GEARING TOWARDS CHANGE:

THE CASE OF THE PUBLIC HEALTH SECTOR IN BRUNEI DARUSSALAM

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DECLARATION

I **HAJAH FARAHIYAH BINTI HAJI KAWI** hereby declare that this thesis and the work presented in it is entirely my own. Where I have consulted the work of others, this is always clearly stated.

Signed:

Date: 14 September 2018

ABSTRACT

This study aims to understand how new public management is experienced in a traditional monarchical system. Specifically, it explores how the Ministry of Health undertake their internal performance management systems in response to the regulatory processes within the context of debates about new public management mandated from the Sultan of Brunei (King).

The study draws on Broadbent and Laughlin's (2013) notion of steering to analyse the impacts of external regulatory controls on organisational performance management systems. Steering relationships are examined at both societal level and organisational level.

The study employs semi-structured interviews with officers in the Prime Minister's Office and managers in the Ministry of Health. Documentary analysis and informal observations are also utilised to ascertain the nature of the external regulatory system and its impact on management control processes within the Ministry of Health.

Whilst previous literature suggested that steering may be achieved through transactional processes drawing on the force of legislation, power and funding, this study's findings show that in a traditional society, the process of change may depend on more personal directives emanating from the Sultan. The findings reveal complex organisational responses that reflect respect for traditions and monarchy and thereby compliance. Analysis of the organisational steering suggests both conformity and resistance to the regulatory requirements. In this setting therefore there remain tensions between traditional monarchic values and the desire to achieve modern performance management as suggested by new public management.

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INTRODUCTION

1.1 Introduction

The study aims to examine the operation of new public management in the health sector in Brunei. The next two sections will briefly explain the background and motivation of the research. Then the chapter will proceed to highlight the research problem before specifying the aim and objectives underpinning the research. The chapter ends with outlining the possible contributions of the thesis.

Three decades ago, a new administrative philosophy known as 'New Public Management' (Hood, 1991,1995) emerged in Western countries with a notion of 'accountable management' (Humphrey et al, 1993) as a means to bring about change and improvement in public sector performance. The traditional model of public administration has been perceived as weak in generating accountability within the public sector environment. Since its inception in the early 1980s, the public sector has seen major transformation in management structures, processes and values of the public sector worldwide. It advocates the adoption of private sector management practices into the public sector with the view that the private sector approaches are better than the public. The new public management has been applied in various levels of government and in many areas in the public sector (Silva and Ferreira, 2010). One area of the public sector in which it has spread predominantly is healthcare (Dawson and Dargie, 2002; Kelly et al, 2015; Silva and Ferreira, 2010).

The healthcare sector has long been subjected to extensive government control (Ellwood, 2009) and high scrutiny from the public with constant demand for appropriate management of performance of the services and improved accountability for the effective and efficient use of public resources. It faced ongoing criticisms which include among others inequitable distribution and lack of resources, lack of information and patients' choice, and inefficiency in delivery of services which have stimulated the need to reform their operations. These concerns were voiced by the Organisation of Economic Co-operation and Development (OECD) as follows:

> Health financing and delivery systems that were initially conceived to provide access to services appeared to be less successful at achieving efficiency. Governments and private purchasers began to question the cost and health effectiveness of the additional services they were purchasing. With the achievement of almost universal access in most countries, efficiency and effectiveness have moved to the forefront of the debate. (OECD, 1987 cited in Abernethy et al, 2006:807).

The healthcare is deemed to be very significant for several reasons as follows. First, it is one of the diverse, differentiated and complex organisations. Unlike other sectors, healthcare's stakeholders are diverse, which includes among others local authorities, central government, private sectors, universities, donors, patients, and clinical professionals with multiple hospital affiliations (De Harlez and Malagueño, 2015). Dawson and Dargie (2002) argue that the health systems consist of complex interplay among five competing stakeholders' forces of industry, science and technology, professionals, the public and

politicians, each with their respective aspirations and expectations capable of bringing about change and uncertainty to the hospitals' environment. Hence, effective control systems are needed to manage these complexities.

Second, the intangible nature of the services of the healthcare organisations also deemed the healthcare sector as important. It is commonly agreed that health is a vital public good or service (Dawson and Dargie, 2002). Ellwood (2009) suggests public good or service should be universally accessible and provided equitably to all. Universally accessible means that the provision of the service provides social benefit rather than economic benefit (Ellwood, 2009). Indeed, social welfare should be prioritised by the sector as public expectation over its services is a matter of life and death.

Third, in most countries, the public health services expenditure represents a major investments portion (Brinkerhoff, 2004; Kelly et al, 2015) due to rise in various diseases (controllable and uncontrollable) and investment in high-skill professionals and equipment. The investment in healthcare has continued to increase, as a result of the global financial crisis in 2008 (Kelly et al, 2015). In democratic countries, funding of healthcare expenditures is financed out of public (taxpayers') money. These various challenges have put severe pressure on governments to control public sector spending. Following this predominant concern on controlling public expenditure, there has been increasing interest in the impacts of this on accountability and the performance of the public sector.

Finally, unlike other sectors, the health sector is highly dominated by various professional groups who are responsible for the hospital's resources to treat patients (Cardinaels and Soderstrom, 2013; Ellwood, 2009; Kelly et al, 2015).

Whilst there are various powerful stakeholders, DiMaggio and Powell(1983) have argued for the dominant power of the government and professionals in creating institutional pressures on organisations. These professionals have been given high autonomy in their works and their professional status makes them very influential (Broadbent and Laughlin, 2002). The professionals derive their power from their ability in determining the norms, values and regulations for delivery of services, and the specialist knowledge and tacit relationship with customers that they possess over other employees in organisations (Broadbent and Laughlin, 2002; Lapsley, 2008). These distinct professional characteristics and ethics are significant for ensuring efficient and effective delivery of public service towards patients. However, the professionals' lack of formalised control systems, which gave them greater autonomy over their work, have led them to be self-serving and inefficient (Broadbent and Laughlin, 2002; Kurunmäki, 2004). They became complacent with freedom entrusted to them which led to consequent disempowerment of service and lack of financial responsibility (Dawson and Dargie, 2002; Kurunmäki, 2004). Hence, there have been efforts to limit the autonomy of public sector professionals by the central government through using tight controls of performance indicators and targets. Healthcare organisations, therefore, are faced with external pressures to change their internal management to meet the demands from external stakeholders toimprove performance and accountability.

The idea of new public management is to seek change in the management practices of the public sector, in general. Invariably, governments worldwide have used various control and accountability mechanisms in an attempt to redefine public sector management practices and change the behaviour of the

public sector. The control and accountability mechanisms include for example, the use of legislation and funding regulation (Agyemang and Ryan, 2013) to evaluate the public sector's capability to respond to regulations. There is also increasing requirement for public organisations to provide performance information to the public to enable them to evaluate the stewardship of public managers in managing resources entrusted to them and achieving stated objectives (Broadbent and Guthrie, 2008). All these serve as external pressures for public organisations to change its internal management control systems. One significant technology is the use of management control systems as a mechanism for achieving efficiency and effectiveness (Hood, 1991,1995; Broadbent and Laughlin, 2002; Jackson and Lapsley, 2003; Verbeeten, 2008b; Arnaboldi et al, 2015,Broadbent, 2011) and as an accountability mechanism in helping to make transparent the activities of the public sector (Broadbent and Guthrie, 2008).

1.2 Research Motivation

The adoption of new public management is evident in Brunei (Yapa, 1999; Adhair, 2005; Al Athmay, 2008; Kifle and Cheng, 2009; Said, 2013).There are several factors that triggered the public sector reform in the country. First is the economic factor. Since Brunei gained its independence in 1984, Brunei's economic system has greatly prospered from the income generated by oil and gas (Al Athmay, 2008; Crosby, 2007). This source of income contributed ninety percent to the country's economy and has long been relied upon and used by the government to finance public services expenditures for the population (Al Athmay, 2008; Hashim, 2010; Yapa, 2014). Whilst Brunei has long benefited from the rising price of oil and gas, oil is volatile and vulnerable to fluctuations in

demands and prices (Hashim, 2010; Lawrey, 2010. This is beyond the control of the country that decrease in the price will significantly impact on the government's ability to render public services to the citizens. In addition to this, the global financial crises in the 1990s and 2000s have caused further concern to the government as these impacted Brunei's economic performance, which led to the government having to reduce its budget allocation on national development projects (Hashim, 2010; Lawrey, 2010; Siddiqui and Al Athmay, 2012).Hence, the government made economic diversification themain thrust to reduce the country's heavy reliance of oil and gas and spur and generate more income to the country's economy (Hashim, 2010; Lawrey, 2010; Siddiqui and Al Athmay, 2012) in order to improve the standard of living of the people.

The second impetus for change is with regard to the need for rigorous efforts in improving the state of affairs of Brunei government transparency and accountability (Yapa, 2014). There are increasing concerns expressed by international organisations such as the World Trade Organization and the International Monetary Fund on the accountability and transparency of the affairs of Brunei's public sector organisations. The issue of transparency was highlighted by the World Trade Organization (2015:7) as follows:

> Members encouraged Brunei to complete additional legislation on competition, while promoting greater transparency of government decision making on trade policy matters.

The political system is governed by a monarch (known as 'Sultan') and the government is directly administered by the Sultan, who is also the Prime Minister representing all branches of government in Brunei. It being a monarchy

system, there is no parliamentary democratic process of election. As the head of the government, the Sultan has the absolute power including election and removal of public sector Ministers. Consequently, the Cabinet Ministers are mainly accountable to the Sultan rather than to the general public as there is no parliamentary process (Yapa, 1999) and legislative scrutiny (Al Athmay, 2008) through which the Ministers can be held accountable. Nevertheless, there have been several efforts towards creating a transparent and accountable government. For example, the reconvened of Legislative Council in 2004 in which the members consist of Cabinet Ministers presents one of the main avenues for the public to hold ministries accountable to the citizen and was expected to serve as an oversight system for government operations. However, the primary agenda of the council is to discuss and approve budget allocation for each government Ministry (Thambipillai, 2006).

Third is the growing expectations of the public as a result of increased numbers of educated citizens who demand a higher standard of services, and greater transparency and accountability from the public sector organisations. There were public complaints about the ineffectiveness and inefficiency of the public sector organisations. Consequently, these factors make public reform more urgent.

Whilst new public management originated from and is well developed in Western and developed countries, it has also been adopted by developing countries (Sozen and Shaw, 2002; Elias Sarker, 2006). Despite new public management being perceived as a solution to public sector performance, its implementation in Western countries is controversial with its benefits still

contested. Previous studies show that there have been limited benefits gained from the adoption of new public management and in some cases such reform have brought about unintended and undesirable consequences (Pollitt, 2002; Bevan and Hood, 2004; Bevan and Hood, 2006; Verbeeten, 2008a; Lapsley, 2009; Radnor and McGuire, 2004; Conrad and Uslu, 2012; Pollitt, 2013). For instance, Radnor and McGuire (2004) have raised the question with regard to public sector reform in the United Kingdom (UK) whether 'performance management in the public sector: fact or fiction?'. They argued that, due to its private sector origins, new public management might not be totally compatible with the public sector approach.

Despite the reservations on the implications of the new public management, and the perceived success stories of the new public management in developed countries, its implementation in developing countries seems unabated. It has been argued that implementing the new public management ideas would pose more challenges in developing countries. Applying these principles to developing countries adds other layers of complexity (Hughes and Teicher, 2004) compared to their developed countries counterparts. The existence of well-modernised administrative systems and strong professional accounting environments in developed countries has facilitated the move towards constantly finding ways to improve public sector management practices (Sozen and Shaw, 2002; Elias Sarker, 2006). The public sector in developing countries, on the other hand, are characterised by absence of formal market economy, advanced levels of economic development, legal system, and administrative system and state efficiency, which may impinge on the successful implementation of the new public sector reform (Elias Sarker, 2006).

Furthermore, the new public management entails a fundamental shift not only in structural aspects but also in the norms, values and beliefs prevailing in the traditional public sector model and the cultural fabric of the countries (Siti-Nabiha and Scapens, 2005; Norhayati and Siti-Nabiha, 2009).This presents a set of challenges not only because of the existing tension between public and private sectors but also because of the differences compared with Western countries in terms of social, cultural and political aspects (Sozen and Shaw, 2002; Elias Sarker, 2006; Koike, 2013).As such, efforts to emulate the holistic accountability and transparency practices of developed countries will not succeed (Abu Bakar et al, 2011).

Brunei is governed by a national philosophy known as 'Melayu Islam Beraja' (Malay Islam Monarchy) which ensures the harmony, security, stability and well-being of the nation. The ideology underlies and dominates the government's development policies, direction and ethos (Duraman and Hashim, 1998; Yusof, 2015) and, thus shapes the system of government and political culture of the country (Jamil, 2016; Yusof, 2015). Hence, the contextual factors present set of challenges that it is not only necessary to consider the transferability issue of the private practices into the public domain but also important to understand how the new public management which originated from Western countries could be applied to different cultural, political and social environment.

In democratic and developed countries, the discourse about new public management and accountability is usually about promoting improvement of service delivery performance, transparency in reporting of performance information and achieving value for taxpayers as the governments' revenue is

derived from various tax levied. This is being reflected in various policies of governments. Furthermore, government performance can be affected through the democratic process of election which extends the concept of accountability to enable the public to evaluate the ability of public managers in managing and using public resources and whether stated objectives have been accomplished (Patton, 1992). Hence, this strengthens the need for external stakeholders to demand accountability for performance by providing performance information to the public. In Brunei, on the other hand, the citizens have long enjoyed generous subsidies and economic benefits provided by the government which include, among others, no tax imposed, free education and medical care and high subsidisation on fuel and housing. Additional benefits are also given to government employees, which include zero-interest loans. Whilst accountability discourse in countries with representative systems of government is about getting value for money for the taxpayers (Al Athmay, 2008; Yapa, 2014), in Brunei, on the other hand, accountability is about getting value for money for the government, as a result of the government's provision of subsidies towards the citizens (Al Athmay, 2008). As noted by Yapa (2014:15)

> The unique nature of the monarchy culture and the state of ideology of Melayu Islam Beraja are important to the understanding of the public sector governance environment. Because a royal family-dominated public sector is a non-western concept, the extent to which reforms to public governance can be further modified, in Brunei may be limited.

A shift to new public management has made management control systems a core element of the public sector management processes to improve

performance at all levels (Hood, 1991). Ever since Brunei achieved independence in 1984, the Brunei government has ventured into various initiatives to diversify its economy to reduce heavy reliance on the oil and gas industry (Al Athmay, 2008; Hashim, 2010; Lawrey, 2010; Said, 2013). Consequently, the government have developed a national vision known as Wawasan Brunei 2035 (Brunei Vision 2035) outlining Brunei's national development plans. The public sector is seen as a vital mechanism and, consequently, efforts in modernising the government through new public management is seen as essential in realising this vision. Under the Wawasan Brunei 2035, all government Ministries and departments are mandated to implement a 'whole of nation' approach which involves formulation of a strategic plan in which the plan must define a set of results-oriented strategic goals and means of achieving them and key performance indicators (Al Athmay, 2008; Said, 2013). The Sultan's speech (titah) in 2015 with respect to this initiative mentioned as follows:

> *From the aspects of the implementation of national policies, I am reminding Ministries to be more proactive by improving coordination through a 'whole-of-nation' at all levels. But all these require careful monitoring, knowing complete and accurate information, data and statistics. Therefore, all agencies need to increase their respective capacity in the collection and analysis of the information.* (His Majesty during 22nd Civil Service Day on 24th November 2015).

The Ministry of Health in Brunei has responded to the Sultan's titah for improved performance and increased accountability, by introducing restructuring of the Ministry in February 2016. Clearly, the external demand

creates pressure within the Ministry of Health and, therefore, the need for change in its internal management control processes. Management control systems operate within organisations and its effectiveness is influenced by internal and external contextual factors. Broadbent and Laughlin (2009) emphasised the importance of context in trying to understand performance management systems. They argued that 'context also plays a major role in moulding the nature of any performance management systems. This relates to the societal and organisational situation in which any performance management systems is located and is trying to control'(Broadbent and Laughlin, 2009:284).The importance of considering contexts under which management control systems operate has been acknowledged by various studies. For example, Greve et al's (2017) study on management control systems in various institutional contexts found that society influences effectiveness of the control systems. The significance of cultural values was highlighted in a study conducted by Agrizzi et al (2016). Their study shows the impact of shared religious values on an accreditation programme in Iran.

Whilst public sector organisations in Brunei have to deal with their own internal organisational challenges, they are also faced with management control and performance management challenges related to their relationship with the external environment. Extant empirical research has largely focused on how contextual factors interact with management control systems in developed and democratic countries, whilst less has been done on developing countries with specifically strong monarchy and traditional cultural influences. A study by Sutheewasinnon et al (2015) on management control system in the public sector in Thailand shows that reform initiatives in a centralised and strong

government are not easy and the response is complex. Similar to Brunei, Thailand has an influential traditional monarchy, a highly institutionalised public sector and strong cultural values. Consequently, this provides concern about the applicability of new public management including the implementation of management control systems in such settings.

1.3   Aims and Objectives

This study aims to explore how new public management is experienced in the complex environment of a traditional monarchical system and how this impact on accountability and management control systems within the Ministry of Health in Brunei. To achieve the aim, the following research objectives will be examined:

  i.   To evaluate the nature of the regulatory control system in Brunei.
  ii. To explore how the demand for improved accountability and performance in the context of new public management, in relation to the Wawasan Brunei 2035, impacts on accountability and management control systems within the Ministry of Health.

This thesis seeks to achieve these objectives by examining the Brunei public sector, specifically the health sector, employing a Middle-Range Thinking approach (Laughlin, 1995, 2004) and Broadbent and Laughlin's (2013) ideas of steering. Details of the theoretical framework and methodological approach are explained in chapters 3 and 4. Key elements of the theory are the roles of societal steering as regulatory control systems and the responses of organisations to these controls. Drawing on these theoretical constructs enables a detailed analysis of the two research objectives.

1.4   Contribution to the Literature

The thesis contributes to the literature in three main ways. Firstly, from a theoretical perspective, this study presents a modest effort to contribute to Broadbent and Laughlin's (2013) theory. The study identifies, synthesises and employs the virtue of the different elements in this framework for understanding how new public management operates in a monarchy political system through critically evaluating the nature of regulatory control systems and how the Ministry of Health in Brunei has responded to societal steering mechanisms. In this way, the complexities associated with steering in a different context, specifically in a monarchy political system with a strong centralised and formalised governmental system, are demonstrated and, therefore, develop further our understanding of the notion of steering.

This study contributes to the steering theory in two ways. First, by extending the analysis from their mainly democratic and developed context to identifying another societal medium and mechanism within the model. Main steering media in a democratic context has been identified as consisting of a range of organisations and the steering is enabled through the use of law, funding and power of the main steering medium. In a monarchical context, the steering medium is in the form of an individual, who is the Sultan. This thesis provides an explanation of how inter-organisational steering processes between the Sultan and the Ministry of Health are achieved through traditional and cultural control in the form of personal edict known as titah. Second contribution is highlighting the significance of interpretative schemes and analysing the implications of these on organisational responses. The nature of regulatory control systems in a monarchical context has created tensions between

different interpretive schemes and, thereby, impacted on how the Ministry of Health has responded to the societal steering. Unlike colonisation envisaged by Laughlin (1991), the pathway of colonisation highlighted by this study was mainly derived from the societal steering mechanism of titah.

Secondly, the thesis contributes to the new public management and accountability literature. Sinclair (2005) identified five different accountability relationships (political, public, professional, managerial and personal) in a democratic setting; this study, on the other hand, identifies bureaucratic accountability as dominant in a non-democratic monarchical context such as in Brunei. This study reveals complex bureaucratic accountability being privileged by the Ministry of Health in the complex environment of a traditional monarchical system. Smith (1991) noted that the External/Formal accountability is a form of control related to institutions such as parliament, ombudsman and the Internal/Informal accountability is related to control mechanisms such as personal ethics, professionalism; this study, on the other hand, identifies the Sultan's titah and the state ideology of 'Melayu Islam Beraja' as representing the External/Formal and Internal/Informal types of controls respectively in attempting to ensure the accountability of public sector organisations in Brunei.

Finally, the thesis provides an empirical contribution to the literature of new public management, management control and accountability through examining management practices in the healthcare setting in Brunei and extends the existing studies conducted by Al Athmay (2008), Said (2013) and Yapa (2014). This thesis adds to the literature by analysing the impacts of amalgamation of traditional (compliance and respect) and modern values (underlying the new

public management) on management control systems and the accountability of the Ministry of Health.

By examining how the Ministry of Health has responded to the regulatory controls from the Sultan in the way they conducted their management practices and made resource allocation decisions, the thesis provides further insights of the effects of national institutional context on management control processes. External regulatory controls require organisations to behave in certain ways, but the organisational responses are very dependent on their underlying interpretative schemes.

1.5 **The Structure of the Thesis**

The remainder of the thesis is organised into seven chapters, each of which is described briefly below.

Chapter 2 reviews the theoretical literature on new public management, accountability and management control. It contains four main sections. The chapter begins with an overview of new public management to provide understanding of the external environment influencing adoption of management control systems in the public sector. Whilst the study focuses on Brunei as a developing country, it is essential to review the new public management from developed Western countries' perspective as it is where the model originally emerged. Whilst the new public management reform originates from Western and developed countries, the extent to which the reform could lead to improved performance and accountability in developing context still remains unclear. Nevertheless, it has also been widely adopted by other governments in Asian and developing countries and the various studies conducted have shown that

the implementation of the new public management ideas in this context encountered more challenges and other layers of complexity (Hughes and Teicher, 2004) compared to their developed countries counterparts. The contextual differences (such as socio-cultural and political) have been identified as significant in influencing organisational attitudes and behaviours towards the new public management. Then the subsequent two sections will review the literature on accountability and management control systems and their respective characteristics and issues pertaining to the application of these themes in the public sector. This is followed by specific discussion on related new public management issues in the public healthcare sector before concluding the chapter.

