of RBP. In the same vein, many interviews also mentioned that not all of staff within an agency know about this planning approach. Below is an explanation for this fact from an interviewee:

> Some of my staff are involved in our agency's planning process but not in every stage. They are assigned different tasks such as collecting data, synthesizing data from lower level units, and reporting results to upper levels etc,…most of them just care about their assigned tasks….not all of my staff are familiar with some terms such as "performance indicator" " performance target", or the distinction between "goals" and "objectives", and of course, "results- based approach."

Table 5. The frequent use of RBP activities (%)

	Always	Often	Sometimes	Rarely	Never
Identifying goals and objectives	15.4	54.8	13.9	10.0	5.4
Selecting performance indicators for each objective	12.4	51.7	18.5	3.1	13.1
Setting targets for each performance measure/indicator	13.5	48.3	21.6	1.9	13.9
Allocating resources based on specific performance targets	12.7	54.4	15.8	9.7	6.9
Monitoring and reporting results (performance)	16.6	56.4	11.2	2.3	13.1
Evaluating performance processes and outcomes	16.6	55.6	11.6	1.5	14.3

A majority of both survey respondents and interviewees admit that their organizations benefit from the use of RBP. Specifically, almost 80 per cent of those surveyed agree and strongly agree that the application of RBP has some direct effects (outputs) such as increasing "participation

of different stakeholders and different agencies and jurisdictions", improving "efforts to achieve output targets", enhancing "linkage of performance targets, indicators and objectives" and "the link between planning and budgets", and "understanding of how inputs, activities and outputs that are linked." One interviewee who is working for a planning unit within a central agency states that "*with the traditional planning, making any agency plans was our main tasks, the involvement of other units and of course, other stakeholders as well, was very limited…but with RBP there has been more involvement among organizations, individuals inside and outside our agency in our planning process, unlike previous planning which includes few members of the agency involved. Also, we know how to set organizational goals and objectives, and targets that are linked together more closely than before...*"

Concerning RBP outcomes nearly 80 per cent of respondents report the positive outcomes of RBP which include: "increased the clarity of our objectives", "increased quality of our plans", "increased logic of our plans", "increased accountability and transparency in our planning", "increased the feasibility of plans", and "improved the evaluation of outcomes against desired objectives." Notably, almost interviewees when asked "*what do you see as the most important benefits of results-based planning in your organization*" parallelly mentioned outcome and output aspects of RBP (see Table 6). Similarly, among 137 responses for this open-ended question in the paper questionnaire, the most frequent answers are "increased quality of plans" (24.8 per cent), "increased efforts to achieve output targets" (19.7 per cent), "increased participation" (16 per cent), and "increased objective clarity" (10.2).

[Insert Table 6 About here]

Table 6. Outputs and Outcomes of Results-based planning: Cases and quotes from Interviews

Cases	*Quotes*
Central government agency A • Department A1 • Department A2 • Department A3	"Surely, we have got some significant improvements in our planning work (with RBP) compared to the previous planning, even some of my colleagues still keep their scepticism. For example, department's objectives are set more clearly than before, and our plans (I mean sectoral development and operational plans) look more logical now. …planning is better connected to budgeting than earlier." "Since M&E system which consists of an indicator matrix was introduced and then becomes compulsory to our agency, our monitoring and evaluation work has significantly improved compared to that in the previous period although M&E knowledge and capacity among our staff is still weak." "With the traditional planning, making any agency plans was our main tasks, the involvement of other units and of course, other stakeholders as well, was very limited…but with this planning approach (RBP) there has been more involvement among organizations, individuals inside and outside our agency in our planning process, unlike previous planning which includes few members of the agency involved. Also, we know how to set organizational goals and objectives, and targets that are linked together more closely than before..."
Province B • Department B1	"One of the benefits we obtained from RBP is enhancing the coordination among units within the department, and between our department and other concerned agencies in the entire sector's management system at all levels." "…Ensure accountability by reporting on performance. Our top department leaders have started to use performance information to evaluate performance of units and individuals, though in a limited extent."
Province C • Department C1 • Department C2	"…Better coordination and clearer assignment of responsibilities for implementation between different departments/units, and of course, it helps increase the general quality of development plans." "I think our work with new planning approach contributes to the development of a more feasible work plan, and also to the increased transparency in public expenditure." "…With RBP, our organizational objectives are logically divided into specific targets that helps improve the quality of our plans compared with previous plans, the department functions and duties are better linked to the socio-economic development goal of the province."
Province D • Department D1	"It (RBP) helps our leaders easier monitor planning progress and to identify weaknesses and responsibilities in the performance." "As working in Planning department for over ten years, from my observation, this new planning methods (RBP) helps increase the linkage between planning and budgeting since resources are allocated accordingly to the planned outputs and intended results, and strengthen the participation of the involved parties as well. However, these connections are not as strong as we expected."