Chapter 3 provides discussion of Broadbent and Laughlin's (2013) Theory of Steering. It examines the complex relationship between societal and organisational steering, the nature of the steering, and possible responses organisations may take in responding to the societal steering. The basic elements of processes of societal steering lifeworld, steering media and systems, are introduced. The corresponding elements of interpretative schemes, design archetypes and sub-systems that underpin organisational steering processes are explored. It will also provide an explanation on how the thesis will use the theoretical framework and an alternative theory that could possibly be used in the thesis.

Chapter 4 explains the methodological underpinnings of the research by examining Middle-Range Thinking (Laughlin 1995, 2004). Detailed descriptions

of the research methods employed by the study are then presented. The chapter ends by explaining how data collected was analysed qualitatively.

Chapter 5discusses the processes of societal steering from the Sultan, and other government agencies such as the Prime Minister's Office and Ministry of Finance are examined. The contents of the Sultan's titah are discussed as providing evidence of a societal steering mechanism.

Chapter 6 presents the empirical findings from the case study – the Ministry of Health. The section starts with providing the contextual background of the case study and then a brief historical background of healthcare reforms in Brunei. The underlying organisational values, planning, budgeting, effects of funding, and performance measurement are discussed to show the management control processes of the Ministry of Health. It provides analysis of the organisational steering using the theoretical framework developed earlier in chapter 4. The chapter addresses the second objective of the thesis by illustrating the impacts of societal steering upon the management processes of the Ministry of Health. Chapter7 aims to address the research questions that were stated in chapter 1 by discussing the empirical findings of the study in the light of Broadbent and Laughlin's (2013) theoretical framework and prior literature as language to analyse the nature of societal steering and the impacts it has on organisational responses. It will provide discussion of the extent to which the steering processes in the traditional monarchical system are working through analysis of how the Ministry of Health perceived the external regulatory requirements to be acceptable because they are in line with their 'taken for granted' values. In the case where the requirements by the societal steering are not accepted, the

Ministry of Health may respond by adopting management processes that are in consistency with their perceived values and, therefore, shows sign of resistance. Chapter 8, the final chapter, reviews the findings of the thesis and provides reflections on the theoretical framework. It consists of four sections. The chapter starts with drawing on the achievement of the research objectives of the thesis followed by discussion of the theoretical and empirical contributions. The third section provides several limitations of the research and its implication for future research. The final section offers concluding statements.

Chapter 2
LITERATURE REVIEW

2.1 Introduction

The aim of this chapter is to develop the arguments of the thesis. This will be done by undertaking reviews of the literature on the main themes which underpin the empirical works of this thesis. Below are the four main themes which will form the boundary for this thesis.

i. New Public Management

ii. Accountability

iii. Management Control Systems

iv. Healthcare Management

This chapter is structured in five sections. The chapter begins with an overview of new public management to provide understanding of the external environment influencing adoption of management control systems in the public sector. Whilst the study focuses on Brunei as a developing country, it is essential to review the new public management from the developed Western countries perspective as it is where the model originally emerged. Then the subsequent two sections will review the literature on accountability and management control systems and their respective characteristics and issues pertaining to application of these themes in the public sector. This is followed by specific discussion on related new public management issues in the public healthcare sector before concluding the chapter.

2.2 The New Public Management

Public sector organisations play vital role in promoting public interest and welfare, and social as well as economic development of a country. However, under a traditional administrative model, governments worldwide have been heavily criticised for various reasons which ultimately undermines its role as engine of growth and development. Whilst there are myriad criticisms, the main ones are inefficient and ineffective service provision, rising investment in public services, inability to cope with changing internal and external environments and dissatisfaction over provisions and quality of services (Hood, 1991; Osborne and Gaebler, 1992; Humphrey et al, 1993; Ferlie et al, 1996; Pollitt and Bouckaert, 2004,2011). These criticisms suggest two main things. First, the performance of the public sector organisations was problematic; and second, there was a lack of accountability within the public sector. Consequently, in the 1980s and early 1990s, new public management (NPM hereafter) was introduced providing solutions to performance and accountability challenges within the public sector.

There are several terms coined by several authors to describe the NPM, such as 'managerialism', 'result-based management', 'post-bureaucracy' and 'accountable government' (Hood, 1991; Humphrey et al, 1993; Pollitt, 2009). Despite of the various terms used, the new model of public management sought to transform the management structures, processes and values from rules to performance, and compliance to accountability through application of private sector values and principles (Hood, 1991; Osborne and Gaebler, 1992;Pollitt, 2007). Administrative reform involves a 'shift in public management style which

consists of deliberate changes to the structure and processes of public sector organisations with the objective of getting them to run better' (Pollitt and Bouckaert, 2004:8). Therefore, the NPM aims at modernising the public sector through making it more efficient, flexible and accountable.

The NPM is influential in that it has diffused as a normal way of thinking among policy makers of many Western societies (Pollitt, 2007; Kurunmäki, 2009). The idea was first advanced by the UK and America who advocated the adoption of private sector values and principles into their public administrative models which they saw as bureaucratic, inefficient and ineffective (Osborne and Gaebler, 1992; Ferlie et al, 1996; Barzelay, 2002; Sozen and Shaw, 2002; Almquist et al, 2013). Like the private sector, the public sector is expected to behave like managers rather than administrators of services, and be more efficient, forward-thinking and business-like oriented (Jackson and Lapsley, 2003;Pollitt, 2009). The underlying belief was that the private sector model is superior to traditional public sector administration, as noted by Hood (1991:6) that

> this movement helped to generate a set of administrative reform doctrines based on the ideas of professional management expertise as portable, paramount over technical expertise, requiring high discretionary power to achieve results [free to manage] and central and indispensible to better organisational performance, through the development of appropriate cultures and the active measurement and adjustment of organisational outputs.

Therefore, by redefining and altering the public sector mode of operations according to private sector approaches, it is believed that the public sector organisations would become more efficient, effective and accountable for management of resources and towards meeting their stakeholders' demands.

The NPM has been in existence for more than 30 years now and is prevalent in Western countries such as the UK, America, New Zealand, Australia, and as well as international organisations, such as the Organisation for Economic Co-operation and Development (OECD).Despite this, NPM can still be considered as 'new' in Asian countries. Lapsley (2009) observed that the ideas of NPM have shown to be influential as it has been widely implemented by governments in various jurisdictions not only in advanced countries but also increasingly in developing countries. Accordingly, the global adoption of NPM has come to be viewed as a universally applicable framework of 'public management for all seasons' (Hood, 1991:3). Implicit in this view is the belief that NPM is generally applicable regardless of the political, economic, social, and cultural nature of the host country. Thus, Brunei as a developing country has followed the global trend in adopting the NPM ideas with the main aim of promoting performance-oriented and results-oriented cultures within the public sector.

Although the NPM appeared to be influential in developed and developing countries, there seems to be hardly any consensus on the precise definition of what characterised NPM. Some authors associate this difficulty to the general applicability of the reform. They contended that the NPM design and implementation varies depending on the contextual situation; consequently

there is hardly a single definition that could precisely describe the nature of NPM (Hood, 1995; Pollitt, 2007; Pollitt and Bouckaert, 2011). Nevertheless, various attempts have been made to define, redefine and refine the NPM elements (Lapsley, 2009; De Vries and Nemec, 2013). The attempts have been made in terms of defining it from public administration, political, management and economic perspectives (Hood, 1991, 1995; Barzelay, 2002; Lapsley, 2009; De Vries and Nemec, 2013) and in effect, the NPM has been defined in several ways. Table 2.1 summarises some of the NPM components perceived by several authors (Osborne and Gaebler, 1992; Hood, 1991, 1995; Ferlie et al, 1996; Dunleavy et al, 2006; Pollitt, 2009) which depicts considerable overlap among the different views.

Table 2.1 Components of New Public Management

Osborne and Gaebler (1992)	Hood (1991,1995)	Ferlie et al (1996)	Dunleavy et al (2006)	Pollitt(2009)
Steering rather than rowing	Copy private sector management styles	Efficiency	Incentivisation	Private sector styles of management
Decentralisation	Disaggregation	Downsizing and decentralisation	Downsizing	Lean, flat, small, specialisation (disaggregation) organisational forms
Competition	Competition	Excellence	Competition	Market mechanisms
Result rather than rule-driven	Explicit use of performance measures	Public service orientation		Emphasis on performance
Customer-driven	Emphasis on output controls			
Enterprising	Emphasis on hands-on management			
Anticipatory	Discipline in use of resources			
Empowering rather than				

serving				
Market-oriented				

Among these different perspectives, Osborne and Gaebler's (1992) conceptualisation notably provided the impetus to NPM implementation where a refined role of government is being promoted as a catalyst (steering rather than rowing), thus by end of 1990s, NPM has become an international slogan and embedded in public sector in most countries (Hood, 1991; Barzelay, 2002; Pollitt, 2009; De Vries and Nemec, 2013). However, despite the numerous advancement attempts, Hood's (1991) definitions of NPM remained relevant possibly due to its simplicity which policymakers can understand in developing policy agendas in public services (Pollitt, 2009). Four of Hood's (1991) descriptors will be the focus of this thesis, as they appear to be relevant in influencing administrative reform in Brunei. The four characteristics are: explicit use of performance measures, discipline in use of resources, emphasis on output controls and on hands-on top management.

First, the increased accountability for results has accentuated the preoccupation with performance targets and standards in the public sector (Hood, 1991, 1995; Modell, 2009; Lapsley, 2008; Arnaboldi et al, 2015). Increasingly, public organisations are required to conduct strategic planning by setting explicit performance goals, targets and indicators for which accountability from organisations is demanded. Explicit specification of standards and measures of performance assumes organisational priorities are clear, aspects measured are representative of the whole and what being measured matters (Conrad and Uslu, 2012).

Second, the NPM emphasis on cost-efficiency which stimulated the concept of 'do more with less' in the public sector (Hood, 1991, 1995; Broadbent and Guthrie, 1992; Lapsley, 2009). The NPM approach of seeking an appropriate private sector model has led to the introduction of lean management into public sector organisations that, consequently, they are expected to be accountable for management of resources through reducing wastage and adoption of various accounting technologies to deliver more efficient, effective services with economical ways (Radnor and Osborne, 2013; Arnaboldi et al, 2015).

Third, there is greater emphasis on output controls (results or outcomes). The NPM set out to replace the traditional control mechanisms of budgetary and costing systems which were designed for compliance (for example, to ensure a fund has been spent according to approved purposes and within the agreed limit) and reporting to government with greater emphasis on output accountability (Hood, 1995, 1991; Broadbent and Guthrie, 2008; Lapsley, 2008). Invariably, resource allocation is linked to achievement of performance output by organisations. Actual performance is measured against targets set to assess organisations' efficiency and effectiveness, and enable comparative assessment of different units and evaluation of individual performance (Hood, 1991, 1995; Broadbent and Guthrie, 2008; Lapsley, 2008). Organisations will be rewarded with extra funding (rather than continuously funding) for successfully achieving performance goals. Making public sector managers accountable for results would advance the case for increased visibility of organisational activities and decisions, thereby improving the accountability of the public sector

organisations to their stakeholders (Broadbent and Guthrie, 2008; Lapsley, 2008).

Finally, the NPM set out to assign responsibility and accountability for organisational activities to named professional managers (for example, doctor as manager or academic as manager) to seek the active involvement of the professionals in resource management whilst at the same empowering them (Hood, 1991, 1995). The underlying idea is to preserve the professionals' autonomy whilst giving them freedom to manage.

2.2.1 Summary: Implications of New Public Management in the Public Sector

The myriad criticisms related to public sector performance have stimulated the development of NPM which provides a platform to foster change in public management. These changes are to be achieved by employing modern private sector management values and principles into the public sector management (Hood, 1991, 1995). Essentially, these changes call for increased accountability and the use of management control systems to achieve them (Jackson and Lapsley, 2003; Lapsley, 2008; Agyemang, 2009; Lapsley and Square, 2010; Broadbent, 2011; Salminen and Lehto, 2012). Hence, there is a need to understand accountability and management control systems literature.

Before discussing management control systems, it is necessary to first examine accountability and issues related to it. Accountability demands from stakeholders present an external pressure for public sector organisations to

change. The external environment poses challenges and opportunities to which the organisation will choose to react or not (Broadbent and Laughlin, 2009).

2.3   Accountability in the Public Sector

Accountability has always been a crucial aspect in the public sector. According to Dubnick and Frederickson (2011:3) accountability is '… the air we breathe, the oxygen of politics, and the hope of administration. In short, accountability is the word that is eating government.' It is synonymous to trust, transparency, responsibility, fair, equitable and good governance (Bovens, 2007, Frølich, 2011). As such, accountability serves as a crucial means to enhance public sector organisations' performance and results (Dubnick, 2005; Dubnick and Frederickson, 2011; Ossege, 2012).Although accountability has been significantly examined in the literature and is 'ubiquitous' (McKernan and McPhail, 2012:177), it is difficult to precisely define. As argued by Sinclair (1995:221) accountability is a messy, complex and chameleon-like concept and 'the more definitive we attempt to render the concept, the more "murky" it becomes'. As such, accountability can have different meanings.

Accountability refers to the giving and demand of reasons for good conduct (Sinclair, 1995; Ranson, 2003). Some authors have provided more elaborate definition to rectify the concept. Romzek and Dubnick(1987), for instance, refer to accountability as a strategy for managing diverse expectations from internal and external organisations. Smyth (2012) argued the need for accountability to involve formal mechanisms of sanction and reward, otherwise it would be bogged down to merely answerability and transparency. Despite the different

definitions provided, invariably accountability exists where there is a relationship between two parties.

To date, different types of accountability relationship have been conceptualised in an attempt to enhance our understanding of the different relationships that exist in the public sector (Sinclair, 1995; Parker and Gould, 1999; Mulgan, 2000a; Ranson, 2003; Dubnick, 2005; Willems and Van Dooren, 2011, 2012). These signal the attempts to refine the meaning of accountability. Table 2.2 summarises the different accountability dimensions commonly identified in the literature (Romzek and Dubnick, 1987; Sinclair, 1995; Ranson, 2003; Willems and Van Dooren, 2011).

Table 2.2 Types of Accountability

Types	To whom?	For what?		How?
Bureaucratic	Superior/higher authority	Standard operating procedures; stated rules and regulations		Close supervision and compliance
Political/democratic	Electorate	Policies, stewardship, actions		Elections, parliamentary discussion and scrutiny, political debate
Professional	Clients – direct or indirect; professional body/alliance	Welfare of clients		Professional judgement, peer review, internal reports
Managerial	Politicians, managers	Economy, efficiency, effectiveness, input, outputs/outcomes, financial		Profitability, financial reporting
Consumer/Market	Direct and indirect consumers	Extent of choice		Consumer choice, statistical data, newspapers

Sources: Romzek and Dubnick, 1987; Sinclair, 1995; Mulgan, 2003; Ranson, 2003; Koliba et al, 2011.

Political accountability is a relationship that exists between the government and elected representatives and the electorates. A political relationship is bounded by democratic, constitutional principles and defined law and regulations and the government is accountable for their policies, stewardship, actions and all aspects of performance. Whilst the elected representatives are directly accountable to the people, public sector officers (who exercise authority on behalf of the elected ministers) may also be accountable politically by the way of the 'chain of accountability' which links the officers to the politicians and then the public (Sinclair 1995:225).

Next, professional accountability, on the other hand, involves answerability of public officers (as a member of specialist group) towards their professional peers (Parker and Gould, 1999; Sinclair, 2005). For example, a relationship between doctors and their medical professional associations. Professional accountability exists to secure ethical practices that intend to safeguard clients' needs.

Then, market accountability (also known as consumer accountability) (Ranson, 2003)is a relationship between government as service provider and the public as consumers. Here, the accountability discussion is shifted towards being accountable to meet and be responsive to the needs of the public as consumers in an attempt to gain their support (Hood, 1991; Sinclair, 1995; Parker and Gould, 1999; Ranson, 2003).

Another type of accountability is managerial accountability which is the type of relationship that exists resulting from delegation of authority (Sinclair, 1995; Jackson and Lapsley, 2003; Gendron et al, 2001). Managerial accountability is in line with the slogan 'management rather than administration of services' (Jackson and Lapsley, 2003:360) whereby managers are delegated with authority to meet the established performance targets and accountable for stewardship of the resources entrusted to them. An example would be a relationship that occurs between providers of funds and managers using the funds. The nature of this kind of relationship tends to be formal and hierarchical (Sinclair, 1995). Managerial accountability is the accountability relationship that requires an explanation of stewardship and traditionally has an underlying concern for improvement in performance.

Finally, bureaucratic accountability involves a hierarchical and supervisory relationship between a superior and a subordinate. The expectations are managed by way of focusing attention on the demands of hierarchical authority (Romzek and Dubnick, 1987). Supervisory control is intensively applied to various agency activities. Obedience entails the need to follow orders and rules and procedures is expected of the public managers. In an attempt to provide further understanding of several bureaucratic accountability mechanisms of control to promote accountable and responsible behaviour of the public sector, Smith (1991) categorised them along two dimensions: Internal/Formal; Internal/Informal; External/Formal and Internal/Informal. Table 2.3 exhibits the various accountability mechanisms that exist within the context of Western democracies.

Table 2.3 Bureaucratic Accountability Mechanisms

	Internal	External
Formal	Hierarchy Rules and regulations Budgets Personnel management Performance evaluation Auditing Programme monitoring Code of conduct	Legislative review Advisory committees Judicial action Ombudsman Review tribunals Evaluation research Freedom of information
Informal	Personal ethics Professionalism Representative bureaucracy Commitment Anticipated reactions from superior	Public comment Interest-group pressure Peer review Media scrutiny Political parties Politicians and officials at other levels of government

Source: Smith (1991)

Another aspect of accountability is related to internalisation of accountability. Ideally, it is argued that individuals within organisations should exercise individual responsibility in the process of giving of account. Contents of accountability report or narratives is argued to be influenced by the individual's experiences, perceptions and interpretations of his or her for examples personal and professional ethics, responsibilities (Messner, 2009; Roberts, 2009; McKernan andMcPhail, 2012). It concerns the way accountability is manifested in the behaviour of the accountee (Dubnick and Justice, 2006) as accountability is dependent on the individual holding the positions and responsibilities (Sinclair, 1995). This represents the horizontal accountability based on informal relationships (Hodges, 2012) such as moral and social obligations. However, there are individual issues in relation to the exercise of giving of account.

Messner (2009) argued that reliability of accountability is problematic because of the limits of nature possessed by the accountable person. The accountable self is argued to be, first, 'opaque' whereby it is not constantly able to reflect its deeds and rationale; second, it is 'exposed' to violence exerted by others; and finally, the relationship between the accountable person and their main principal is 'mediated' by intermediary principals leading to meeting conflicting demands (Kamuf, 2007).

2.3.1 New Public Management and Accountability: The Issues

Issues of accountability in the public sector become even more significant when considering the 'big paradigm shift' (Almquist et al, 2013:480) under the NPM. Traditionally, public sector accountability has been bureaucratic and hierarchical, ones which concern principal and agent relationship between politician and electorates or citizens, as well as between politicians and public managers (Sinclair, 1995; Parker and Gould, 1999; Dubnick, 2005;Dubnick and Frederickson, 2011;Salminen and Lehto, 2012; Almquist et al, 2013;Nyland and Pettersen, 2015). The concerns were hierarchical compliance and adherence to rules and procedures. However, under the NPM, the emphasis of public sector accountability is shifted towards concerns in meeting and responding to the needs of customers (Dubnick, 2005; Bovens et al, 2008; Schillemans,2011)through greater emphasis towards managerial accountability for performance and outcomes (Sinclair, 1995; Mulgan, 2000a; Messner, 2009; Ossege, 2012; Willems and Van Dooren, 2012; Agyemang and Ryan,

2013).The wider and different conception of accountability underlying NPM was captured by Hood (1995:94) as

… lessening or removing differences between public and the private sector and shifting the emphasis from process accountability towards a greater element of accountability in terms of results …

To achieve the aim of managerial accountability, central government make use of formal control mechanisms such as regulation and funding (Broadbent et al, 1991) in an attempt to make the public sector organisations accountable for resources entrusted to them (Broadbent et al, 1991; Broadbent and Laughlin, 2003; Ranson, 2003; Agyemang, 2009). Through this relationship structure, the public sector organisations are mandatorily asked to render accounts to central government for the management and use of public resources (Ranson, 2003).

Despite the proliferation of NPM ideas within the public sector, the extent to which the reform could lead to better accountability is questionable (Broadbent and Guthrie, 1992; Dubnick, 2005). Public sector accountability tended to be perceived rather negatively and there are several issues noted in the literature with regards to the 'promise of accountability' (Dubnick, 2005) underlying the NPM .Firstly, many years ago, Mulgan (2000) argued that the scope and definition of accountability has been expanded in several directions. The ever-expanding and simultaneous shift in accountability can give rise to tensions and paradoxes in an attempt to satisfy the demands of various stakeholders who are internal and external to the public sector organisations. According to Dubnick (2005:396) accountability paradox is

an inherent tension between accountability and performance … Rather than acting as a driver for desired levels of improved performance, accountability tends to be a "breaker" by either slowing down or stopping the improvements.

Dubnick and Justice (2006) argued that managerial accountability is pervasive with false promise that it will lead to improved performance. Managerial accountability is based on an imposed and hierarchical relationship that leads to account-giver not internalising the accountability (Dubnick and Justice, 2006). It has also been dominated by quantification practices (McKernan and McPhail, 2012) that undermine the internalised and embedded relationships that an individual possesses with others and can result in distortions and perverse behaviour as their performance is linked to rewards (Roberts, 1991; Dubnick and Justice, 2006).

Secondly, the introduction of new accountability mechanisms under the NPM, rather than replace the earlier mechanisms, augmented them (Sinclair, 1995; Hood and Peters, 2004; Chan and Rosenbloom, 2010; Radin, 2011; Salminen and Lehto, 2012).Romzek and Dubnick (1987:228) described this phenomenon as 'layering one kind of accountability mechanism upon another'. Whilst the idea of managerial accountability is to create a conducive environment for public managers to exercise discretion and flexibility in the decision-making process, it inhibits their innovation and discretion (Osborne and Gaebler, 1992).

Thirdly, the public sector organisations have always faced the challenge of having to meet accountability demands from various stakeholders due to their

multifaceted, complex and differentiated nature (Verbeeten, 2008b; Fryer et al, 2009). These different stakeholders would have different expectations which would render it increasingly challenging for the public sector organisations to identify to whom and for what they are accountable (Bovens, 2007; Salminen and Lehto, 2012).Furthermore, the different stakeholders may advance conflicting expectations (Sinclair, 1995; Abernethy et al, 2006; Salminen and Lehto, 2012) which would require the public sector managers to 'speak in several languages at the same time' (Messner, 2009:919). Consequently, 'being accountable in one form often requires compromises of other sorts of accountability' (Sinclair, 1995:231). As such, the demand for accountability is viewed as problematic and complex.

This problematic and complex nature was illustrated by Sinclair's (1995) study on Chief Executive Officers of public sector organisations in Australia with regard to their understanding of accountability in the context of NPM. She found that the officers remained confused despite being expected to be managerially accountable. Her study identified five forms of accountability relationships which are political, public, professional, managerial and personal and contended that accountability is socially constructed. Sinclair shows that the managers integrate their personal experiences of accountability into their understanding of accountability which reflects the difficulties experienced in meeting one's accountability. Despite feeling accountable to the government, the public managers 'claim accountability as something that they uphold, and fear … and anguished over' (Sinclair, 1995:232).

Whilst Sinclair (1995) contributes towards understanding the various accountability relationships which may exist in public sector organisations as a result of NPM changes, her study was based on the individual level not the organisational and societal levels. Several studies have considered accountability relationships between organisations (Broadbent and Laughlin, 2003; Agyemang, 2009; Busuioc, 2009). For instance, Agyemang's (2009) study sheds light on how accountability might relate to control whilst taking societal and organisational perspectives. Using a Habermasian theory of societal steering which was extended by Broadbent et al (1991),her study examined control practices between local education authorities (LEA) and their relationships with schools in response to regulation from government. An LEA is responsible and accountable towards the Department of Education and Skills for the performance of schools; however, LEAs do not have direct controls over the activity of schools. The study found that in an attempt by LEA officers to demonstrate their managerial accountability towards the Department of Education and Skills, they employed 'the language of influence' (Agyemang, 2009:762) to steer the schools towards achieving the LEA's objectives. She puts it this way:

[t]o be locally responsible and publicly accountable for performance … control patterns between them and the school systems changed from previous hierarchical ones to more relational ones that enabled the use of process controls. (Agyemang, 2009:780)

Agyemang's (2009) study sheds light on the complexities between accountability and control, demonstrating that the need for managerial accountability, despite having no direct control over the performance of schools, has led to changes in accountability relationships and resulted in the use of indirect control process. Arguably the same changes in accountability and control relationships may occur between central government and the public sector organisations.

Nonetheless, both studies demonstrate the interplay among the various accountabilities in coordinating relationships with various parties that may impact on their accountability relationships. The demand from NPM has increased the complexity of the chain of accountability.

2.3.2 Challenges to Accountability in the Public Health Sector

The importance of tacit professional knowledge and accountability are recurring themes in the domain of research in the public healthcare sector. The role of professionals (clinicians) is seen as crucial in achieving the goals of meeting their clients' needs. However, within the sector, there has been increasing requirements for improved performance and accountability to clients (patients) through the use of performance measures which undermine the professional accountability of the clinicians (Millar and McKevitt, 2000; Radnor and McGuire, 2004; Radnor et al, 2012; Conrad and Uslu, 2012).Millar and McKevitt (2000) have examined the use of performance measurement in the Irish healthcare system. They found that the use of performance measures did not lead to improved accountability of managers and professionals towards their clients

and argue that the performance indicators can make managers and professionals accountable if they measure in the manner in which the services are experienced by the clients.

The conflicting and weakening of professional accountability of the clinicians can also have far-reaching unintended consequences. For instance, Conrad and Uslu (2012) investigated the impact of annual star ratings in the National Health Service in the UK and found that the use of targets has led to gaming, conflict, crisis and unintended consequences.

Over the years, there has also been an increasing trend towards involving the professionals (clinicians) in the management role in an attempt to control and, at the same, empower them to add value to delivery of services (Kelly et al, 2015). This phenomenon has been described by Llewellyn (2001) and Kurunmäki (2004) as 'two-way window' and 'hybrid manager' respectively. These terms refer to the

> process by which medical professionals acquired much of the calculative skills often regarded as the preserve of management accountants … (Kurunmäki, 2009:1375).

Accordingly, the NPM has fundamentally shifted accountability of the clinicians, arguably one that concern professional accountability towards the need to consider managerial accountability which ultimately gave rise to conflicting accountabilities (Kurunmaki, 1999, 2004; Conrad and Uslu, 2012).

Extant literature has found tensions that exist in 'managing the boundary' (Broadbent, 2011) between the aspects of the role of clinicians as managers and professionals(Kurunmaki, 1999'2004,2008; Broadbent et al, 2001; Abernethy et al, 2006; Conrad and Uslu, 2012; Mutiganda, 2013; De Harlez and Malagueño, 2015; Malmmose, 2015; Nyland and Pettersen, 2015; Campanale and Cinquini, 2015).For example, Kurunmaki (1999) has examined and described in detail how in an attempt to make Finnish hospitals accounting entities under the NPM reform, changes being introduced had narrowed the basis of accountability for medical decisions which was not compatible with the societal conceptions of accountability held by medical professionals. A field study by Malmmose (2015) contributes similarly to the literature of conflicting accountability faced by medical professionals in Danish public healthcare. Medical professionals who have managerial roles are called to account for performance as well as to be accountable for their profession and clients. Both studies found that tensions exist between professional accountability and managerial accountability.

Whilst these studies found conflict between managerial and professional accountabilities faced by medical managers, the extent to which the NPM reform accountability affected their values are unclear. A study conducted by Broadbent et al (2001) on implementation of NPM in general medical practices in the UK found that NPM was resisted by most general practitioners. However, the nature of the resistance was in the form of 'absorption' by introducing two key new actors – nurses and medical managers to undertake superficially the changes underlying NPM so that the general practitioners remained largely

unaffected by these changes. However, a recent study by Campanale and Cinquini (2015) on the national healthcare system in Italy found evidence of distortion of clinicians' values by the interests of government which may negatively affect the health objectives of healthcare organisations. Whilst the NPM has widely been recognised as having the potential to weaken the professional accountability towards patients, fundamentally, these studies signal to the importance of values held by the clinicians in determining their responses towards the greater emphasis on performance and results.

2.3.3 Summary: Implications of New Public Management on Accountability

The NPM has heightened the interest and demand for greater public accountability within the public sector. There has been a shift in public sector accountability from one that emphasised bureaucracy towards concerns for customer and managerial accountabilities. Whilst the accountabilities underlying NPM promise to lead to better accountability, the extent to which this claim is true is not clear. The new public sector accountability tended to be perceived rather negatively as it has led to conflicting accountabilities, conflict, crisis and unintended consequences.

Within the health sector, the demand for accountability is greater mainly due to the multiple stakeholders and complex nature of the sector. The experiences and impacts of implementing NPM within this sector have also tended towards the negative side of the coin as experienced by other public sector organisations. However, whilst these are common issues across the public

sector organisations, the effects of NPM on accountability in the healthcare sector is deemed crucial due to the nature of the sector as being one that has to be 'available to the population and one that has to be provided equitably'(Ellwood, 2009:412). The role of clinicians is important, and they are being increasingly required to show accountability to their patients as well as on achieving performance and results. As a result, there is an inherent tension between managerial and professional accountability. Managerial accountability through the use of performance measures has created significant external pressures for healthcare organisations to change and accommodate the required NPM changes demanded by the government. The external environment will pose challenges and opportunities to which the organisation will need to choose whether to react or not (Broadbent and Laughlin, 2009). Various studies on health organisations have shown mixed results with regard to the impacts of NPM approaches to accountability within the sector. However, more recent studies, in particular by Campanale and Cinquini (2015), have shown the occurrence of distortions of clinicians' values which impacts on their espoused professional accountability.

Fundamentally, these external pressures may translate for the need for 'tighter managerial controls within firms' (Messner, 2009:918) to reflect the same NPM logics. As public managers are delegated with authority to meet the established performance targets and are made accountable for performance, their performance is open to scrutiny by the public. Invariably, the provision of performance information to the public for the exercise of their stewardship of public resources is important because the performance of public sector

organisations is identified with the provision of information supplied. Consequently, the public managers will find ways of managing and improving their performance and reports to be provided through implementing changes to internal management control within the public organisations (Radnor and McGuire, 2004; Broadbent and Laughlin, 2009; Ferreira and Otley, 2009; Broadbent et al, 2010; Agyemang and Ryan, 2013). Accountability for performance hence requires some way of controlling and measuring the activities of organisations upon which they are made accountable (Broadbent et al, 1991).

Invariably, the increased significance placed on accountability has made the role of accounting and control technologies key in managing performance within the public sector organisations (Hood, 1991; Jackson and Lapsley, 2003; Lapsley and Wright, 2004; Abernethy et al, 2006; Buick et al, 2015). Broadbent and Laughlin (2009) argue that management control systems will be present where there is effort to manage performance. As highlighted by Hood (1991:94) with regards to NPM:

> … since it reflected high interest in the market and private business methods … and low trust in public servants and professionals … whose activities therefore need to be more closely costed and evaluated by accounting techniques.

2.4 **Management Control Systems**

Management control systems (MCSs hereafter) is a significant accounting technology being employed in managerialist reforms, as a result of pervasive

belief that it will lead to improved accountability (Dubnick, 2005; Dubnick and Justice, 2006; Radin, 2011). MCSis a key tenet in managing performance in the private and public sector as it could serve as an enabler of change in ensuring that organisations deliver a high quality of services and influencing employees to behave in ways consistent with the organisational objectives(Simons, 1995; Otley, 2003; Kärreman and Alvesson, 2004; Tuomela, 2005; Abernethy et al, 2006; Malmi and Brown, 2008; Buick et al, 2015).

The MCSs have been conceptualised in various ways (Malmi and Brown, 2008) and the concept continues to evolve (Ferreira and Otley, 2009).For example, Simons (1995:5) defined MCS as 'the formal, information-based routines and procedures managers use to maintain or alter patterns in organisational activities'. Merchant and Van der Stede(2007), on the other hand, separated management control from strategic control whereby management control is related to controlling employees' behaviour. Whereas, Malmi and Brown (2008) defined MCS as mechanisms use to assist both decision-making and control so that they are in line with an organisation's objectives and strategies.

Despite the different definitions, the MCS broadly denote formal and informal, financial and non-financial information systems employed by organisations to assist in setting objectives and achieving those objectives (Smith, 1995; Merchant and Van der Stede, 2007; Otley, 1999; Kloot and Martin, 2000; Malmi and Brown, 2008; Ferreira and Otley, 2009; Mundy, 2010; Broadbent and Laughlin, 2009; Adler, 2011). It is the overall system available within

organisations to make things happen (Broadbent and Laughlin, 2009). Ferreira and Otley (2009:264) provided a holistic definition of MCSs:

… as the evolving formal and informal mechanisms, processes, systems, and networks used organisations for conveying the key objectives and goals elicited by management, for assisting the strategic process and ongoing management through analysis, planning, measurement, control, rewarding, and broadly managing performance, and for supporting and facilitating organisational learning and change.

Ferreira and Otley's (2009) definition above suggests that the MCSs incorporate both performance management systems and performance measurement. Performance management encompasses the goals the organisation wants to achieve (ends), the ways of achieving the goals (means) and the feedbacks to facilitate organisations to learn and change (how they are doing) (Broadbent and Laughlin, 2009; Ferreira and Otley, 2009).However, performance management and performance measurement have been used interchangeably which usually results in more emphasis made to performance measurement rather than performance management systems (Adler, 2011; Broadbent and Laughlin, 2009; Ferreira and Otley, 2009). Radnor and Barnes (2007:393) differentiated between the two as follows:

Performance measurement is quantifying either quantitatively or qualitatively, the input, output or level of activity of an event or process. Performance management is action, based on performance measures and

reporting, which results in improvements in behaviour, motivation and processes and promotes innovation …

The use of performance measurement can potentially function as 'tin openers' to help highlight, prioritise and diagnose problem areas (Tilbury, 2006). It is used to provide information regarding organisations and enable performance evaluation and learning (Lemieux-Charles et al, 2003), thereby it is a crucial part of performance management systems. Although performance measurement is crucial, it on its own is not sufficient to manage an organisation (Melnyk et al, 2014b;Agyemang and Broadbent, 2015) as it can trigger distortions in individual behaviour and unintended consequences (this theme will be discussed later).

2.4.1 Development and Characteristics of Management Control Systems

Over the years, the MCSs definitions continue to evolve to reflect their changing and complex nature (Otley, 2003; Ferreira and Otley, 2009). The literature identifies various key features the MCSs need to have for successful implementation. Some of the key features include: the need to provide clear objectives; align MCSs and strategies of the organisation; provide continuous monitoring and feedback sharing; enable a culture that promotes interactive, provide continuous learning and identifying good performance rather than diagnostic means of chastising poor performers; possess strong and committed leadership; stakeholder involvement; and broadly providing a strong and coherent link between different elements (Franco et al, 2002; Radnor and McGuire, 2004; Fryer et al, 2009; Ferreira and Otley, 2009; Silva and Ferreira,

2010; Buick et al, 2015). Others have also argued that MCSs need to adapt as the environment within which organisations operate changes. This is because the MCSs do not operate in a vacuum. Changes in internal and external environments will influence the control systems in organisations (Broadbent and Laughlin, 2009; Ferreira and Otley, 2009; Adler, 2011; Melnyk et al, 2014a).

As an indicator of the high interest in the MCSs, conceptual researches on MCSs have provided different approaches to its role, design and implementation in seeking to provide and enhance organisational understanding of the issues surrounding MCSs. For many years, the systems' developments have emphasised technical aspects of collecting and evaluating information with primary focus on financial performance measures (Broadbent and Laughlin, 2009; Ferreira and Otley, 2009). However, it has been argued that mere reliance on financial measures is inappropriate as it lacks robustness to capture the holistic performance and that the financial focus is at the detriment of unmeasured non-financial aspects (for example, effectiveness and quality) (Johnson, 1992; Atkinson et al, 1997).

In an attempt to address these issues and enhance researchers' understanding of successful implementation of MCSs, Otley (1999:364) has recommended the researchers go '…beyond the measurement … to the management of performance'. This suggests for research perspectives to be broadened from mere concern over the technical aspect of the measuring process to emphasise how managers will use the performance measures information to change and improve the way organisations operate. Consequently, calls were made for

development of multidimensional performance indicators that incorporate both financial and non-financial metrics to capture the holistic aspects of organisational performance (Otley, 2003).

The multidimensional approach to MCSs could be seen from the emergence of various performance measurement frameworks. Two key examples are Fitzgerald et al's (1991) 'Results and Determinants' and Kaplan and Norton's (1995) 'Balanced Scorecard'. The 'Results and Determinants' model was specifically developed with regard to UK service and suggests six key performance dimensions of performance, two of which belong to the 'results' dimension which are competitiveness and financial success. The other four aspects which relate to the 'determinants' of success are quality, flexibility, resource utilisation and innovation. The 'Balanced Scorecard', on the other hand, proposes performance measurement to be categorised under four aspects which are financial, customer, internal business processes, and innovation and learning. Kaplan and Norton (1995) have argued for the need to relate performance measures to organisational strategy and objectives using the four aspects. Table 2.4 outlines the performance dimensions of the two models.

Table 2.4 Results and Determinants and Balanced Scorecard

Results and Determinants (Fitzgerald et al, 1991)	Balanced Scorecard (Kaplan and Norton, 1995)
Competitiveness	Financial
Financial Performance	Customer
Quality of Service	Internal Processes
Innovation	Innovation and Learning
Resource Utilisation	
Flexibility	

Whilst both models suggested different performance dimensions, they are similar to some extent whereby the Fitzgerald et al's (1991) 'results' dimension correspond to the financial and customer aspects of the balanced scorecard; whereas the 'determinants' reflect the other two aspects of internal processes and innovation and learning with the balanced scorecard model. However, Kaplan and Norton's (1995) work is very popular as significant number of organisations worldwide adopted the model. However, despite the attempt to incorporate and integrate environment in MCS, acknowledging that it has to be able to cope with external pressure, these two models still mainly focus on narrow technical aspects of the MCSs– the performance measurement rather than management.

Several conceptual frameworks have been put forward to provide more a holistic view of the nature of MCSs. For example, Simons (1995) developed a strategic control framework known as 'levers of control'. According to Simons there are four 'levers' available to managers, which are belief systems, boundary systems, diagnostic systems and interactive control systems. The belief systems comprise the organisational shared vision, mission, values and culture which set the direction of organisation. The boundary systems function as establishing limits to managerial authority and discretion of what can and cannot be done. As for the diagnostic and interactive types of controls, they both involve an information gathering system. The difference is that the former is a formal form of control which consists of performance targets and measures which are being used to monitor and evaluate individual and organisational performance whether they are realising the organisation's goals, whilst the latter

encourages discussion and promotes constructive learning among organisational members to adapt to changing environments and resolve strategic uncertainties.

Whilst Simons' (1995) work significantly contributes to the range of possible controls that can be employed by organisations and how they could be used, Malmi and Brown (2008) have identified a broader definition and nature of the MCS and suggest it to be viewed as a 'package' to denote the existence of several MCSs within organisations. They suggested five broad types of MCS consisting of planning, cybernetic, reward and compensation, administrative and cultural control (which is depicted in Figure 2.1 below).

Figure 2.1 Management Control Systems Package

Cultural Controls					
Clans		Values			Symbols
Planning		**Cybernetic Controls**			**Reward and Compensation**
Long range planning	Action planning	Budgets	Financial measurement systems	Non-financial measurement systems	Hybrid measurement system
Administrative Controls					
Governance Structure		Organisational Structure		Policies and Procedures	

Source: Adapted from Malmi and Brown (2008)

Whilst there seems to be overlap between the models suggested by Simons (1995) and Malmi and Brown (2008), the latter's conceptualisation provides distinction between decision-making and control. Their argument was based on the fact that there are some accounting systems that are focused mainly on providing information to support decision-making but unless the support system

is used by managers to guide their employees' behaviour, then it cannot be regarded as MCSs. Their model was structured around how control is exercised and, subsequently, elaborates all the possible systems and practices available to managers to control behaviour.

Ferreira and Otley (2009), on the other hand, provided a more structured way of understanding the aspects of MCSs design and use in any organisations by way of providing 12 fundamental questions(see APPENDIX 1). These 12 questions relate to the ends and means needed to guide the nature of MCS. The framework is meant primarily as a 'heuristic' tool to aid in identifying the key aspects of performance management systems (PMSs) design and use which suggest that there is no universal MCS but one that is dependent on the type of organisation and its environment (Ferreira and Otley, 2009).

The works of Simons (1995) and Ferreira and Otley (2009) acknowledged that changes in the organisational environment may impact on the design and implementation of MCSs within organisations. Simons (1995) argued that where organisations are faced with strategic uncertainties, managers will seek to develop an interactive form of control to reduce the potential risks associated with the uncertainties. Ferreira and Otley's (2009:275) framework addresses this issue in question 11 which says:

How have the PMSs altered in the light of the change dynamics of the organization and its environment? Have the changes in PMSs design or use been made in a proactive or reactive manner?

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Ferreira and Otley (2009) noted that for MCSs to remain relevant and useful to improve organisational performance, it needs to adapt as environment changes. Whilst their question above focuses on the causes and results of changes in PMSs they are not focusing on details of process of change in the systems. They have noted that context and culture are'…contingent variables that might explain why certain patterns of control are more or less effective …' (Ferreira and Otley, 2009:267). However, these aspects were only given limited discussion as they see these as forming another level of analysis. Their analysis mainly focuses on internal organisation perspective.