Though there has been skepticism among scholars and practitioners on the effectiveness, consistency, and continuity of results-based management approach, the descriptive statistics show that RBP is in place and in use, and undoubtedly contributes to the improved planning work in public sector organizations in some certain extents. One interviewee is very certain that "*surely, we have got some significant improvements in our planning work (with RBP) compared to the previous planning, even some of my colleagues still keep their skepticism….*" These results provide support for the previous studies on the benefits of results-based approach.

Correlates. In regard to employees' and supervisors' perception of their middle managers practicing leadership styles during the application of RBP in public agencies, we find out that 174 out of 230 employees and supervisors (75.66 per cent) report on the use of a combination of all three leadership styles among their middle managers, demonstrating the popularity of combined leadership styles adopted. Similar finding is also found in almost interviews. One interviewee as a deputy head indicates that "*RBP is still new for some employees though it has been applied in my agency for almost five years and many staff, even managers see it as extra tasks, so that in order to get all staff involved in new planning approach, from my own experience, managers should change their leadership styles flexibly and should encourage them rather than just force them to do it*." Another unit manager confirms that "*I change my management styles during RBP application…Normally I do not interfere with workflow unless there is something wrong occurred during the planning process. But if I find something wrong or someone who tries not to complete assigned tasks, I will give them a reminder or even warnings in our regular meetings*."

As illustrated in Table 4, the regression results in three models fully confirm the positive associations between the practices of transformational leadership strategies (p <.001) and transactional leadership (p < .05) among middle managers with RBP activities, RBP outputs, and

RBP outcomes. Notably, though autocratic leadership behaviors are moderately correlated with all three dependent variables as presented in Table 3, this is not confirmed in all three regression models. However, this does not mean that autocratic leadership behaviors do not matter.

In the higher-order PLS-SEM model as shown in Figure 1 and Table 7, combined leadership that incorporates autocratic leadership style with two other leadership styles (transformational, transactional) appears to be strongly associated with the improved frequent use of RBP (0.536) and RBP outputs (0.741) which is in turn considerably related to RBP outcomes (0.888). It is worth noting here that consistent with expectation, combined leadership significantly increases the strength of RBP output through the mediating variable of employee commitment (0.182). The model shows that combined leadership style accounts for 50 % of the variance of employee commitment to RBP, demonstrating the importance of leadership style in creating commitment to RBP among employees. The finding also supports the notion that strong employee commitment to change is associated with successful implementation of change.

[Insert Figure 1 and Table 7 About here]

Upon closer examination of each component of combined leadership in the model, we find another valuable finding is that middle managers tend to use more transformational (0.487) and transactional leadership behaviors (0.379) than autocratic behaviors (0.208), at least in the study context. This result is supported by a statement of a Department Head as below:

> At the beginning, this planning approach (RBP) was introduced in our Department as a new task imposed by agency leaders. I assigned my staff tasks and closely monitored them to make sure they perform those tasks well, especially when not all of my staff are well trained and professional. Also, almost staff still consider this planning approach as an extra work besides staff daily work, so in order to sustain it (RBP) once it is in place, I allow my staff to coordinate with each other on ways to carry out RBP related tasks and leave them to do their task. In my own view, once you trust your staff, give them more freedom, they will perform their tasks more effectively.

This quote also implies that autocratic leadership style still play a certain role in the successful implementation of RBP, however, once the use of RBP is sustained, autocratic leadership style is not crucial in order to maintain the continuing use of RBP, and the managers are able to change to their preferable styles.