Broadbent and Laughlin (2009) recognised the complexities of external environment influencing the design of MCSs and provide a holistic view of MCSs by offering societal and organisational perspectives. They developed Ferreira and Otley's (2009) framework by discussing in detail the context and culture aspects. The context in which the PMSs operating is affected by its internal (such as the organisational history, purpose and people) as well as external environments. They recognised the tension that exists between the internal and external environment of organisations which would have implications for the actions taken to design and implement PMSs. In particular, Broadbent and Laughlin highlight the existence of 'societal' organisations (external context) that have a role of regulating at a distance other organisations in an attempt to ensure compliance to the regulatory body and also appropriate responses of behaviour by the organisations. Aside from acknowledging the impact of the context on the nature of PMSs and the need for it to adapt to environment, they also considered the significance of culture (intangible aspect)

in impacting management control processes. Culture here is explained in the context of underlying rationality of individuals who can influence the way PMSs will be designed and used. They posit rationalities can be divided into two extremes between 'communicative' and 'instrumental'. Where communicative rationality is employed, the ends (for example, performance measures) are developed through discursive process and the ends are often qualitative-oriented. However, where the instrumental rationality, is used, the ends are more likely to be quantitative in nature and these are pre-determined. It is based on a central top-down approach. The likelihood that stakeholders have a sense of ownership of the ends and means of the PMSs is likely to be low and high in the instrumental and communicative approach respectively. This is because the instrumental way is based on imposed PMSs and the stakeholders are not involved in the design and content which can lead to tensions and resistance. Whereas in the communicative approach, the stakeholders are actively involved and there is consensus in the design and content of PMSs.

Broadbent and Laughlin (2009:294) sounded caution to the researchers and practitioners that

… it provides a constant reminder, before practices become too embedded and established, that alternatives are not only possible but also could become reality.

Therefore, Broadbent and Laughlin (2009) invited empirical research into new and complex situations to provide better understanding of MCSs design and implementation and hence, this thesis responds to this call by examining the

impacts of the societal and organisational factors on MCSs within organisations, in particular the change process that occurs within organisations in response to the changes in their environment.

2.4.2 Management Control Systems in the Public Sector

Shifting towards NPM requires that the emphasis on traditional financial perspective on performance to be widened towards focusing on more explicit performance measures and, generally, results-based orientation (Hood, 1995; Jackson and Lapsley, 2003). Governments worldwide seem to believe that public trust is to be secured through managerial accountability through increased use of performance measures and targets to demonstrate results in terms of better performance, to justify their activities and in ensuring more efficient, effective and accountable delivery of services (Hood, 1991, 1995; Guthrie and English, 1997; Kloot and Martin, 2000; Cavalluzzo and Ittner, 2004; Radnor and McGuire, 2004; Jackson and Lapsley, 2003; Fryer et al, 2009; Broadbent, 2011). In the UK, for example, the Labour government in their 'modernisation' agenda introduced regulative mechanisms to run the public sector based on targets, regulation and inspection (Conrad and Uslu, 2012; Hood, 1991;Verbeeten, 2008b). Broadbent et al (2009) identified regulation of funding as central regulatory control systems being used by government in the UK to steer the public sector organisations, specifically in the context of Higher Education. They discussed the nature of the government regulatory control systems as mostly employing a 'transactional' approach whereby public organisations are expected to attain performance standards set to obtain

reciprocal government funding and other resources. As resource allocations are linked to meeting the performance goals, their use would enable the development of accountability as public sector managers will aim to improve organisational performance (Dubnick, 2005; Radin, 2011).

There are mainly two factors influencing the increased emphasis on performance measurement. Firstly, the use of quantitative measures is easily understood by government and funding bodies (Osterloh, 2010). And secondly, the public sector is characterised by having multiple stakeholders, each with their respective potential of impacting on the public sector organisations. Consequently, there has been proliferation of performance measures (financial and non-financial) in public sector (Modell, 2004).

Despite the claim that the public sector could successfully implement performance measurement, it has been criticised for not only having to measure the wrong things but also having to measure too many things (Radnor and McGuire, 2004). The focus on performance measurement could create the issue of trade-offs (Kurunmäki and Miller, 2006). Tensions exist between government institutions and organisations and the various stakeholders as the organisational priorities and the stakeholders' goals are intertwined because of the different expectations desired by the different stakeholders. Managers, therefore, are faced with having to juggle among the different constituencies and their expectations resulting in improvement in '… one scale may lead to a short-term decline in another' (Kurunmäki and Miller, 2006:94). Modell (2004)

argues that more holistic approaches to research in MCSs are needed otherwise the MCSs in the public sector was considered a 'myth'.

2.4.2.1 Issues in Management Control Systems

MCSs have significant potential to influence individual and organisational behaviours, reflecting that MCS could become means to enable or hinder organisational change (Mundy, 2010; Buick et al, 2015). The ideas of accounting technologies such as balanced scorecard and performance-programme budgeting (PPB) originates from the private sector. Whilst the implementation of MCS is proven to be challenging in the private sector where the idea originates, extant studies also show that it is more challenging to be implemented in the public sector. Several studies have specifically looked at the use of certain MCS to effect change in organisations (Modell, 2001; Norhayati and Siti-Nabiha, 2009; Othman et al, 2006; Siddiquee, 2010). For instance, Siddiquee (2010) argued that despite considerable time and money being invested to introduce performance-programme budgeting (PPB) in Malaysia, the initiative failed. Siddiquee (2010) observed that the effectiveness was often negative due to lack of comprehensiveness and systematic implementation. Furthermore, he argued that the unsuccessful implementation of the PPB to inculcate the commercial orientation was due to the centrally determined top-down implementation of setting key performance indicators that resulted in unclear directions and confusion among managers. Moreover, stakeholder involvement is important for the performance indicators to be perceived as relevant and able to assist decision-makers to assess the progress made by the

organisation towards the achievement of the determined goals. Other authors have also argued that the challenges include the multifaceted nature of the public sector and the different expectations of various stakeholders (Abernethy and Brownell, 1997; Radnor and McGuire, 2004; Verbeeten, 2008b; Fryer et al, 2009; Norhayati and Siti-Nabiha, 2009).

Extensive literature has found dysfunctional effects (both unintended and intended) of MCSs (Smith, 1995; Van Thiel and Leeuw, 2002; Bevan and Hood, 2004, 2006; Fryer et al, 2009; Pollitt, 2013). Dysfunctional refers to the actions in which employees attempt to purposely violate the rules and procedures of an existing control system for their own gain (Smith, 1995; Van Thiel and Leeuw, 2002). Table 2.5 summarises some of the dysfunctional effects in implementing MCS in the literature.

Table 2.5 Types of Dysfunctional Effects of Implementing MCSs

1	**Ossification**: organisational paralysis
2	**Tunnel vision**: focus on phenomena that are quantified in the performance measurement scheme at the expense of unquantified aspects of performance
3	**Sub-optimisation**: narrow local objectives by managers, at the expense of the objectives of the organisation as a whole
4	**Measure fixation**: an emphasis on [single] measures of success rather than on the underlying objective
5	**Gaming**: deliberately under achieving in order to obtain a lower target next time
6	**Misrepresentation**: imprecise statistical measures
7	**Myopia**: focusing on short-term targets at the expense of long-term objectives

Sources: Smith, 1995; Van Thiel and Leeuw, 2002; Bevan and Hood, 2004, 2006; Fryer et al, 2009; Pollitt, 2013

Radnor and McGuire's (2004) study on two public sector organisations in the UK illustrated the problems associated with managing performance using

measures and targets. They found that the reasons for adopting MCS in the two organisations were merely for accomplishing administrative tasks of measurement and evaluation rather than for management and improvement purposes. As a result, there was lack of ownership and accountability towards the MCS and they found instances of employees 'working the system' in order to merely comply with the regulatory demand imposed upon them. External pressures to achieve targets have led to dysfunctional and unintended behaviour as individuals within organisations attempt to achieve the specified outcomes. They argued for the need for public sector organisations to have some understanding of the organisational elements of strategy, people, process and system and the relationship between them.

The literature has also shown that the MCSs that challenges the existing beliefs, norms and values of organisation, are being subjected to resistance (Millar and McKevitt, 2000; Othman et al, 2006; Norhayati and Siti-Nabiha, 2009; Said, 2013). A study by Norhayati and Siti-Nabiha (2009) on implementation of balanced scorecard in Malaysian also found that most employees did not feel accountable to the measures included in the scorecard due to lack of linkages between the scorecard and the existing performance appraisal system. The authors further contended that Malaysian culture and leadership styles are incompatible with result orientation and modern norms and, thus, concluded that Malaysian organisations might have problems implementing the balanced scorecard.

Others have also revealed how the MCSs have been accepted but were subjected to some form of resistance (Broadbent et al, 1991; 2001; Siti-Nabiha and Scapens, 2005; Agyemang and Ryan, 2013; Norhayati and Siti-Nabiha, 2009).For example, Agyemang and Broadbent(2015) explored how management within universities in the UK attempted to manage the external control systems of journal rankings emanating from government. They illustrated the changes that occurred in the universities in their attempt to resist the external regulatory systems. The universities create 'boundary managers' as representing academics, students and university boards as means of preserving the academic values of universities and use journal ranking resulting in dysfunctional effects. In summary, the internal MCS developed by the universities are alienating and tighter than the external control imposed by the regulators. They suggested that the strong power of government and its regulatory mechanisms can impact on the internal workings within organisations which then 'intensifies a focus on performance measurement rather than the more holistic performance management' within organisations (Agyemang and Broadbent, 2015:1027). They reminded universities managers on the impact of performance measures as follows:

> Universities need to remember that the purpose of research is knowledge creation. They need to manage and control those processes that should enable such knowledge creation and development to occur. Where performance management is based on inappropriate performance measures there is the potential for reorientation to develop into colonisation. (Agyemang and Broadbent, 2015:1039)

Fundamentally, Agyemang and Broadbent's (2015) study illustrates although there were some formal changes in the internal systems within the university, their ways of thinking remained unchanged .Consequently, the benefits of adopting the MCS to improve performance and accountability were not realised.

2.4.3 Management Control Issues in the Public Health Sector

Clinical autonomy is a key issue in healthcare. The history and distinctive features of the medical professionals represent a constant challenge to managers to manage the healthcare (Kurunmaki, 2004; Lapsley, 2008). NPM reforms reflect the effort to lessen the dominance of the professionals (Broadbent and Laughlin, 2002; Dawson and Dargie, 2002). Broadbent and Laughlin (2002) in describing the control mechanisms used in controlling the professionals argued that NPM creates tighter forms of control by using both accounting and 'accounting logic' which is a process of quantifying outputs and outcomes and then linking them to financial resources (Broadbent and Laughlin, 2002:101). Invariably, this has meant that the outputs and outcomes of healthcare organisations and the professionals can be standardised and measured. Accordingly, the clinical activities become closely linked to financial resources.

Government regulation worldwide has attempted to define the activities of public healthcare organisations through the use of various performance measures and targets and use this information to compare between organisations to manage and make them accountable for outcomes (Broadbent and Laughlin, 1992; Dawson and Dargie, 2002;Agrizzi, 2004; Bevan and Hood, 2006; Conrad and

Uslu, 2012). For example, in the UK the performance measurement systems such as league tables and rating systems for hospitals which are intended to produce national standards of care in order to deliver equitable treatment to patients (Agrizzi, 2004). Indeed, the NPM reform came about as a result of low trust in public servants and professionals (Broadbent and Laughlin, 2002; Dawson and Dargie, 2002).

Professionals, on the other hand, would argue that they are accountable to their own spheres of activity, not to accounting practices (Kurunmaki, 2004) and that their clinical activities and judgements are not amenable and easy to be quantified (Broadbent and Laughlin, 2002; Kurunmaki, 2004). The performance measures and targets do not measure tacit elements underlying clinical services such as the doctors–patients relationship (Broadbent and Laughlin, 2002) and other non-health factors such as education, justice and transport (Dawson and Dargie, 2002), which could also contribute to the health performance. Furthermore, the shift in emphasis on financial measures has meant that the power of medical professionals is being transferred to accounting professionals.

NPM seeks to promote decentralisation of management and responsibility by making medical professionals financially responsible through involvement in resource and financial management decisions (Kurunmaki, 2004). In describing this phenomenon, Llewellyn (2001) used the metaphor of a'two-way window' and 'hybridisation' (Kurunmaki, 2004; Kurunmaki and Miller, 2006) of professionals to reflect this prevalent feature of NPM in healthcare. The idea is

to involve clinicians in the management accounting practices to empower these professionals. This involves medical manager retaining their autonomy over their professional practices and at the same time acquiring technical accounting skills (Kurunmaki, 2004) in an attempt to get the clinicians on board with the government agenda (Llewellyn, 2001; Kurunmaki, 2004). However, with this autonomy comes financial responsibility (Llewellyn, 2001) which serves as a complementary solution to the legitimacy challenge of medical professionals. Whether these control attempts have worked is unclear as empirical works in the next section offer mixed results.

2.4.3.1 Previous Empirical Works on Management Control Systems in Public Healthcare

The 'hybridisation' (Kurunmaki, 2004; Kurunmaki and Miller, 2006) of professionals creates problems of trade-offs between clinical and financial practices. A study by Llewellyn and Northcott (2005) has illustrated how the introduction of cost accounting changes such as National Reference Costing Exercise to benchmark hospital costs in the UK promoted 'averageness' rather than desired performance improvements. Using discourse analysis and a constructivist research approach, the study found that doctors, patients and clinical practices and behaviour are oriented towards fitting activities into cost categories. Consequently, clinical practices were deterred as they became more standardised and commensurate in an attempt to achieve financial performance measures.

There is also considerable evidence of issues about dysfunctional and unintended consequences from the implementation of MCSs in the healthcare setting. For example, Conrad and Uslu (2012) illustrated the impact of MCSs on healthcare organisations in the UK. Using structural and institutional theories, they showed how the organisations attempted to change their MCS in order to achieve targets which were imposed by the government. The aim of the accounting changes was to gain legitimacy from external constituencies and clinicians. Their findings also showed dysfunctional behaviour such as gaming of targets as managers focused on 'meeting targets and miss the point' (Conrad and Uslu, 2012:247). Their study fundamentally illustrates that whilst the performance measures are widely employed by government to control public organisations, it has also shown to be problematic as it could trigger distortions in individuals' behaviour.

There are also extant studies conducted on MCS in the public healthcare setting analysing organisational responses to institutional pressures. For instance, Modell (2001) has examined the use and impact performance measures on healthcare performance in the context of Norwegian healthcare reform. His study showed how senior managers in a hospital proactively design and implement an integrated and balanced approach to performance measurement systems to reflect the interests of wider stakeholders. Using insights from new institutional theory, the study illustrates the aim to gain support from strong institutional stakeholders (primarily the politicians) increase compliance and constraint the ability to simultaneously conform to interests of multiple constituencies, thereby impinge on the proactiveness exercised by

senior managers in the development of multidimensional performance measurement.

Whilst there are evidences of compliance to the MCS, there are also studies that illustrate resistance by organisations in response to complex regulation (Millar and McKevitt, 2000; Broadbent et al, 2001; Agrizzi, 2004; Conrad and Uslu, 2012; Agrizzi et al, 2016). Using integration of Habermas's model of society and institutional theory, Broadbent et al (2001) have explored resistance strategies by general medical practice in the UK to unwanted accounting and finance changes. By considering the relationship between government institution and the general practice, their study revealed how the general medical practice have resisted the change imposed by the central government through creating 'absorption' groups to manage the changes. The changes were resisted because the linkage between finance to clinical activity was perceived as undermining the doctor–patient relationship. Consequently, efforts were made by the clinicians to minimise the impacts that the changes have on their professionals' values.

Whilst Broadbent et al (2001) showed that medical professional values are strongly held in the face of NPM changes resulting in resistance to the changes, interestingly Kurunmaki's (2004) study illustrates how the healthcare professionals willingly adopted the accounting practices in the context of NPM reforms in Finland. The absence of a strong professional accounting body in the hospital has facilitated the absorption by the clinicians of the NPM reforms. Fundamentally, Kurunmaki's (2004) study points to the fact that different forms

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of responses may occur in different national healthcare systems and political context and sheds light on the importance of considering the context of the local situation when implementing reform. In addressing this issue, Kurunmaki and Miller (2006) have suggested three factors that would allow NPM to take hold, first pressures from external environment, second, manner of implementation of reform and lastly, receptivity of the specific setting.

However, it has been widely acknowledged in the literature that the implementation of reform programmes is usually adopted without taking into account the 'organisational and situational contingencies' (Conrad and Uslu, 2012:246). Goh (2012:39) cautioned to governments that

> …there should be a more realistic acceptance that a one-size fits all with respect to performance is not an appropriate approach.

Invariably, this highlights the importance of conducting evaluation prior to introducing and implementing any accounting and finance-led changes (Broadbent et al, 2001).

2.5 New Public Management, Accountability and Management Control Systems in the Context of Developing Asian Countries

Asian countries have been embarking on similar NPM reform objectives in an attempt to redefine the role and functions of their respective governments, including Brunei. Before reviewing previous literature on NPM in developing Asian countries, contextual background on the Brunei government and Brunei healthcare sector is discussed next.

2.5.1 Brunei Contextual Background

In the context of Brunei, a variety of reforms have been introduced in various areas of the public sector management (including the healthcare sector) in the country over the past decades, aimed at enhancing their accountability and performance. As elsewhere, accountability and performance are increasingly emphasised by the Brunei government in managing the public sector. Before looking specifically into the healthcare sector, the next section will provide brief contextual background on the Brunei system of government.

2.5.1.1 Brunei System of Government

Brunei possesses a strong centralised political and governmental system (Said, 2016; Yapa, 2014). The Brunei public administrative system is primarily governed by the 1959 Constitution whereby the Sultan is made the Supreme Head of State. The executive authority of the country is held by the Council of Ministers which is responsible for the running of the government (Yapa, 2014). When the ministerial system of the Council of Cabinet Ministers was introduced in January 1984, the Sultan exercised ultimate governing authority as Head of Government - the Prime Minister. Apart from being the Head of Government, the Sultan is also the Minister of Finance, Minister of Defence and Minister of Foreign Trade and Affairs. The Sultan's active involvement in the development and implementation of Brunei national policy signifies him as the 'main levers of power' (Saunders, 2013:201) determining the direction of the government in Brunei (Al Athmay, 2008).

The Brunei government administrative system consists of twelve ministries (see APPENDIX 6). Each ministry is headed by Cabinet Ministers consisting of a Minister, a Deputy Minister (in some ministries) and Permanent Secretaries who are directly responsible to the Sultan. Under the 1959 Constitution, the Sultan has the power to appoint, transfer, promote, dismiss and exercise disciplinary actions over public sector officers, with the advice of the Public Service Commissioner[1] (Yapa, 2014). The appointment of the Cabinet Ministers is based on trust, capabilities and compliance (Said, 2016) for a period of five years' tenure. The roles and responsibilities of the Cabinet Ministers is based on law and directive from the Sultan (Said, 2016). Consequently, the Cabinet Ministers are directly accountable to the Sultan (Said, 2016; Yapa, 1999) for the formulation and implementation of policies in their respective areas.

In Brunei, the government plays a vital role in contributing towards the socio-political and economic developments of the country. According to Duraman and Hashim (1998), the government's intervention in the development process of the country is essential because firstly, they are the main source of employment and secondly, the living standards of the citizens and public expenditures are largely financed through the government's direct investment and subsidies. The focus of the government in Brunei is on how to best provide public services to the citizens (Yapa, 2014). This, therefore, provides legitimacy for the

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[1] The Public Service Commission Act (1961) governs the appointment, promotion and disciplinary procedures of public service servants.

government's participation and management in Brunei's development agenda (Duraman and Hashim, 1998).

2.5.1.2 The Malay Islamic Monarchy

According to Jamil (2016) Brunei's political and administrative system is partly based on the British common law (as it was under British influence), the 1959 Constitution and on Malay Islamic Monarchy or Melayu Islam Beraja[2] ideology which is enshrined in the 1959 constitution. The Sultan's role in ruling the country is enshrined in the national ideology, Melayu Islam Beraja (MIB hereafter). Under the MIB, the power of the Sultan is not limited by the constitution or by the law (Yapa, 2014). The MIB was declared as the national philosophy during Brunei's independence on 1st January 1984 through the titah by the current Sultan as follows:

> *Brunei Darussalam, is and by the will of Allah Almighty, shall forever remain a sovereign, democratic and independent Malay Islamic Monarchic nation which is based upon the teachings of Islam […] and based upon the principle of equality, trust and justice and with the guidance of Allah Almighty will continuously strive to attain peace and security, well being as well as happiness for my people …*

The MIB serves as a means of promoting unity among the Bruneians and developing a sense of national identity (Hj Abd Aziz, 1992 cited in Low, 2008; Saunders, 2013) that supports Malay culture, practises Islamic religion and

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[2]Aside from the political structure, Melayu Islam Beraja also defines the social, economic, legal, cultural and social structures of Brunei.

observes undivided loyalty to the Monarch (Jamil, 2016; Yapa, 2014). It is viewed as providing guidance which will lead to success. This idea is encapsulated in the following statement by the Minister of Religious Affairs in conjunction with celebration of Brunei's 33rd National Day in 2017:

> *Malay Islamic Monarchy (MIB) is at the core of the country and is apparent that Brunei's proclamation as a MIB will remain as a political will to ensure the peace, safety, welfare and happiness of its citizens.*(Minister of Religious Affair cited in Azahari, 2017)

Various efforts have been made to institutionalise the ideology aimed at

> shaping the thinking of all Bruneians […] and at justifying the role of the Sultan as guardian and protector of Islamic principles and Malay culture (Saunders, 2013:187)

First, through education policy which is made as a compulsory subject in education curricula in all education levels (Damit, 2007). Second, a special forum on MIB is annually held which is attended by the Sultan and several members of the royal family in an attempt to promote the ideology. Third, national events associated with and attended by the monarch and members of the royal family are being held annually to preserve the royal supremacy as a symbol of Brunei culture and identity (Saunders, 2013). These events include celebration of His Majesty's birthday, national day, legislative council meeting, civil service day and religious events. Furthermore, these activities are publicised to inculcate the approved MIB values (Saunders, 2013). And lastly, through sermons every Friday during Jumaat prayers. During this time, all

aspects of life (among others, personal, political, educational, economic and social) are addressed from the Islamic principles. This is a significant avenue for reminding and instilling Islamic values in all aspects of life of the people.

The MIB serves as a source of social contract between the Sultan and his subjects (Yusof, 2015) whereby the Sultan shall be fair whilst the subjects need to show loyalty (Jamil, 2016). Low (2008) remarked that Brunei practised 'father leadership style' whereby the father is regarded as head of family and, therefore, holds the sole authority in decision-making with regard to the family matters whilst the children obey any decisions made by the father. This culture is similar to several countries in Asia such as Malaysia, Indonesia and Singapore (Low, 2008). Being loyal and faithful to the leaders is also in line with the Islamic aspect of the MIB. In this respect, Allah the Almighty (the name for Muslims's God) says:

> *O ye who believe! Obey Allah and obey the Messenger and UlilAmri (those entrusted with authority) from among you. And if you dispute (dispute) in a case, then you must return to theQuranand (Sunnah) Messenger –if you truly believe in Allah and the Last Day. That is better (for you), and more just in the end.*(Quran Chapter: An-Nisa, verse 59).

In accordance with the Islamic values, the Sultan as the Head of State and Government must run the country in accordance with Islamic principles and as for the citizens in general and the government employees in particular, they shall respect and obey him insofar as he is acting in accordance to the Islamic

principles. This was pointed out by the ex-Deputy Minister of Religious Affairs in his sermon during Eid celebration in January 2006:

> *…in the context of a nation and government, 'Ulil Amri Minkum' means the supreme leader of the government and the nation and in the context of Brunei, 'Ulil Amri' is His Majesty the Sultan […] Loyalty should be shown continuously as long as the Monarch or 'Ulil Amri' does not breach and disobey Allah the Almighty.*(Deputy Religious Minister cited in Othman, 2006)

2.5.1.3 **Brunei Healthcare Sector**

The Ministry of Health (MOH hereafter)is the main organisation responsible for providing healthcare in Brunei. It is given the positional power in planning, formulating national health policy and regulation, monitoring, coordination and evaluation of national healthcare services and medical education. Apart from that, it is also responsible in managing the national budgets on behalf of the Ministry of Finance. Arguably, thus, the role of the MOH is to steer in a transactional manner as it is centrally responsible for planning, evaluating of performance and financing of public healthcare in Brunei.

The MOH consists of three levels of management. The top level consists of the senior management teams headed by the Minister of Health and assisted by a Permanent Secretary[3] and two Deputy Permanent Secretaries (refer to APPENDIX 8 for organisational structure of the MOH).They have executive responsibilities which include formulating strategic plans within MOH. The

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[3] The Permanent Secretary's position is similar to Chief Executive Officer in the private sector.

Deputy Permanent Secretaries (DPS hereafter) are divided into two main departments: Policy and Foresight, and Professional. The Professional DPS is responsible for managing the services or health organisations level such as the hospitals, health centres, dental, public health and community health. The services organisations are conceptualised here as an organisational system as they are responsible for delivery of services. The Policy and Foresight DPS, on the other hand, is incharge of the administration aspect.

Then the middle-level management consists of various heads responsible for various functions such as finance, services, policy and foresight, quality assurance, audit, and health promotion. Whereas the lower-level management consists of Chief Executive Officers (CEOs) and Medical Superintendents (MS) assigned to each services organisation (hospitals, community health, public health and dental). Both the CEOs and MS are responsible for the overall planning and management of the services with the focus of CEOs cover the financial and administrative functions whereas the MS are in charge of the clinical aspects. The CEOs reports to the Head of Operation (Services) who is responsible for the financial and administrative aspects and the MS reports to Head of Planning (Services) who is incharge of all the services organisations. All of the heads at all levels of management are known as 'functional leads'.

In meeting the societal needs, healthcare in Brunei is provided free to all citizens and permanent residents. The citizens only pay $1 for consultation and medication. According to an interview with one officer at the MOH, this $1 charge is known as a registration fee under the 'Scheme of Charges' policy for

the MOH. The policy was endorsed in 1998 and was a mandate from the Prime Minister's Office and Ministry of Finance. It provides a list of charges that are permissible which must be adhered to by the MOH.

Brunei adopts a two-tier healthcare system with health centres and clinics providing primary healthcare and hospitals providing secondary/tertiary care (Ministry of Health, 2016). Brunei's public healthcare network comprises of two comprehensive health centres and 20 health centres and health clinics. There are currently four main hospitals in Brunei. The main hospital Raja Isteri Pengiran Anak Saleha (RIPAS) is the main referral hospital which is situated in Bandar Seri Begawan (the capital city), providing a comprehensive range of advanced and specialised health services, and is also a teaching hospital in the country. It provides training to student doctors, medical officers and senior medical officers in a real working clinical environment (Ministry of Health's Website, 2017). The second and third largest are situated in Kuala Belait and Tutong districts respectively. Table 2.6 provides a summary of the public healthcare facilities and services in Brunei.

Table 2.6 Summary of Brunei Public Healthcare Facilities and Services

	Hospital	Health Centres and Health Clinics	Comprehensive Health Centres
Services offered	Specialised care Medical and surgical services	Outpatient Flu Chronic disease Phlebotomy Mother and Child Vaccinations Allied health professionals	Outpatient Flu Chronic disease Phlebotomy Mother and Child Rehabilitation Healthy lifestyle Psychiatry

			Radiology Dental Optometry Pharmacy Paramedical
Total Number	4	20	2

Brunei also has one private hospital, Jerudong Park Medical Centre (JPMC), which specialises in outpatient and inpatient clinical services. This private centre was set up as part of the Brunei government's initiative to become a 'regional focal point for health care services' (Oxford Business Group, 2014:186). The JPMC primarily serves two types of patients: those referred by the public hospitals that may not possess technical expertise and equipment to treat a particular patient case; and those with private insurance or insured by large companies such as Royal Brunei Airlines and Brunei Shell Petroleum. It also offers specialist services provided by the Cardiac Centre, the Neuroscience and Rehabilitation Centre and the Brunei Cancer Centre. JPMC is located in the Brunei Muara (capital) district. Although independently autonomous from the MOH, its board members comprise of officials within the public sector who are appointed with the consent of the Sultan. The Chairman is the Minister of Health and Deputy Chairman is the Deputy Minister of Finance. Furthermore, this private hospital also receives funding from the Ministry of Finance and therefore, care at these private centres is covered under the national health system for Brunei citizens provided that they could not be treated in the public facilities. With such structural and financial arrangements meant that the role of the private health institution is rather limited.

Aside from private hospital, Brunei also has several small private clinics operating in three of the districts[4] providing general outpatient services. These private healthcare institutions serve as an alternative to the public healthcare to those affluent individuals who could pay more for their healthcare services and thereby, to some extent, in turn, help those who are not as privileged and fall in the lower economic bracket, to have better access to healthcare, and also reduce public healthcare costs[5].

2.5.1.4 New Public Management Era in Brunei Healthcare: The Impetuses

In general, the reform pressures faced by the healthcare sector in Brunei can be divided into internal and external factors. The external factors came from international agencies. Brunei being a member of the World Health Organization and working towards the 2015 UN Millennium Development Goals, like many other countries, is also subjected to the international regulatory requirements to ensure the highest attainable level of health for its citizens. The MOH is required to submit progress reports to these international agencies upon which determines the performance of the Ministry to meet the required international expectations. One of the significant performance indicators in determining success in achieving the international standards is increasing life expectancy. Figure 2.2shows the life expectancy for the period of 1981–2016. Overall, Brunei's life expectancy is one of the highest in the world (Ministry of

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[4] The Brunei Muara, Tutong and Belait districts.

[5] Discussion about MOH expenditure will be explained further in the next section.

Health, 2016). In 2012, the life expectancy at birth was 78.1 years compared to 71.4 years in 1981. However, in 2016, it falls slightly to 77.4 years.

Figure 2.2 Brunei Life Expectancy at Birth
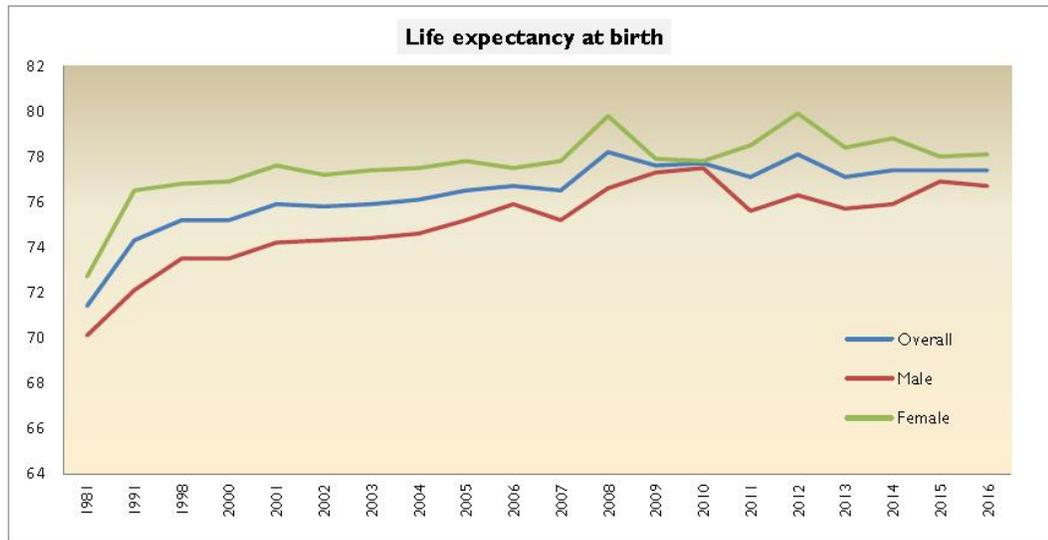
Source: Ministry of Health (2016)

There were also internal factors that pushed for the NPM reform in the health sector in Brunei. They include demographic shifts, rising expectations of the citizens on efficient and effective delivery of health care, manpower challenges, rising expenditure and an increasing number of non-communicable diseases (NCDs) (Ministry of Health's Website, 2016c). Nonetheless, the sustainability of Brunei healthcare is one of the significant factors that pushed NPM in the MOH. As has been mentioned earlier, the early 1990s was characterised by economic recession that affected Brunei's economy. The continued global economic downturn and drastic decline in global oil and gas prices provided an impetus for a review of the country's National Development Plan and budget. Table 2.7 outlines the amount of national budget allocated to the MOH.

Table 2.7 National Budget Allocation: Ministry of Health

Financial Year Budget	Amount (B$) in Million	Changes (%)
2014/2015	373.21	-
2015/2016	385.12	+3.19
2016/2017	349.6	-9
2017/2018	323.88	-7

Source: Adapted from Ministry of Health (2016); Azaraimy (2017)

In the FY2014/2015 approximately 7.73 percent (BND$373.21 million) of Brunei's national budget was allocated for health services. In FY2015/2016 the amount has increased to $385.12m, representing a 3.19 percent increase from the previous fiscal year. At the 12th and 13[th]Legislative Council meetings, the government announced a massive cut in the overall national budget FY2016/2017 and FY2017/2018 allocations respectively and this situation has not left healthcare unaffected. The government cut the healthcare budget by 9 percent to $349.6 million in the FY2016/2017 and further 7 percent ($323.88m) in the FY2017/2018. Nevertheless, there was an increase of 8.32 percent of the national budget allocated for health expenditures from FY2014/2015.

The reduced budget impacted on the sustainability of the public healthcare in Brunei, in terms of rising healthcare costs, ability to maintain and upgrade existing health services and facilities and provision of new services. Actual government expenditures on healthcare have always exceeded budgeted amounts for each fiscal year from 2007 to 2016 (see Figure 2.3), thereby creating significant pressure for the MOH to reduce its health expenditure whilst at the same time striving to improve the health performance of the population.

Figure 2.3 Government Health Expenditures (FY2007–2016)
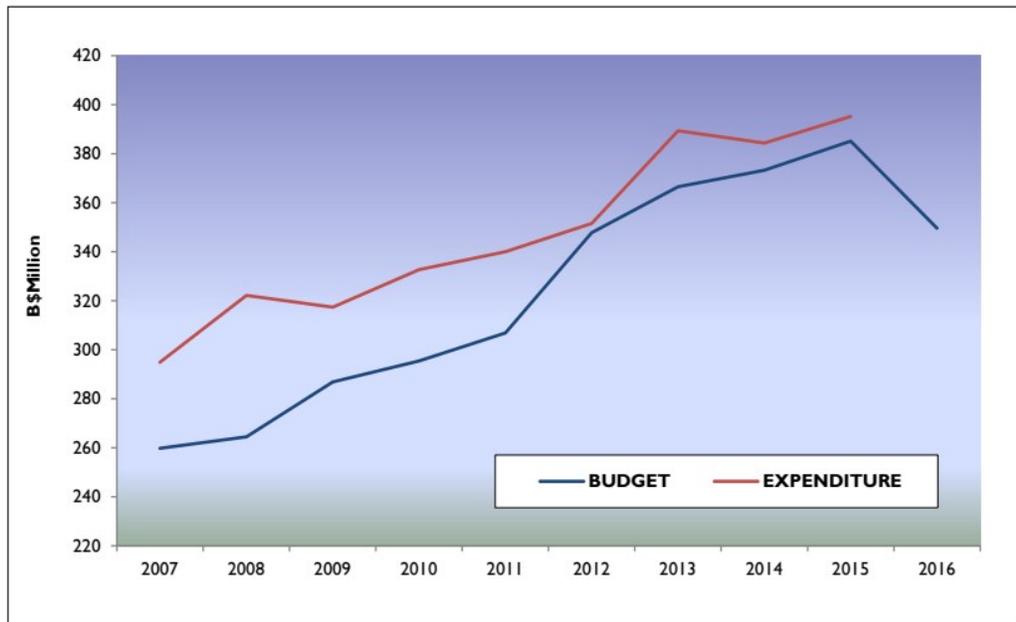
Source: Ministry of Health, 2016

The Minister of Health, with regard to how the MOH managed within the limited funding, commented as follows:

> *… the expenditure for the Ministry of Health during the 2015–2020 period is focused on three strategies: Inculcating the idea that health is everyone's business; preventing and controlling non-communicable diseases; and providing excellent services through consolidation and realignment of healthcare services. … several efforts in line with these three priorities have been implemented including the consolidation of several health centres to provide services on a one-stop centre basis; … establishment of 'Centre of Excellence', … international standard recognitions …(The Minister of Health cited in Azaraimy, 2017)*

The Minister of Health clearly stated that the budget allocated has been used towards achieving the MOH's three priorities (this will be explained further in a later section).

Despite exceeding the allocated amount, Brunei spent a significantly lower percentage of its national income on healthcare (World Health Organization, 2016). According to a report by the World Health Organization (WHO) on health expenditures of 27 countries in the Western Pacific Region, Brunei has the lowest healthcare spending relative to GDP where 2.5 percent of the country's GDP is spent on healthcare compared to the majority of other nations in the world. Table 2.8 shows the percentage change in the expenditure spent by the MOH between 2010–2013.

Table 2.8 Brunei Health Expenditure as Percentage of GDP (2010–2013)

Percentage	Year	Changes
2.52%	2013	~ 0.22 ↑
2.30%	2012	~ 0.05 ↑
2.25%	2011	$\sim$ -0.48 ↓
2.73%	2010	$\sim$ -0.09 ↓

Source: Adapted from World Health Organization (2016)

Accordingly, efforts have been made to increase the involvement of the private sector in the provision of healthcare services as well as a proposal to introduce an alternative financing payment with the purpose of reducing the financial and administrative burden of the government.

The problematic health status of the population is also one of the significant factors that have pushed NPM in health in the country. Over the past four decades, the leading causes of deaths have shifted from being predominantly

communicable diseases such as pneumonia and tuberculosis to non-communicable diseases (NCDs) such as cancer, cardiovascular diseases, diabetes and cerebrovascular diseases (Ministry of Health, 2013). Common risk factors for the NCDs in Brunei are obesity, hypertension, diabetes, hypercholesterolemia and lack of physical activity (Ministry of Health, 2013). The NCDs impact the economic productivity, in general, and contribute to a large portion of the rise in Brunei healthcare costs. In recent years, obesity cases have alarmingly increased, and this is frequently addressed by the Minister of Health. For example:

> *Brunei Darussalam is experiencing an obesity epidemic; and without a swift reversal, premature deaths from cardiovascular diseases will continue to rise, families will suffer, and there will be a severe impact to our economic development*(The Minister of Health cited in Borneo Bulletin, 2017)

According to the Global Nutrition Report 2016, Brunei is the highest-ranked country for obesity and diabetes. It is ranked 56 out of the 190 countries surveyed (Jalil, 2016) and has one of the highest rates of obesity in Southeast Asia, with 62 percent of the adult population being obese (Ministry of Health, 2016). Regarding this matter, the Minister of Health expressed his concern as follows:

> *It is alarming that in Brunei Darussalam, 1 out of 2 children from the age of 5 are either overweight or obese (a more severe form of overweight). From 2008 to 2014, obesity among school children in Brunei Darussalam increased from 12% to 18%.... Unfortunately, obesity in children and youth do not go away as*

they grow older. In fact, most people continue to gain weight as they age, and obese children become obese adults. Knowing that 62% of adults in Brunei Darussalam are overweight and obese, this is a problem that we cannot ignore.(Minister of Health cited in Ministry of Health, 2016b)

In the light of the Global Nutrition Report 2016, the Sultan addressed this matter in his titah and explicitly required the MOH to take 'prompt action' and promote 'more awareness on a healthy lifestyle'.

We recently saw the Global Nutrition Report 2016, in which Brunei Darussalam topped the obesity ranking among adults in ASEAN member countries. … These statistics are worrying and should not be taken lightly. We must deal with this rising problem through prompt action, and by promoting more awareness on a healthy lifestyle and diet for everyone.(His Majesty delivered on eve of Eid al-Fitr in 2016)

In response to the above titah, the Minister of Health commended the requirement to reduce NCDs through adopting awareness and preventive programmes.

… I think we should be thankful for the gift of that titah because it's such an important and very topical subject that was touched on by His Majesty – health. Being ranked the top of this is not something we should be proud of, and considering that we have a very ambitious vision, which I think will require a healthy population. I think firstly we need to instil real awareness among people. Awareness is not just saying 'let's just do it for one or two weeks and forget about it afterwards.(The Minister of Health cited in Norjidi, 2016)

The Sultan further reminded the MOH to:

> *... not become complacent and be off-guard as these attitudes could jeopardise national socio-economic development*(His Majesty delivered on eve of Eid al-Fitr in 2016).

It is, therefore, imperative for the MOH to resolve the rise in the NCDs as it could lead to loss in quality of life and productivity of the people towards contributing to realisation of the Wawasan Brunei 2035.

2.5.2 Previous Literature on New Public Management in Developing Asian Countries

Whilst NPM originated from and is well established in Western and developed countries, it has also been adopted by developing countries. However, evidence from international comparison has shown marked differences in terms of nature, pace and outcomes (Cheung, 2002;Sozen and Shaw, 2002;Elias Sarker, 2006;Koike, 2013; Brinkerhoff and Brinkerhoff, 2015).As highlighted by Ferlie et al (1996:20) that 'there is no simple convergence on one new public management model, but rather than a range of options is available'. Hughes and Teicher (2004) pointed out that applying these principles to developing countries adds other layers of complexity compared to their developed countries counterparts.

Whilst the preconditions for successfully implanting the NPM model, such as a reasonable level of economic development, existence of a formal market economy, a strong and modern legal and administrative system and state efficiency, are present in Western and developed countries, these preconditions

have been argued to be absent in developing countries including Asian regions (Elias Sarker, 2006). Jurnali and Siti-Nabiha's (2015) study on implementation of performance management systems in local government in Indonesia reveals technical implementation issues such as lack of compliance, lack of integration between planning and budgeting, and inaccurate indicators and data reporting.

Whilst Asian developing countries share common impetuses for embarking on similar NPM reforms as the Western developed countries (such as in responding to economic and globalisation challenges), the operationalisation and successful implementation of NPM is dependent on a country's political, social and cultural aspects (Cheung, 2002; Sozen and Shaw, 2002; Elias Sarker, 2006; Brinkerhoff and Brinkerhoff, 2015). As noted by Parsons (1995) cited in Cheung (2002:246) 'eventhough the policy agenda may now embrace a more "global" outlook, the modes of decision-making, implementation and delivery remain national and local'. Experiences of NPM implementation in Asian developing countries suggest that the state and society relationship in Asian countries is different from the Western countries that championed NPM (Turner, 2002 cited in Elias Sarker, 2006). A study by Sozen and Shaw (2002:475) on applicability of NPM in a Turkish context points out that 'state dominance over civil society, including the private sector' influenced the successful adoption of such management reform. Similarly, a study by Siddiquee (2010:50) on implementation of human resource management and budgetary reforms in Malaysia shows that the results are 'far from satisfactory and the cultural shift has proven to be difficult given that the broader political and administrative context has remained unaltered'. It has been widely noted

that the culture of Asian countries is characterised by particularly high-power distance whereby the cultures of debating public affairs and open discussion is a sensitive issue (Othman et al, 2006; Low, 2008; Siddiquee, 2010; Norhayati and Siti-Nabiha, 2009; Abdul Khalid, 2008; Hamdan and Low, 2013; Yapa, 2014) which renders NPM-related reforms to be ineffective.