Figure 1. Alternative partial least squares structural equation model (PLS-SEM)

*Note: RBP = Results-based planning.   *p < .05. **p < .01*
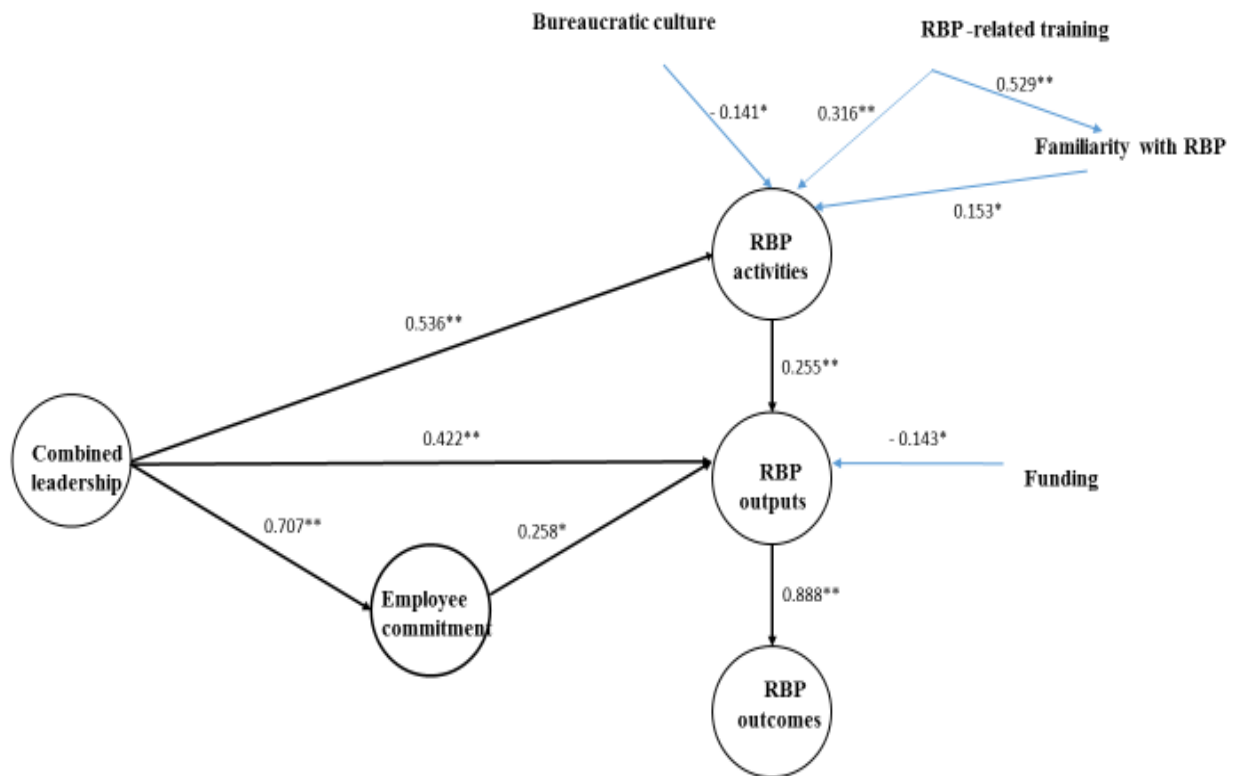
Regarding control variables, there are several findings worth noting. Figure 1 shows the negatively significant relationship between funding variable and RBP outputs (-0.141) though this effect is relatively weak. The result appears not surprising as the budget constraint is generally considered as one of the main barriers for successful implementation of results-based reforms.

Our measure of bureaucratic culture is in the direction predicted, although this relationship is rather weak. However, the training variable is especially a strong predictor of RBP activities compared with other control variables, reflecting its importance in increasing the use and positive results of RBP.

Table 7. Alternative model-R square and total effects

	Path coefficient	T-statistics	P-value	R square
Employee commitment to RBP → RBP outputs	.258	2.165	.031	Employee commitment: *0.50*
Combined leadership → Employee commitment to RBP	.707	11.935	.000	RBP activities: *0.682*
Combined leadership → RBP outputs	.741	12.749	.000	RBP outputs: *0.664*
Combined leadership → RBP activities	.536	5.803	.000	RBP outcomes: *0.788*
Combined leadershp → RBP outcomes	.671	9.799	.000	
Bureaucratic culture → RBP activities	-.141	2.108	.036	
Familiarity with RBP → RBP activities	.153	2.183	.030	
RBP related training → Familiarity with RBP	.529	7.005	.000	
RBP related training → RBP activities	.394	4.424	.000	
Funding → RBP outputs	-.143	2.212	.027	

In summary, as table 7 illustrates, the model fits the data well. The R² value of all the endogenous latent variables is relatively high. Three variables including combined leadership, training, and bureaucratic culture jointly explain 68.2 per cent of the variance of RBP activities. Similarly, combined leadership and funding explain 66.4 per cent of the variance of RBP outputs which in turn accounts for a large amount of the variance found in RBP outcomes (78.8 per cent). The Q² measures are all positive and similar across omission distances, providing evidence of acceptable predictive relevance and stable model estimates (Hair et al., 2014).