Furthermore, the NPM entails a fundamental shift not only in structural aspects but also in the norms, values and beliefs prevailing in the traditional public sector model and the cultural fabric of the countries (Siti-Nabiha and Scapens, 2005; Norhayati and Siti-Nabiha, 2009). Whilst there are advocates of a centralised political system arguing the benefits of the obedience and conformity to introduction of new approaches to public sector management (Walsh, 1995; Koike, 2013), such traditional values have been widely criticised as potentially impeding balanced relationships between the state and society which are fundamentally required for successful implementation of public administrative reforms (Ozbudun, 1996; Sozen and Shaw, 2002). The paternalistic relationship and deep-seated respect for authority suppresses public demands for accountability upon government (Sozen and Shaw, 2002). This presents a set of challenges not only because of the tension between public and private sectors but also because of the differences between traditional and modern values and also differences compared with Western countries in terms of social, cultural and political aspects (Sozen and Shaw, 2002; Elias Sarker, 2006; Koike, 2013; Yapa, 2014).

Whilst the NPM-oriented reform seeks to shift the accountability focus from traditional process and bureaucratic accountability towards accountability for results and performance underpinning managerial and market accountability (Hood, 1991, 1995; Roberts, 1991; Broadbent and Guthrie, 1992; Parker and Gould, 1999; Dubnick, 2005; Messner, 2009; Roberts, 2009), there have been concerns expressed regarding accountability experienced in developing countries. Whilst the literature suggests that public sector organisations in Western countries have to deal with various accountability relationships (Parker and Gould, 1999; Sinclair, 2005; Ranson, 2003; Koliba et al, 2011) with 'anxiety developing about public accountability' (Elias Sarker, 2006:183), public sector organisations in developing countries in democratic and authoritarian systems are also grappling to move away from bureaucratic accountability underpinning traditional public administrative systems. Elias Sarker (2006) points out that prevalence of clientelism practice in institutional, administrative and political spheres in Bangladesh opened the door to less attention towards accountability for outputs and results of public programmes. Bureaucratic accountability rested on certain practices such as compliance to superiors and stated rules and procedures (Smith, 1991; Parker and Gould, 1999; Elias Sarker, 2006). Similarly, Norhayati and Siti-Nabiha's (2009)study on a government-linked company in Malaysia found that compliance to hierarchical authority undermined reform initiatives introduced. Invariably, these studies suggest that efforts to emulate the holistic accountability and transparency practices of developed countries will be challenging (Abu Bakar et al, 2011).

In assessing the impacts of NPM-related reforms on public sector organisations in developing countries, the results have shown that the impacts tend to be sided more on the negative rather than the positive side. A study on adoption of balanced scorecard in a Malaysian telecommunication company by Othman et al (2006)found that the authoritarian and hierarchical culture and leadership styles contradicts with NPM reform initiatives being introduced and in effect, the accounting changes were subject to resistance. Recent study conducted by Sutheewasinnon et al (2015) on process of developing a new performance management system in public sector in Thailand found that different phases of development of a performance management system are influenced by different institutional pressures and various discursive and non-discursive strategies being employed by institutional actors in such a highly institutionalised environment in an attempt to forestall resistance to the performance management system.

2.6 Gaps in Literature

The NPM reforms have heightened the need for the public sector to strengthen its performance and accountability through the use of MCSs. In an attempt to understand how the NPM is experienced in the public sector in Brunei, this chapter has reviewed the main literature of the NPM, accountability and MCSs by looking at both societal and organisational perspectives. As has been argued, any reform would need to take into account the context of the host country. The political, economic and social systems of a country are significant in influencing extent of success of the NPM reform and its associated features.

Previous studies on the NPM, accountability and MCSs have been conducted in developed and developing countries. However, the extent of success of the NPM reform differs among countries. Notwithstanding this, our understanding of the NPM, accountability and MCSs are enriched in the context of countries with democratic political systems with most public expenditures derived from taxpayers' money which therefore strengthens the need to adopt the NPM to improve public sector accountability and performance management systems.

Brunei's situation is different from other settings being studied in the literature, in three ways. First, Brunei's administrative system is different from other countries adopting monarchic and democratic systems such as the UK and Malaysia whereby the positions of Head of State and Head of Government are held by two different people. The democratic political system adopted by those countries gives power to the citizens through elections of the Prime Minister every five years and is mainly responsible for the administrative functions of the government whereas the monarch plays a minimal role in the representative systems of government. Furthermore, unlike countries with representative systems of government, the appointed Cabinet Ministers are elected by the citizens and general public through a democratic process and most of the government revenue is derived from taxation, therefore the level of public accountability is high In such democratic and economic contexts, the government is made accountable to the citizens and general public (Smith, 1991; AlAthmay, 2008) to ensure appropriate management and use of the public's resources and in an attempt to evaluate the performance and accountability of public sector organisations in achieving the stated objectives.

In Brunei, on the other hand, the source of income of the government derives substantially from the oil and gas industry and from which public services expenditures are financed. Furthermore, the citizens have long enjoyed generous subsidies and economic benefits provided by the government which include no tax imposed and free medical care. Moreover,as the Cabinet Ministers in Brunei are elected by the Sultan rather than through election, fundamentally, this raises the significant question of to whom and in what way are the government and public organisations accountable? Smith (1991:96) noted that arguably in a non-democratic situation, 'accountability may not be to the citizens but to a monarch or ruler, a political party, or to an ideology'. Notwithstanding this, our understanding of the concept of accountability is enriched in the context of Western countries with democratic political systems. Smith (1991:99) usefully noted that the 'concepts, theories, analyses and cases on this subject[6] have been dominated by the experience of the "western" democracies and this literature seldom addresses the issues and problems of accountability outside the liberal democratic tradition of governance'. Therefore, central to our understanding of accountability in developing countries, whether ruled in a democratic or autocratic fashion, Smith (1991:99) suggests the need to 'place the bureaucracy in its political context in many countries of periodic or long-term authoritarian rule'.

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[6] Accountability.

Second, NPM implementation in democratic political systems in both developed and developing countries made use of regulation, funding, targets and inspection in steering the public sector organisations (Broadbent and Guthrie, 1992; Othman et al, 2006; Agyemang, 2006; Norhayati and Siti-Nabiha, 2009; Broadbent et al, 2009, 2010; Sutheewasinnon et al, 2015). Brunei, on the other hand, possesses complex political, economic and social-cultural systems which arguably would use different mechanisms to manage the public sector and, also, would have a different impact on the accountability and MCSs in the public sector organisations in the country. Several studies on the culture and management style of Brunei found that Brunei exhibits high-power distance, conservatism, lack of transparency, aversion to conflict, and strong compliance culture (Blunt, 1988 cited in Hamdan and Low, 2013; Said, 2013; Yapa, 2014) which is similar to other Asian countries. Despite this, Brunei possesses strong state ideology of MIB which serves as guiding principles in not only the public management arena but also in the personal sphere of individual life. Thus, the complex governmental structure and strong traditional values meant that the performance expectations and accountability relationships would emerge from various stakeholders with their different agendas and render accountability tasks challenging as they are at odds with the modern values underpinning NPM.

Third, whilst implementation of NPM reforms aims at improving performance and accountability of the public sector organisations through reducing capacity and involvement of the government and employing private sector management practices (Hood, 1991, 1995; Osborne and Gaebler, 1992; Cheung, 2002;

Pollitt, 2002, 2007) in Brunei, the public sector reform is essentially bureaucracy driven. The government practised strong and centralised systems which plays a significant role in determining the direction and development of the countrywhich hasled to the weak role of the private sector. The work of Yapa (1999) showed that the involvement of the accounting profession in Brunei was limited mainly due to the prevailing role of government and its bureaucratic machinery. Furthermore, the government has also been criticised for having a weak system of accountability (Yapa, 2014). Notwithstanding this, the implementation of NPM in public sector organisations in Brunei is evident with the main aim to achieve efficient and effective delivery of the public services.

Whilst there are several studies conducted in examining the effects of the NPM reform in the public sector organisations in Brunei, the research is still very limited. Nevertheless, the works of Al Athmay (2008), Said (2013) and Yapa (2014) provide understanding of implementationofNPM in Brunei's public sector. Al Athmay (2008) examined performance auditing in the context of NPM in public sector audit in Brunei. The study employed the literature on financial management, the author's own experience in teaching public sector financial management in Brunei, and interviews with audit staff in Brunei. His study found that despite performance auditing is envisaged in the legislation, the main thrust of auditing practices is still on financial and procedural compliance.

Using institutional theory, the work of Said (2013), on the other hand, provides understanding on the institutionalisation process of MCSs practices such as planning, budgeting and human resource management in the Ministry of

Defence in Brunei. Her study found that despite the organisation's attempt to promote performance management practices, it has become loosely coupled to other organisational activities.

Yapa (2014) examined public sector governance in Brunei over the period of 1998–2005 (post-dynasty crisis period) using semi-structured interviews conducted with senior officers in the Ministry of Finance and Auditor's General Department. Using institutional and elite theories, the study found that the public sector governance in Brunei is not well developed and despite the governance reform initiatives, they were covertly ignored by the main actors. The study also sheds light on the significant role played by the royal family and the state ideology (MIB) in influencing the governance practices in public sector organisations in Brunei.

All three studies develop our understanding on the significance of contextual factors in affecting the institutionalisation and ceremonial implementation of MCSs in the public sector organisations. Whilst Al Athmay (2008) and Said (2013) acknowledged the effects of Wawasan Brunei 2035, they did not explore in detail the nature of this regulatory control system the accountability relationship between the government and the public sector organisations, and how this societal context impacts on management control practices within the public sector organisations. And whilst the work of Yapa (2014) highlights the significance of monarchy culture and the state ideology in affecting the effectiveness of the public sector governance environment, his finding is still at surface level. Therefore, this thesis seeks to fill in these gaps by examining how

the NPM is experienced in thecomplex setting of traditional monarchical setting. Specifically, it will seek to evaluate the nature of Wawasan Brunei 2035 as a regulatory control system in Brunei and explore how this will impact on accountability and management control systems within a public sector arena, the MOH in Brunei. As such it will examine the types of accountability that are being privileged in the MOH and how it is being practised in such setting within the monarchical and non-democratic political system.

2.7 Conclusions

This chapter has reviewed the literature on NPM, accountability and MCSs which form the theoretical underpinnings of the thesis. Whilst the NPM reform originates from Western and developed countries and the extent to which the reform could lead to improved performance and accountability in this context still remained unclear. Nevertheless, it has also been widely adopted by other governments in Asian and developing countries and the various studies conducted have shown that the implementation of the NPM ideas in this context encountered more challenges and adds other layers of complexity (Hughes and Teicher, 2004) compared to their developed countries counterparts. The contextual differences (such as socio-cultural and political) have been identified as significant in influencing organisational attitudes and behaviours towards the NPM.

The issues related to implementing the NPM in Asian and developing countries are topics that other studies have already sought to understand; however, extant evidence provided in the literature is on the implementation of NPM in

developing countries with democratic political systems. Possible tensions may occur not only between government and the public sector organisations but also between traditional and modern mode of practices due to cultural differences between the Western and Asian countries. Hence, there is debate whether the public sector has managed to shift from traditional towards modern mode of practice.

Based on the literature reviewed, a question is raised on how such unusual governmental structure of Brunei impacts on accountability and MCS in public sector organisations in the country. Whilst there are several studies conducted on NPM in Brunei and acknowledged the effects of Wawasan Brunei 2035, however, the studies did not explore in detail the nature of this regulatory control system and its impacts on accountability between the government and public sector organisations and how it impinges on the latter's performance. Furthermore, implementation of NPM in the healthcare setting in Brunei remained unexplored. Therefore, such discrepancies point towards two opportunities. First, an opportunity for this study to explore the implementation of NPM and its related issues in the Ministry of Health in Brunei and secondly, the potential of using Broadbent and Laughlin's (2013) steering model in analysing the nature of the regulatory control system in healthcare organisation in a monarchical context and an accountability relationship between the government and the healthcare organisation and how this impacts on MCSs within the organisation. In the next chapter a fuller description of Broadbent and Laughlin's (2013) theory of steering is provided.

Chapter 3
THEORETICAL FRAMEWORK

3.1 Introduction

This chapter explains the theoretical foundation of the thesis. The foundation is developed in three sections. The first section provides discussion of Broadbent and Laughlin's (2013) Theory of Steering. It examines the complex relationship between societal and organisational steering, nature of the steering and possible responses organisations may take in relation to the societal steering. The second section will provide an explanation on how the thesis will use the theoretical framework. Before concluding the chapter, the third section will examine an alternative theory that could possibly be used in the thesis.

3.2 Broadbent and Laughlin's Theory of Steering

The analysis of this study will be undertaken using Broadbent and Laughlin's (2013) notion of steering which is a development of elements of Habermas's Theory of Steering (1984, 1987). It is based on a middle-range thinking (this aspect will be further discussed in chapter 4) research approach using a 'skeletal' theoretical framework to provide a conceptual 'language' by which to understand and analyse the relationships of steering processes and organisational responses to these control processes (Laughlin, 1995, 2004). Broadbent and Laughlin (2013) applied the elements of Habermas's theory with societal and organisational perspectives.

Broadbent and Laughlin (2013) argued that theoretically institutions and organisations are developed at a societal level. The institutions consist of

government departmentsand professional and financial institutions whereas the organisational systems include various public, private and voluntary organisations. The institutions act as 'societal steering media' which are responsible for steering the organisation systems which have functional responsibilities (inter-organisational steering). Steering is to be achieved through a range of 'steering mechanisms' which represent any control systems such as money, power, law and accounting to direct organisational systems behaviour to ensure that the expected outcomes are achieved in return for provision of certain resources. The steering media and mechanisms are important in the model as they need to ensure that the organisational systems reflect the societal lifeworld. Figure 3.1 below illustrates this.

Figure 3.1 Nature of Societal Steering Media and Systems

(Societal level analysis)

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┌─────────────────────────────────┐
│                                 │
│        Societal Lifeworlds      │
│                                 │
└─────────────────────────────────┘
          ↓              ↓
┌─────────────────────────────────┐
│                                 │
│      Societal Steering Media    │
│      (Steering institutions)    │
│                                 │
└─────────────────────────────────┘
                 ↓      Steering mechanisms
┌─────────────────────────────────┐
│                                 │
│         Societal Sytems         │
│        (Organizations)          │
│                                 │
└─────────────────────────────────┘
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Source: Adapted from Broadbent and Laughlin (2013)

108
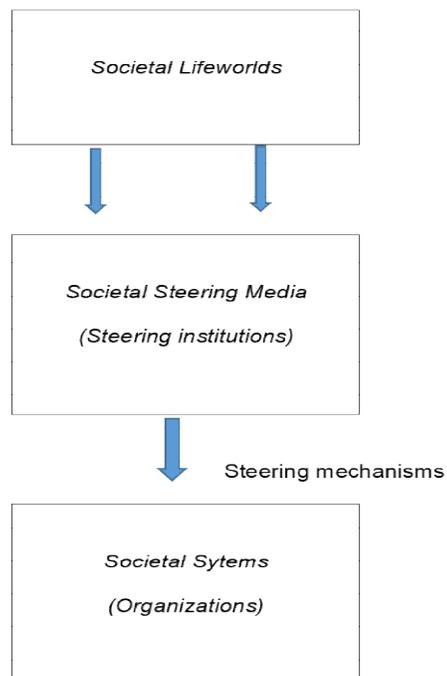
Broadbent and Laughlin (2013) argued that control systems within these institutions and organisations (intra-organisational steering) may be analysed in the same manner as in the societal level. To reflect these 'micro societies' (Broadbent and Laughlin, 2013:65) and differentiate between the societal and organisational models, they used 'interpretative schemes', 'design archetypes' and 'sub-systems' to reflect elements within an organisation. The organisational interpretative schemes represent the societal lifeworld and the design archetypes reflects the steering media at the societal level. Figure 3.2 demonstrates this model.

Figure 3.2 Societal and Organisational Levels of Analysis
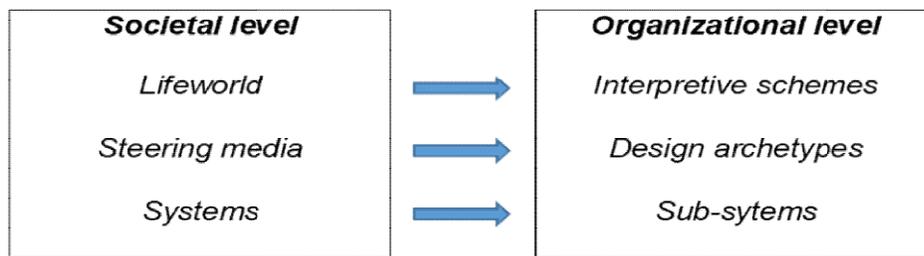
Source: Adapted from Broadbent and Laughlin (2013)

The interpretative schemes are the intangible elements and are essential in understanding the human dimension in terms of how organisational participants think and why they respond (Laughlin, 1991:212).However, there are different levels of abstraction with regard to the interpretative schemes that can also affect the responses organisations make to societal steering pressure (Laughlin, 1991). They range from mission, core processes to culture which meant that it is possible for organisation participants and societal steering media to share the same cultural beliefs and yet hold different organisational missions (Laughlin,

1991:212–213). Consequently, organisational responses may be complex as there may be some societal steering controls viewed as acceptable whilst others are being considered need to be rejected. Figure 3.3 illustrates the elements within interpretative schemes.

Figure 3.3 Different Levels of Abstraction of Interpretative Schemes

Level 1: Beliefs, Values and Norms

Level 2: Mission/Purpose

Level 3: Metarules
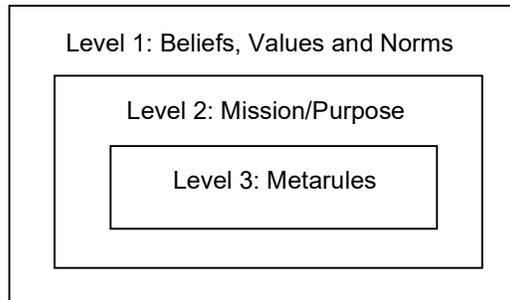
Source: Adapted from Laughlin, 1991

The sub-systems, on the other hand, are the functional arenas, where the actual work is done, and they consist of agreed upon tangible elements such as people, buildings and machinery. The design archetypes are the management processes; the internal regulatory systems function to drive the sub-systems to reflect the interpretative schemes of organisation. Figure 3.4 further illustrates the steering model at an organisational level.

Figure 3.4 Organisational Level of Analysis

Societal (Steering) Institutions

Interpretive schemes (IS)

↓

Design archetypes (DA)

↓

Sub-systems (SS)

Steering mechanisms

(Inter-organisational)

Systems (Organizations)

Interpretive schemes (IS)

↓

Design archetypes (DA)

↓

Sub-systems (SS)
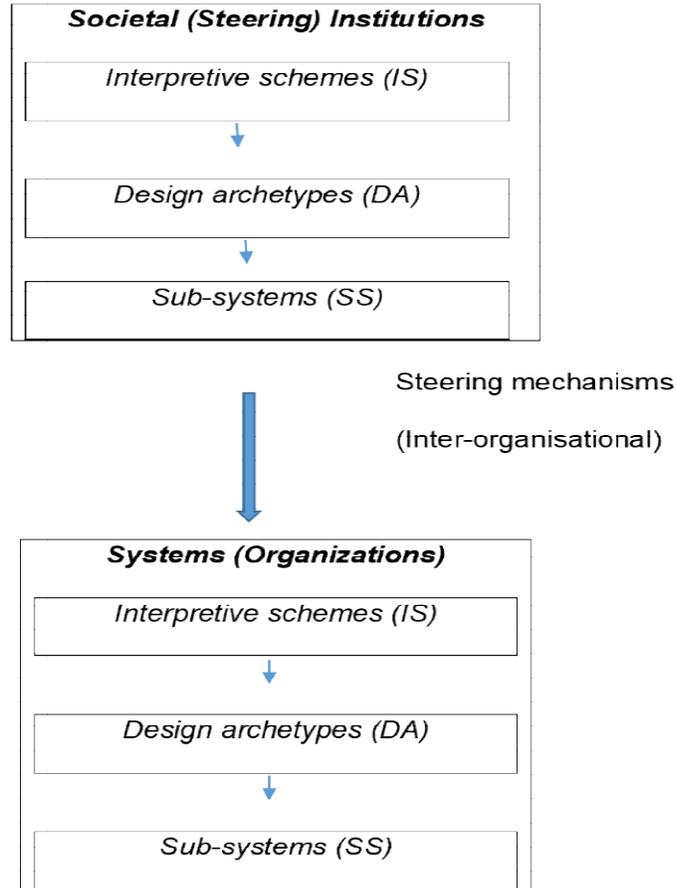
Source: Broadbent and Laughlin (2013)

Broadbent and Laughlin (2013) further argued that the institutions and organisations have their own 'micro societies' which give them 'a life of their own' (Broadbent and Laughlin,2013:65). As such, despite the legitimacy of the steering media, it can conduct their regulatory control role that 'has little or no regard to the societal lifeworld requirements' (Broadbent and Laughlin, 2013:6) leading to a possible colonisation of the lifeworld. Similarly, the organisations can follow different pathways that 'seemingly comply whilst neutralising the intentions embedded in the steering mechanisms imposed by societal steering institutions' (Broadbent and Laughlin, 2013:6).

3.2.1 Types of Steering Mechanisms Used in Regulatory Controls

This thesis argues management control systems (MCS) as a steering mechanism as conceptualised by Broadbent and Laughlin (2013). At the societal level, the MCS is regarded as a steering mechanism facilitating the inter-organisational steering. At the organisational level, the MCS is an example of design archetype representing the managerial processes guiding organisational activities towards achieving stated goals, hence facilitating an intra-organisational steering process. Broadbent and Laughlin (2013:73) argued that '… any steering mechanism that is activated through recourse to money and accounting is, in essence, a type of performance management system.' They identified two ideal types of accounting steering mechanisms emanating from societal steering institutions which they described as 'transactional' on one end and 'relational' on another end. The resulting nature of these steering mechanisms is dependent on the underlying rationalities employed in their design. Where a communicative rationality is used, a relational steering mechanism may result. Using the relational steering approach, the ends desired and means used to achieve the ends are often less specific and takes discursive processes and consensus with relevant stakeholders on the ends to be achieved and means to be employed. This approach is more concerned with long-term survival and sustainability of the organisations.

Alternatively, where an instrumental rationality underlies the design of the steering mechanism, then a transactional steering approach may develop. A steering process based on the transactional approach will have the ends (for

example, performance measures and targets) and means highly and clearly defined and imposed upon. Broadbent and Laughlin (2013) gave an example of a contract to organise a project which has been set over a specified period to illustrate the nature of such approach. It is centrally determined based on a top-down approach without discussion with stakeholders. Importantly, it is based on 'command and control' whereby the ends specified are expected to be achieved in return for receipts of resources. Table 3.1 below summarises the two types of steering mechanisms employed by steering media.

Table 3.1 Summary of Types of Steering Mechanisms

Transactional steering	Relational steering
▪ Instrumental rationality Centrally determined based on top-down approach without discussion with stakeholders ▪ Pre-determined ends and means ▪ Command and control – something for something	▪ Communicative rationality Based on negotiation and communication with relevant stakeholders ▪ Ends and means often less specific

Source: Adapted from Broadbent and Laughlin (2009)

3.2.2 **Possible Organisational Responses**

Broadbent and Laughlin (2013) argued that an organisation would be in an 'ideal' state when the three organisational elements (interpretative schemes, design archetypes and sub-systems) remain in some kind of 'balance and coherence' whereby the interpretative schemes will guide the design archetypes which will in turn guide the workings of the sub-systems. It will remain in the ideal state until 'disturbances' or 'kicks' from either the external or the internal

environment cause imbalance in the organisation, which may lead to various organisational responses in an attempt to control the disturbances. Hence, the design archetypes play important roles in managing and mediating the environmental disturbances to guide the activities and facilitate change in the sub-systems by reflecting and expressing the interpretative schemes of the organisation. The steering media and the steering mechanisms could become a form of potential external environmental 'disturbances' to the ideal coordination between the interpretative schemes, design archetype and sub-systems within an organisation. As both the steering media institutions and the organisations that are subject to steering have their own 'micro societies' then there is a possibility of differing interpretative schemes held by the societal steering media and the organisation, and hence some sort of resistance to the changes introduced by the steering media may occur.

Laughlin (1991) provided four 'skeletal' pathways for analysing organisational responses to the environmental disturbances. He illustrated how particular disturbances track their way through any organisations by exploring the changes to the interpretive schemes, design archetypes and sub-systems. First, 'rebuttal' is a situation where the environmental disturbances lead to organisation attempts to fully reject the steering efforts of the steering institution. This involves the organisation making minimal changes in the management processes to absorb the impact of the disturbances whilst the organisation's values and beliefs and organisational activities remain unchanged. Hence, the design archetypes would change initially but in the long term they will revert

back to their original state reflecting the organisation's original interpretative schemes and sub-systems.

The second possible response is 'reorientation' where the organisation accepts that it is impossible to completely rebut the external disturbances. Here the organisation will make changes to the design archetypes and subsequently to the sub-systems whilst the interpretative schemes remain the same. Therefore, the management process and functioning of the organisational activities may change; however, there is no change in the organisation's values and beliefs. These two responses (rebuttal and reorientation) are regarded as 'first order changes' (Laughlin, 1991)whereby efforts to resist the disturbances by the organisations through making the organisation's activities look different but the underlying interpretative schemes do not reflect the changes.

Another possible response is 'colonisation' whereby the organisational members try to accommodate the changes by imposing changes to the interpretative schemes, design archetypes and sub-systems. The disturbances result in initial changes to the management processes before changes to the way things operate and the organisation's beliefs and values. Ultimately, a new organisational ethos emerges within the organisation, forcing it to permanently change.

The final type of response is where the environmental disturbances are accepted by the organisational members leading to significant changes in the organisational ethos and values. This is an ideal form of response known as an 'evolution' response in which the beliefs and values of the organisation are in

line with the objectives of disturbances emanating from the steering institution. Changes occur in the original interpretative schemes after debate with organisational members and eventually lead to development of new design archetypes and sub-systems. Both colonisation and evolution are known as 'second order changes' (Laughlin, 1991) that involves changes to all the organisational elements. This model takes a middle-range thinking approach to organisational change and, hence, requires empirical analysis to enrich the framework. Table 3.2 below summarises Laughlin's (1991) possible organisational responses framework.

Table 3.2 Organisational Responses to Environmental Disturbances

	Rebuttal (First Order)	Reorientation (First Order)	Colonisation (Second Order)	Evolution (Second Order)
Interpretive schemes	Unchanged	Unchanged	Changes through force led by small group of organisational members	Changes occur after debate and acceptance by organisational members
Design archetypes (related to Ferreira and Otley (2009) PMS framework)	Minimal change but eventually revert back to original state	Change	Forced to change	Significant evolution in response to changes in interpretive schemes
Sub-systems	Unchanged	Changes in response to changes in design archetypes	Significant changes	Significant changes

Source: Adapted from Laughlin (1991)

3.2.3 Previous Empirical Research using the Theory

The work of Broadbent and Laughlin (2013) has been used mainly to explore the societal and organisational level of analyses to examine steering within the public sector domain. Their framework to date has been used to explore how organisational systems respond to the societal steering controls.

The theoretical model has mainly been explored in the context of the education sector in the UK and Australia. For example, Agyemang (2009) explored organisational responses of Local Education Authorities (LEAs) in the UK to managerial accountability demands emanating from the Department of Education and Skills and examined how this impact on the organisational steering of LEAs on schools. Another study by Agyemang and Broadbent (2015) examined the impact of the Research Excellence Framework introduced by the government and analysed how the universities developed their internal management control systems in response to the societal steering. Similarly, and recently, in the context of Australian higher education, Sardesai et al (2017) explored the way internal organisational control processes within universities in Australia are changed in response to external demands from the Research Assessment Exercise.

The theoretical framework has also been applied to healthcare settings in Iran, Italy and UK contexts. For example, Agrizzi et al (2016) explored the operation of an accreditation programme for hospitals in Iran and analysed the hospitals' responses to this type of control. Another study by Campanale and Cinquini (2015) has adopted the model to analyse responses of healthcare organisations

in Italy to new public management reform by examining the interaction between management accounting (as a design archetype) and clinicians' interpretative schemes. Broadbent et al's (2001) study, on the other hand, explored the responses of general medical practice in the UK following several accounting changes introduced into the general practice.

The model has also been applied in an Asian context by Norhayati and Siti-Nabiha, 2009) to explore changes in performance management systems in a Malaysian government-linked company (GLC) brought about by a GLC transformation programme introduced by the Malaysian government.

3.3 How the Thesis Will Use the Theory

Taking a middle-range thinking research approach, Broadbent and Laughlin's (2013) theory will form a basis for my initial exploration of the empirical situation and, equally, the empirical provides the possibility for development of the theory. As such, later findings may or may not be similar to the theory and even if it is similar there will be differences. The theoretical framework will provide a critical and nuanced analysis of the 'why' and the 'how' things happened. Broadbent and Laughlin's (2013) notion of steering provides language to analyse relationships within societal structures in terms of the inter-organisational steering between the societal lifeworld, the societal steering media and the working organisational systems. The theoretical model allows understanding the ways in which the external regulatory controls can impact on the controls within the Ministry of Health. The model includes considering the influence of values, different powers and mechanisms in implementing MCSs.

Hence, the steering model allows understanding of how the MCSs could challenge the existing values and beliefs of employees in the Ministry of Health in Brunei.

The notions of transactional and relational steering provide a language for analysing the nature of the MCS as steering mechanisms at societal level and design archetypes at organisational level. The model enables analysis at the organisational level to examine how the control systems developed within hospitals (intra-organisational controls) and how the Ministry of Health will respond to the societal steering media. The Ministry of Health may develop their respective interpretative schemes, design archetypes and sub-systems differently from that of the societal steering media. The notions of rebuttal, reorientation, colonisation and evolution provide a language of analysing complex organisational responses to the disturbances emanating from the societal steering, and thereby enable understanding of processes of change that occur between and within organisations.

3.4   Alternative Theory: New Institutional Theory

Previous research, in particular in healthcare, has mainly employed new institutional theory as the theoretical lens to analyse the impact of institutional process and pressure on organisations (Ballantine et al, 1998; Modell, 2001;Covaleski et al, 1993; Chang, 2006; Marriott et al, 2011; Conrad and Uslu, 2012).The new institutional theory (DiMaggio and Powell 1983) offers a way of understanding institutionalisation of controls in organisations as a result of institutional practices. One of the central features of the new institutional theory

(NIT hereafter) that has been mostly highlighted is the tendency for organisations to conform to societal expectations of what is socially appropriate rules and norms dominant in the institutional environment in order to gain legitimacy to survive within the world of the institution. As stated by DiMaggio and Powell (1983:147)

> … highly structured organizational fields provide a context in which individual efforts to deal rationally with uncertainty and constraint often lead, in the aggregate, to homogeneity in structure, culture and output.

DiMaggio and Powell (1983) provided further explanation on how the institutionalisation occurs which reflects organisational responses or ways organisations conform to ensure that their legitimacy is not lost. The commonly cited contribution was three types of institutional isomorphism which are: coercive, mimetic and normative, which according to DiMaggio and Powell (1983) also explains the motivation for adoption of prescribed organisational practices. According to Scott (1995:3)

> institutions consist of cognitive, normative and regulative structures and activities that provide stability and meaning to social behaviour.

These structures represent the institutional pressures exerted on organisations which lead to institutional isomorphism. The regulative pressures derived from government mandate, policy, regulation, supplier relationships, cultural expectations or other organisations that they depend on, will lead to coercive isomorphism. They exert pressure on organisations to adopt certain structures,

therefore leaving the organisations no choice but to adopt them. The normative structures consist of professional bodies and trade associations with shared norms. The normative structures, on the other hand, result in normative isomorphism whereby organisations adopt certain practices because they are the norm. Mimetic isomorphism, on the other hand, is an attempt of organisations to copy other organisations in their fields due to uncertain and unclear organisational goals and misunderstood processes and practices (DiMaggio and Powell, 1983).

Whilst NIT offers the chance of studying how organisations gain legitimacy from the environment, it is argued that organisations' responses may be more complex than just seeking for legitimacy. The NIT as Oliver (1991:143) posits

> tended to focus on conformity rather than resistance, passivity rather than activeness and preconscious acceptance rather than political manipulation in response to external pressures and expectations.

The focus is generally on the extra-organisational institutional effects on accounting practices and is less focused on providing understanding how organisations may show resistance to environmental pressures (Burns and Scapens, 2000; Broadbent, Jacobs and Laughlin, 2001; Modell, 2014).

3.5 Conclusions

This chapter has discussed the theoretical lens for understanding the nature of regulatory controls in Brunei and how this would impact on the MCSs within the Ministry of Health. This theoretical framework will provide understanding of the

organisational context in terms of external pressures influencing the Ministry of Health's internal operations to change. As the literature review chapter has shown, this aspect of the NPM remained unexplored thereby, needs further development. This thesis uses the theoretical model discussed in this chapter to identify the key elements of societal and organisational steering to examine the nature of regulatory controls in Brunei and how this would impact on internal processes within the Ministry of Health. The Sultan may be conceptualised as the main steering medium, and the Ministry of Health as the organisational steering institution accountable for steering hospitals and health centres. In the next chapter the underlying research approach is explained. Thus, to fully understand the societal and organisational steering processes, especially in the context of Brunei that has not been widely examined, a qualitative analysis can provide potential insights and the research methodology of this study is discussed in the next chapter.

Chapter 4
RESEARCH METHODOLOGY AND METHODS

4.1 Introduction

The purpose of this chapter is to explain how the thesis will be undertaken by explaining the methodological underpinnings of the research and the research methods employed to collect and analyse the data. This chapter consists of two main sections. This chapter will start with explaining the research methodology and the second section will elaborate the research design and methods used.

4.2 Research Methodology

A researcher needs to determine his or her methodological and theoretical lenses before embarking on detailed empirical research (Laughlin, 1995; Berry and Otley, 2004; Duberley et al, 2012; Alvesson and Ashcroft, 2012; Roulston, 2010). Laughlin (1995:65) argues that

> … all empirical research will be partial, despite any claims to the contrary, and thus it would be better to be clear about the biases and exclusions before launching into the empirical detail.

The choice of methodology depends on one's ontology and epistemology (Duberley et al, 2012).

4.2.1 Ontology and Epistemology

Ontology is a person's philosophical assumptions of the nature of the world or reality (Duberley et al, 2012). In other words, it is concerned with one's beliefs and views of the world. Accordingly, an ontological question is related to what

extent does a person see the phenomena of interest exists independently (objective) or dependently (subjective) of humans (Duberley et al, 2012:17). A person's ontological assumption 'governs the epistemological and methodological assumptions' (Chua, 1986:604). The importance of one's ontological choice is captured by Laughlin (2004:271) as follows:

> The ontological choice is seen as the foundation for all the choices that need to be made. A decision on this, guides both directly and indirectly, the remaining choices about methodology and method.

Epistemology, on the other hand, is a person's perception on nature of knowledge (Duberley et al, 2012). In other words, it is how a person gains understanding about the world. Essentially, epistemology is a result of a researcher's ontological position.

Both ontological and epistemological assumptions lead to different methodological approaches the researcher will take. As Cunlifffe (2010) in Duberley et al (2012:15) eloquently highlights:

> … our meta theoretical assumptions have practical consequences for the way we do research in terms of our topic, focus of study, what we see as "data", how we collect and analyse the data, how we theorize, and how we write up our research accounts.

Fundamentally, a researcher's methodological stances will impact on the way his/her research will be designed, conducted and analysed. A researcher's

choice of methodology in investigating social phenomena can generally be divided into two categories as tabulated in Table 4.1 below:

Table 4.1 Summary of Ontology and Epistemology

	Positivism	Interpretivism
Ontology	- Objectivist - Reality exists independent of human perception - Generalisations and patterns are possible	- Subjectivist - Reality is dependent on humans and projection of their minds - Generalisations are impossible
Epistemology		
Use of theory	- Prior theory very relevant - Hypothesis testing - Empirical details not important - Exploratory	- Prior theory irrelevant - Empirical details becomes the theory (important on its own right) - Explanatory
Types of research	Quantitative	Qualitative
Role of researcher	Irrelevant to research	Vital part of empirical investigation

Adapted from:Berry and Otley (2004)

Where a researcher takes a positivist stance, theory plays a significant role on the research endeavour to gain knowledge and understanding of the world. Laughlin (2004:272) used the example of the theory of gravity whereby he notes that the theory is considered 'complete' as the phenomenon is free from researcher's interference (bias and subjectivity). Generalisation is possible as the researcher already has a set of expectations of 'what needs to be seen' (Laughlin, 1995:83) that render additional empirical details to be irrelevant and serves no more than as a way to refute or confirm the prior theory (Berry and

Otley, 2004:233). This research approach usually takes on measurement and quantitative means of gaining knowledge.

This study regards accounting and accountability as social science. Laughlin (1995:83) contended that accounting practices are '… social practice conducted by diverse social actors'. Whilstit is widely acknowledged that accounting has a technical nature, it is not entirely a '…technical, context-free phenomenon' (Laughlin, 1995:82). Therefore, to understand it would involve understanding the subjective nature of human thoughts and actions. Behaviour of phenomena being studied (for example, managers) using accounting techniques (for example, performance management systems) will change over time as new techniques are introduced and also the behaviour possibly will vary depending on locations, and organisational and national cultures (Berry and Otley, 2004:233). Study on accountability involves relationships between and among human beings and structure (Llewellyn, 2003:680). In social science, search for complete truth as in the theory of gravity is not possible as complete truth is never complete (Laughlin, 1995:82). Therefore, understanding such phenomena cannot be captured via predicting and testing of theory. Inevitably, a positivist stance suffers from lack of attention given to the possibility of social reality's emergent, subjective aspects and any empirical details which is significant in explaining social phenomena (Ahrens and Chapman, 2006; Duberly et al, 2012)

4.2.2 The Qualitative Research

Prasad (2005:3) suggests that 'all interpretive traditions emerge from a …
position that takes human interpretation as the starting point for developing
knowledge about the social world.' This qualitative approach, from an extreme
point of view, sees 'reality, distinct from our human perceptions and projections,
does not exist' (Laughlin, 1995:81). The researcher's values and interpretation
of personal experiences are very important in the construction of social reality
(Laughlin, 1995; Ahrens and Chapman, 2006; Duberley et al, 2012) because
'…knowledge of social phenomena is knowledge from a particular frame of
reference …' (Burrell and Morgan cited in Llewelyn, 2003:666).   As
understanding of phenomena is placed on the researcher's subjectivity,
qualitative interpretivist research does not rely on prior theories to develop
understanding of the world. This is because the empirical details provide the
uniqueness of and are generalisable only to the situation being explored
(Laughlin, 1995:83). Fundamentally, the way the researcher thinks has an
impact on what he or she observes and that the empirics induces the theory
rather theory guiding the empirics (Llewelyn, 2003:666)   Hence, allowing
greater openness, flexibility in understanding social processes. Meanwhile, as
has been argued, the positivist approach may not be appropriate in examining
social phenomena such as the current study, neither is interpretivism. Despite
the latter's uniqueness and highly context-bound findings, it treats every case
as equally important, thereby it prevents learning from occurring and weakens
the uniqueness (Laughlin, 1995, 2004). Moreover, allowing flexibility in
understanding the empirics would create too much bias in interpretations that to

some extent there is a need forspecified rules to guide the perceptions of the researcher (Laughlin, 1995, 2004). Hence, an alternative research approach known as middle-range thinking will be employed in addressing and analysing my research questions.

4.2.3 Middle-Range Thinking

Middle-range thinking (MRT hereafter) is a research approach developed by Laughlin (1995, 2004). The idea posits that it is possible to take a middle stance between two the extreme stances of positivism and interpretivism. Laughlin (1995:81) argued that MRT

> … recognises a material reality distinct from our interpretations while at the same time does not dismiss the inevitable perceptive bias in models of understanding. It also recognizes that generalisations about reality are possible, even though not guaranteed exist, yet maintains that these will always be 'skeletal' requiring empirical detail to make them meaningful.

The benefits of this approach are detailed in the next three sections.

4.2.3.1 Theory

MRT holds the view that there is a 'skeletal' theory (Laughlin, 1995, 2004) that may be used in understanding the social world. The 'skeletal' theory guides the researcher to understanding of the world (which is to an extent in agreement with the positivist stance); however, it needs empirical 'flesh' which incorporates the researcher's subjectivity (which is to an extent in line with the interpretivist view), and therefore provides meaningful and complete understanding of social

phenomena (Laughlin, 1995, 2004). Laughlin (1995, 2004) argued that in social sciences like accounting it is not possible to have a grand theory, only a 'skeletal' theory. However, the latter would be incomplete, therefore empirical data is very important to 'flesh' out the skeleton to enrich it and make it complete in a certain context. However, this does not mean that the theory is permanently complete but will remain as a general framework which is partial and incomplete (Laughlin, 1995, 2004). The 'skeletal' theory does not serve as a way to either test or predict the results (Laughlin, 2004:268) as in the positivist approach nor that the theory is to be developed out of the empirical details as in the interpretivist approach, but rather it is used to provide a 'language for exploring the world' (Laughlin, 2004:150). As such the 'skeletal' framework serves as a language with which to examine the empirics and equally the empirics as a means of informing the skeletal framework (Broadbent and Laughlin, 2004; Laughlin, 2004).

4.2.3.2 **Method**

Similar to theory, the MRT provides 'skeletal' rules to guide the fieldwork but 'still allows for variety and diversity in observational practice' (Laughlin, 1995:82). Where the positivist and interpretivist approaches employ quantitative and qualitative methods respectively to a discovery process, the MRT is flexible. Although it seems that the MRT possesses mostly the interpretivist characteristics and, therefore, would suggest more use of qualitative methods, the researcher can employ various data collection methods. For this study, the

research will be employing qualitative interpretivist method taking the MRT approach.

4.2.3.3 Change

This aspect concerns the attitudes of the researcher towards the need for change or status quo of the social phenomena being studied. The MRT adopts a 'medium' position whereby the researcher can determine whether change is necessary in a particular situation or just maintain the current situation as it is. On the contrary, both the positivist and interpretivist positions take a 'low' position but for different reasoning.

4.2.3.4 Critiques of MRT

Dey (2002) criticised the MRT on two grounds. First, the use of theory prior to fieldwork will risk the theory to influence the interpretation/construction of the researcher of the social phenomena being studied and second, the theory would desensitise the researcher's subjectivity to the study. These critiques came about because Dey (2002) advocates study based on ethnography, in which no prior theory should be used. The study is based on grounded theory whereby empirical data gathered by way of the researcher being immersed in the fieldwork will direct the researcher's interpretation. However, these critiques can be counter argued.