Discussion and conclusion

The main objective of this study was to examine the impact of combined leadership styles on the practice of RBP, with RBP practices evaluated in three dimensions (frequent use, outputs, and outcomes). First, the results give an indication that RBP is in place and in use, and how well it is operating (outputs and outcomes). Second, most importantly, the findings provide evidence that combined leadership style used by middle managers has a strongly positive effect on the use of RBP, its outputs and outcomes, even controlling for other organizational factors such as organizational culture, training, financial resource.

Prior to furthering the discussion on the implications of this study, some limitations from the data and measurements are noted. As our study uses questionnaire methodology, the issue of common method bias should be considered. Instead of using "hard measures" in this study we used self-report data from middle managers and employees to evaluate the use, outputs, and outcomes as well as leadership behaviors which were collected at the same time. However, our analysis mainly relied on employee perception that can minimize the subjectivity of data, even this may be inadequate (see Ittner and Larcker, 2001). Another limitation is that factor such as the competence of planning unit that may affect RBP practices has not explicitly been considered in the survey.

Finally, the limitation comes from survey instruments. The survey instrument that measures RBP use focuses more on the frequent use of RBP activities, but to what extent those activities are implemented. The survey instruments for RBP outputs and outcomes ask respondents to evaluate the benefits their organizations acquired may not reflect accurately what actual RBP outcomes are as respondents usually tend to rate RBP in comparison with the traditional approach, even the importance of using reliable and valid scales to measure employee attitudes to ensure they do not give a false impression has been emphasized in our research.

This study provides evidence that RBP is in practice and in use with certain positive outcomes in the public sector in a developing country supports the literature advocating results-based reforms in many countries (World Bank, 2011; OECD, 2013; Berman, 2011; Koike et al. , 2013; Gao, 2015). These findings suggest that public organizations, even in developing countries are likely to reap the benefits of results-based management approach regardless of the increasing skepticism and critique about its positive effects. The research make a significant contribution to the performance management literature by offering public organizations an insight into the specific factors as a mean of furthering RBP with leadership concentration. Compared to traditional performance management research which tends to focus on top leadership and its general roles as a key factor associated with the success of performance management practices, this study draws more attention to middle public managers. Indeed, it contributes to broader understanding of the roles of middle managers' leadership in planning process and results-based approach deployment through the case of national development planning.

The findings in respect to the relationship between leadership styles and RBP practices find considerable support from quantitative evidence, supplemented by qualitative interviews which suggests that middle managers tend to use combined leadership during the adoption of RBP which

produces positive results of RBP. In PLS model, transformational leadership behavior has the highest level of all leader behaviors. These results are consistent with the finding from public management studies (Trottier et al., 2008; Rowold, 2011; Hargis et al., 2011; Bass et al., 2003)) that there has been a tendency of using transformational leadership style which is positively associated with the successful implementation of reforms. Although the weak impact of autocratic leadership found in the study is not consistent with common perception on prominence of autocratic leadership in the Vietnamese public sector, it might be explained by tendencies of Vietnamese managers to encourage and to allow subordinates to use their own approaches to implement RBP rather than force them to do, especially when most of them are clearly aware that "*RBP is still new and is considered extra work beside the main tasks.*" As expected, transactional and autocratic leadership are still very important behaviors in such a bureaucratic structure as Vietnam's, especially given RBP is not sustained yet. This study also suggests that it is worth considering changing leadership style in order to maximize the chance to achieve the success in implementing any reform initiates, including RBP, though it is difficult to change. Middle managers can adjust leadership styles to fit certain tasks or settings.

Towards a "whole-of-government managing for results" that is expected to create a more accountable, transparent and effective government, each government agency should start with RBP, and then integrate into all other stages of the public sector management (programming, budgeting, implementation and monitoring and evaluation). In doing so, courses on results-based management with considerable amount of time should be part of training or re-training programs for civil servants at all levels. Also, some key actors who are in charge of public servant training and development should be the pioneer in reforming the training system for public servants, especially for whom occupying managerial posts. As results-based approach requires more

transformational leadership behaviors than other leadership styles, public organizations can get more managers with more such leadership skills within combined leadership through recruiting or development (e.g. training).

References

Auditor General of Canada (1997) Reporting Performance in the Expenditure Management System Ottawa: Office of the Auditor General of Canada http://www.oagbvg.gc.ca/domino/reports.nsf/html/ch9705e.html

Bass, B. M. (1985). Leadership and performance beyond expectations, Free Press; Collier Macmillan.

Bass, B. M. (1996). A New Paradigm for Leadership: An Inquiry into Transformational Leadership, DTIC Document.

Bass, B. M. (1999). "Two decades of research and development in transformational leadership." European journal of work and organizational psychology **8**(1): 9-32.

Bass, B. M., et al. (2003). "Predicting unit performance by assessing transformational and transactional leadership." Journal of applied psychology **88**(2): 207.

Behn, R. D. (2002). "The Psychological Barriers to Performance Management: Or Why Isn't Everyone Jumping on the Performance-Management Bandwagon?" Public performance & management review **26**(1): 5-25.

Berman, E. M. (2011). Public administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao. Boca Raton, FL, CRC Press.

Binnendijk, A. (2000). "Results based management in the development cooperation agencies: a review of experience." Background Report.

Curristine, T. (2005). "Government Performance." OECD Journal on Budgeting **5**(1): 127-151.

Den Hartog, D. N., et al. (1997). "Transactional versus transformational leadership: An analysis of the MLQ." Journal of Occupational and Organizational Psychology **70**(1): 19-34.

Gao, J. (2015). "Performance measurement and management in the public sector: some lessons from research evidence." Public Administration and Development **35**(2): 86-96.

Gerrish, E. (2016). "The Impact of Performance Management on Performance in Public Organizations: A Meta-Analysis." Public Administration Review **76**(1): 48-66.

Mayne, J. (2007). "Challenges and Lessons in Implementing Results-Based Management." Evaluation **13**(1): 87-109.

Moynihan, D. P. and S. K. Pandey (2005). "Testing how management matters in an era of government by performance management." Journal of Public Administration Research and Theory **15**(3): 421-439.

OECD-DAC (2007). Sourcebook on Emerging Good Practice in Managing for Development. 2rd edition .Results Retrieved (Jannuary 10, 2017) at http://www.mfdr.org/Sourcebook.html

OECD-DAC (2008). Sourcebook on Emerging Good Practice in Managing for Development Results. 3rd edition **.** Retrieved (Jannuary 10, 2017) at http://www.mfdr.org/Sourcebook.html

OECD (2013). Managing Aid for Trade and Development Results. Retrieved (Jannuary 10, 2017) at www.**oecd**-ilibrary.org/development/**aid**-**for**-**trade**-and-development

Perrin, B. (2002). Implementing the vision: Addressing challenges to results-focused management and budgeting. Meeting on Implementation Challenges in Results Focused Management and Budgeting.

Podsakoff, P. M., et al. (1996). "Transformational leader behaviors and substitutes for leadership as determinants of employee satisfaction, commitment, trust, and organizational citizenship behaviors." Journal of management **22**(2): 259-298.

Pollitt, C. and S. Dan (2013). "Searching for impacts in performance-oriented management reform: A review of the European literature." Public performance & management review **37**(1): 7-32.

Taylor, J. (2007). "The usefulness of key performance indicators to public accountability authorities in East Asia." Public Administration and Development **27**(4): 341-352.

Trottier, T., et al. (2008). "Examining the nature and significance of leadership in government organizations." Public Administration Review **68**(2): 319-333.

Van der Voet, J. (2014). "The effectiveness and specificity of change management in a public organization: Transformational leadership and a bureaucratic organizational structure." European Management Journal **32**(3): 373-382.

Van Vugt, M., et al. (2004). "Autocratic leadership in social dilemmas: A threat to group stability." Journal of Experimental Social Psychology **40**(1): 1-13.

Van Wart, M. (2013). "Administrative leadership theory: A reassessment after 10 years." Public Administration **91**(3): 521-543.

Verbeeten, F. H. M. (2008). "Performance management practices in public sector organizations." Accounting, Auditing & Accountability Journal **21**(3): 427-454.

World Bank (2002). Better Measuring, Monitoring, and Managing for Development Results. Development Committee. Retrieved (May 2, 2005) at http://siteresources.worldbank.org/DEVCOMMINT/Documentation/90015418/DC2002-0019(E)-Results.

World Bank (2011). Country Development Partnership on Governance and Public Sector Reform: Implementing RBM in Thailand. Washington, DC: Oxford Printing Press