Firstly, according to Laughlin (1995; 2004) the theory is 'skeletal' which means that the theory is not complete, and the empirical data will 'flesh out' the skeleton. This empirical work will give unique meaning to the research process

as the'… theoretical framework that drove a research project initially may differ from the theory that emerges at the end of the work…' (Llewelyn, 2003:698). In warning against this danger, Laughlin (1995; 2004) also acknowledged that the researcher should be in control of the situation.

As counter argument of the second critique, the theory in MRT does not serve to test whether the theory is valid or not, in which case the theory is used to confirm the results/things that the researcher wants to see. The theory in the MRT acts as a 'set of spectacles' (Laughlin, 1995:67) which facilitate the researcher in seeing clearly, that is to understand differences that are happening in the fieldwork. The skeletal theory will inform the empirical data and the data will inform the theory and, in effect, the process opens up the researcher's mind to new possibilities and ideas. Laughlin (2004:273) argued that ethnographers '… have their own rigour with which they engage with the empirical world'. This suggests that 'skeletal theory' is in play although '… what constitutes the rigour cannot … be meaningfully analysed or spoke about is distinct from the process of actual engagement' (Laughlin, 2004:273). Whilst the ethnography does not make implicit their assumptions, the MRT advocates that the researcher makes explicit their assumptions (Broadbent and Laughlin, 2004). Therefore, the claim that use of prior theory would direct the eventual outcome is not appropriate.

Notwithstanding these criticisms, there are an increasing number of researches that have employed the MRT as a methodological approach. For example, Conrad and Uslu (2012) who used MRT in studying the impacts of performance

management systems for organisations in the UK health sector; Agyemang (2009) who examined accountability impact on control processes between organisations and Agrizzi et al (2016)who explored the impacts of healthcare accreditation in Iran.

4.3   Research Design and Methods

This section will discuss the research design and methods the thesis has employed. In seeking to understand how societal steering mechanisms of titah and Wawasan Brunei 2035 impact on the Ministry of Health as well their responses to these mechanisms, using the MRT analytical approach, there is a need for a richer understanding of the dynamics and perceptions of organisational members (Broadbent et al, 1991; Laughlin, 2007). Whilst case studies can use a single method for collecting data, it is more often a multiple-method research design (Yin, 2009; Buchanan, 2012). This study employed three methods of data collection which were interviews, documentary analysis and observation. The interviews and documents are the primary sources used in this study. These research design and methods may allow for engaging critically with the 'skeletal' theoretical framework and, hence, generate analyses that will add different 'flesh' to the skeletons.

4.3.1   Case Study: Definitions, Characteristics and Types

A case study as a research design (Buchanan, 2012) is argued to allow for an in-depth examination of phenomena of interest within its real-life and within its organisational and social context (Hartley, 2004; Yin, 2009; Buchanan, 2012; Eriksson and Kovalainen, 2015). It allows for understanding and providing

answers to 'how' and 'why' questions (Otley and Berry, 1994; Scapens, 1990; 2004; Yin, 2009) and for understanding the perceptions of organisational members and not only 'through your own familiar lens' (Humphrey, 2001:102) about the phenomenon under study. The case study will provide a deeper understanding of steering processes within societal and organisational contexts and how these may impact on internal MCS of the Ministry of Health. Hence, the case study will help in understanding the organisational processes in context. Furthermore, due to 'developments in managed care systems that link their multiple components in new ways, producing "mega-systems" of great complexity' (Yin, 1999:1210) and intangible perceptions involved in this study, the case study is a suitable research design into understanding these 'mega-systems' and evaluating their effectiveness (Yin, 1999).

According to Eriksson and Kovalainen (2015) there are two main types of case study: intensive and extensive. The difference between the two is that the former draws on qualitative and interpretive traditions whereas the latter relies more on a quantitative and positivist approach (Eriksson and Kovalainen, 2015). This study falls under the intensive approach whereby the aim is to 'understand and explore the case from "the inside" and develop understanding from the perspectives of the people involved in the case' (Eriksson and Kovalainen, 2015:8).

There are different types of case study depending on their respective purposes. Table 4.2shows the most common types found in the literature.

Table 4.2 Types of Case Studies

Types	Purposes
Descriptive	Describe the current practice
Exploratory	Positivist stance; used in areas where there are few theories or body of knowledge; aim to produce generalisation and hypotheses
Explanatory	Interpretivist; use of theory to seek to explain and provide rich understanding and explanation of what is happening, how and why observed phenomena happened in the organisation being studied rather than provide generalisations; allows for processual issues to emerge
Illustrative	Illustrate how a particular theory applies in a real setting
Experimental	Seek to examine the difficulties of implementing new procedures and techniques in an organisation and evaluating the benefits

Adapted from: Collins and Hussey, 2003; Berry and Otley, 2004; Scapens, 2004; Yin, 2009

The current study used explanatory and illustrative case studies. Whilst the explanatory approach made use of theory, the use of theory in this study is not motivated by the fact that there are few theories because they are incomplete, but the MRT approach posits the use of 'skeletal' theory which means that the theory can never be complete. Scapens (2004:260) noted that

theory is useful insofar as it enables the researcher to provide convincing explanations of the observed practices. If available theories do not provide satisfactory explanations, it will be necessary to modify them or to develop new theories…

Therefore, the case study is useful when there are few theories available that the findings from the empirics will help develop or modify the theory (Otley and Berry, 1994). Hence, this study attempts to 'flesh out' the skeletal theory by

analysing the nature of societal steering processes and the impact of the societal steering on organisational activities by enriching them with understanding from the public sector hospital setting in Brunei.

4.3.1.1 Benefits of Case Study

Scapens (2004:261) suggested that where the use case studies are '…to develop and extend theory … the selection of cases should reflect the needs of theory development, rather than generalisation to some larger population.' The selection of cases depends upon the research questions and the theoretical framework to be used (Scapens, 2004; Buchanan, 2012). Buchanan (2012) cautioned researchers on choosing cases which are 'typical' and 'commonplace' because of the rather limited value the case studies under such circumstances would produce. He argued that researchers should consider extreme or critical cases 'where the experience of the phenomena under investigation is intense and visible' so to produce compelling insight (Buchanan, 2012:361). Scapens (2004:262) gave example of an extreme case of studying an organisation in a totally different setting. For this study, the use of the case study provides a unique situation because as has been discussed in chapter 1 and 2, Brunei's public sector, in particular, the health sector, is still unexplored, despite considerable increase in research interests in the NPM elsewhere. Furthermore, the case study provides opportunities for discovery of outliers and anomalies because they can challenge and contribute to the improvement in the theory-building (Scapens, 2004; Parker, 2014). Through examining the NPM in the public sector in a totally different political, economic, cultural and social

settings, therefore will assist in the deeper understanding of the issues within a wider and different context and, therefore, make a theoretical contribution by extending or challenging the existing theory.

Case studies may take single or multiple approaches. Yin (2009) argued that within a research design, the researcher needs to determine a 'unit(s) of analysis'. A unit of analysis in a case study can be an organisation (Ministry of Health, hospitals), a process (decision and change), a programme or scheme (such as the Wawasan Brunei 2035) and events (Buchanan, 2012:354-355). The unit of analysis may be either 'holistic' or 'embedded' as shown in Table 4.3. The holistic design focuses on the nature of a phenomenon as a whole, whilst the embedded design comprises more than one unit of analysis. In a single case study, the researcher focuses on an issue of interest and then selects one case to explore the issues; whereas in the multiple case studies, the researcher may select multiple settings to illustrate the issues.

Table 4.3 Case Study Approaches and Unit of Analysis

	Single case study	Multiple case studies
Single unit of analysis (Holistic)	Type 1	Type 2
Multiple unit of analysis (Embedded)	**Type 3**	Type 4

Adapted from COSMOS Corporation cited in Yin (2009:46)

The multiple case studies would allow comparison of responses and breadth in terms of data collected and thus, is often considered compelling (Yin, 2009). Moreover, the multiple case studies enable tentative explanations to be established especially when the cases are based on theoretical replication

(Scapens, 2004; Van Aken, 2005). In the current study, given the novelty of the research context and the aim to provide new in-depth insights and understanding of the NPM, MCSs and accountability in the public health sector, it is considered necessary to select the 'type 3' which is a single case (Ministry of Health), multiple embedded (departments and health organisations) case design. Taking a single case study approach and contrasting the levels (between Ministry and department levels) should enable the researcher to give a richer comparative perspective of the NPM within the MOH. Hence, this 'type 3' approach will enable in-depth insights and understanding of the perceptions of employees at various levels within the MOH towards the control mechanisms used by the government, and as well as allow assessment of the extent to which the employees consider the societal steering mechanisms as transactional or relational.

4.3.1.2 Criticisms of Case Study

There are several problems associated with case study. Firstly, is difficulties faced by the researcher in generalising the findings from the case study. This is because the case study focuses on a specific case therefore the findings of the research may be relevant and limited to the specific situation, place, people and time, in that they cannot be applied to settings other than the one being studied. In dealing with these issues, Buchanan (2012) and Hartley (2004) argued that the researcher should not be concerned with producing statistical generalisations but instead focus on analytical generalisation whereby the

findings are generalised from experience and observation to theory. As Hartley (2004:331) summarised:

> … the basis of the generalization is not primarily about the typicality of the organization (cases may have been chosen deliberately to be untypical in order to bring to the surface processes hidden in more usual settings) … which may influence behaviours and actions in the organization.

To a certain extent, Buchanan's (2012) and Hartley's (2004) arguments characterise MRT, in that the iterative process of generalised 'skeleton' informing the non-generalisable empirical 'flesh' and the empirical 'flesh' informing the 'skeleton', so that the researcher's understanding of the phenomenon under investigation in a certain context is enriched (Broadbent and Laughlin, 1997).

Secondly, access is also an issue in using the case study. Difficulties associated with accessibility are also one of the main concerns for the researcher to conduct their studies (Scapens, 2004; Hartley, 2004; Saunders et al, 2009; Saunders, 2012). In view of the possible difficulties, Saunders (2012:37) noted that the researcher will often adopt an 'opportunist approach' both to gaining access and choosing research participants. It is worth noting that applications to conduct research in the MOH were made two times. The first application was made in July 2015through the researcher's husband's personal contact who holds a senior position in the Ministry of Health. Hartley (2004) argued that deciding on who are the critical 'gatekeepers' to

organisational research is imperative and using contacts can be helpful as to enable the researcher to determine what 'the population of organisations you might draw the case study from, and … how to select the case(s)'(Hartley, 2004:327). Several documents such as a letter from the researcher's University confirming her affiliation and her proposal were requested and permission was granted in October 2015.

Prior to visiting and conducting empirical work in the MOH, the researcher emailed the 'gatekeeper' in June 2016 to notify him regarding her intention to conduct fieldwork at the end of August 2016. However, the researcher was informed that he was no longer incharge and was given the email of the Head of Planning Services (HOPS hereafter). The researcher emailed the HOPS explaining the situation faced and sought advice on how to proceed. However, the researcher did not receive any replies until the first week of August 2016 from the HOPS (the HOPS became the new gatekeeper for the study). Apparently, according to them there was some miscommunication and also overlooked the researcher's access application since the Ministry had just undergone restructuring in early February 2016. The researcher was also informed that the first permission letter received was no longer valid because it was signed by previous management; therefore, the researcher was advised to reapply and gain approval from new management. As noted by Saunders (2012) and Eriksson and Kovalainen (2015) that even when access has been negotiated, maintaining a relationship with the gatekeeper needs to be actively managed as a part that contributes towards the final stages of the research processes. Accordingly, application was made to the Medical Health Research

and Ethical Committee (MHREC) under the MOH which is responsible for approval of research requests. A range of different documents including an introductory letter and ethical clearance from the researcher's University (see APPENDIX 2) were requested. After liaising with the MHREC for several months, permission was obtained on 1st September 2016. Elger and Smith (2005:87) have noted that negotiating the extent of access will be an ongoing process. Empirical work on the MOH was undertaken between September 2016 and October 2016.

Another limitation of the case study relates to time and cost involved in undertaking the study. Since the researcher is a government-funded student, she made use of the government fund to go back to Brunei to conduct her empirical work. However, the time allowed to go back was not more than three months. Therefore, the researcher had to ensure that the empirical work was completed within the given time period. The researcher had lost nearly two weeks of the time (ever since she arrived in Brunei early August 2016) due to having to go through the re-application to the MHREC (as explained earlier) and moreover, there were some participants who had to cancel the interviews at the last minute. Therefore, she had to make several repeated visits to the organisations, which has added to the time lost in conducting the empirical works. Nonetheless, whilst waiting for the approval from MHREC, the researcher continued to collect as much information about the case organisation to assist in developing interview guides (this will be discussed in the next section). As a result of the time lost, the researcher had to apply for extension of her stay in Brunei from the government for another two weeks to

finalise the data collection processes. Unforeseen circumstances will also affect the researcher's time and costs (Otley and Berry, 1994; Scapens, 2004).

4.3.2 Selection of Participants

According to Saunders (2012) another aspect of research design which needs to be considered is the selection of research participants to enable the collection of appropriate data and, therefore, enable the researcher to meet the research aim. There are two strategies of sampling researchers can employ which are probability and non-probability sampling. The probability sampling involves specification of population which is essential as a basis of statistical representation and generalising from the sample (Saunders et al, 2009; Saunders, 2012). In contrast, the non-probability sampling does not necessarily require specifying the population and does not provide representativeness. The non-probability sampling is usually employed under positivist epistemology and quantity research whereas the probability sampling is associated mainly with a range of non-positivist epistemologies and qualitative research (Saunders et al, 2009; Alvesson and Ashcroft, 2012; Saunders, 2012). Table 4.4 provides a summary of the differences between the two sampling strategies, adapted from Saunders (2012). Therefore, based on this current study research methodology and research aim, it is appropriate to employ the non-probability sampling.

Table 4.4 Differences between Non-Probability and Probability Sampling

Difference	Non-Probability	Probability
Specification of population	Not necessary	Essential as is sampling frame
Basis of sample choice/selection	Researcher's judgement	Random
Basis of generalisation from sample	Findings may be transferable	Statistical representation
Nature of aim usually addressed	Exploratory, answered utilising rich understandings	Explanatory, answered utilising statistical inferences
Sample size	Relatively small (other than quota sampling)	Relatively large

Under the non-probability sampling, there are four main techniques depending on research aim and researcher's control that are commonly used by qualitative researchers and these are summarised in Table 4.5 below.

Table 4.5 Justifications for Frequently Used Non-Probability Samples

Group	Sampling techniques	Criteria in relation to research aim	Researcher's control
Quote	Quota	Proportionally represents population	Specifies quota selection criteria
Purposive	Typical case	Illustrate	Specifies selection criteria
	Critical case	Important	Specifies selection criteria
	Extreme case	Unusual or special	Specifies selection criteria
	Heterogeneous	Reveal/illuminate key themes	Specifies selection criteria
	Theoretical	Inform emerging theory	Selects cumulatively on basis of emerging codes and categories
Volunteer	Snowball	Cases difficult to identify	Selects only initial participant, remainder likely to be similar
	Self-selection	Access difficult, research exploratory	Offers only general invitation, participants identify themselves
Haphazard	Convenience	Ease of access (often lacks credibility)	Haphazard

Source: Saunders (2012)

For this research, the purposive and volunteer (snow ball) sampling techniques were used to select the participants. Prior to conducting the empirical works, the HOPS had asked for the choice of participants that the researcher wanted to interview. Purposive sampling was used at this stage which involved selecting the participants who will best enable the researcher to generate appropriate data and answer the research aim and questions (Saunders et al, 2009; Saunders, 2012). The main selection criteria were specified as those who have managerial roles that included a responsibility for planning, financial, budgeting and overall management of the Ministry of Health. Perceptions and experiences from these categories of participants were crucial to this study as they would offer an in-depth understanding and view on the MCSs, and the societal and organisational contexts to assess the effectiveness of the control systems. Accordingly, prior to the researcher's first formal meeting with the HOPS, she had emailed a list of people in the Ministry known as 'functional leads' (the newly appointed middle- and lower-level management in the new organisation structure). Using the list, the managers were contacted using email whereby the researcher outlined the purpose of her research and explained why she would value their involvement. Whilst it may be possible to specify directly the departments and members (based on prior information gathered on organisation structure of the MOH), to a large extent the researcher felt that limiting the potential participants by specifying the choice of participants would be appropriate in this case due to, among others reasons, the researcher's limited understanding of the case organisation, the working culture, the new organisational structure and the unknown extent of confidentiality and internal

political sensitivities within the MOH. This approach proved to be useful whereby despite the list of possible interviewees provided by the gatekeeper and email being sent, there were many who did not respond to the researcher's email (this issue will be discussed in the next section on interviews). As argued by Saunders (2012) the choice of participants will fundamentally depend on the participants' willingness to consent to be involved.

At this stage, the issue of sample size came into the picture knowing that the researcher also faced the issue with time constraints. In fact, Saunders et al (2009) and Baker et al (2012) acknowledged that the sample size may be limited by researchers' time available for data-gathering. In qualitative inquiry using the non-probability sampling, the sample sizes are dependent on the data being collected until saturation is reached (Saunders, 2012). Generally, data will likely need between 12 and 30 participants before reaching saturation (Saunders, 2012). According to Baker et al (2012:9)

> this medium size subject pool offers the advantage of penetrating beyond
>
> a very small number of people without imposing the hardship of endless
>
> data gathering, especially when researchers are faced with time
>
> constraints …

To mitigate these issues, the researcher adopted the snowball sampling technique in view of the participants have been identified but are difficult to access (Saunders, 2012). This technique was facilitated when the researcher managed to establish contact with another two gatekeepers. The first gatekeeper was assigned by the HOPS, who was personal assistant to the

HOPS, and the other was one of the 'functional leads'[7] (middle management) in the Ministry who was introduced by the researcher's father[8]. Therefore, these two gatekeepers were key to the research as they were the ones who assisted the researcher in establishing contacts directly with the potential interviewees in the list, and also not in the list, and following up with them throughout the researcher's time and empirical work in the Ministry. Using the snowball sampling, gaining access was also facilitated by the participants who identified a number of other participants who were their colleagues or similar to themselves (Saunders et al, 2009; Saunders, 2012). In this case, the aim of employing the technique was simply to reach as many people to which one can gain access among these types of groups. Whilst the majority of the participants had managerial experience and involvement, there were also interviewees who had limited managerial involvement. There were instances where one of the gatekeepers managed to get the researcher to interview two potential participants - the Head of Radiology and the Head of Laboratory[9]in one of the hospitals, who the researcher was not sure of the relevancy. Nonetheless, the researcher attended to any participants who were willing to participate, and the insights of these respondents were also useful for this research as it allowed even wider understanding of perceptions of external regulatory controls and

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[7] However, his name was not included in the interviewees list provided by the HOPS possibly due to the nature of his work (as Head of Healthcare Technology) which presumably the HOPS did not see as relevant to my study. Nonetheless, he was part of the sample of interviewees (**as indicated in Table 4.6**).

[8] The gatekeeper is the researcher's relative.

[9] Interview with Head of Laboratory, RIPAS Hospital, was cancelled due to her working commitments.

internal management control practices across different departments and organisational levels (middle, lower management and other employees).

As noted by Berry and Otley (2004),the researchers need to strike a balance between the biases in the evaluation and analysis of the empirics and the need to work with integrity. It is also interesting to note that the sample included two participants from the Permanent Secretariat for Wawasan Brunei 2035[10] who were introduced by one of the interviewees in the MOH. This had allowed better understanding of development of Wawasan Brunei 2035 from the perspective of the government itself as the societal steering and therefore, allowing in-depth evaluation and analysis of the empirical work. Eventually, the sample included 26 interviewees including three group interviews (see Table 4.6 below).

Table 4.6 Sample Size of Interviews

Organisation	Level in Organisation	Position / Role	Codes for Analysis
Prime Minister's Office	Permanent Secretariat for Wawasan Brunei 2035	Acting Director*	PMO 1
		Special Duties Officer (Grade 1)*	PMO 2
	Middle Management		
	Administrative (Ministry level)	Head of Office of Policy and Foresight	MMA 1
		Head of Healthcare Technology	MMA 2
		Head of Internal Audit	MMA 3
		Assistant Director Human Resource Management	MMA 4
	Administrative and Medical (Ministry and Services levels)	Head of Planning and Services	MMAM 1
		Head of Quality and Assurance	MMAM 2
Ministry of	**Lower Management**		

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[10] A department under Executive Council for Wawasan Brunei 2035, Prime Minister's Office (refer to Chapter 5).

Health			
	Administrative (Ministry and Services)	CEO Community Health	MLA 1
		CEO Temburong Hospital	MLA 2
		CEO Tutong Hospital**	MLA 3
		Hospital Administrator, Tutong Hospital**	MLA 4
		Hospital Administrator, Community Health	MLA 5
		Finance Officer, Community Health	MLA 6
		Senior Health Officer at Office of Policy and Foresight	MLA 7
	Administrative and Medical (Ministry and Services levels)	Medical Superintendent Tutong Hospital	MLAM 1
		Medical Superintendent, Kuala Belait Hospital	MLAM 2
		Medical Superintendent, RIPAS Hospital***	MLAM 3
		Deputy Medical Superintendent, RIPAS Hospital***	MLAM 4
		Medical Superintendent Community Health	MLAM 5
	Health Facilities (Services level)	Head of A&ETutong Hospital	HFO 1
		Senior Health Assistant, Tutong Hospital**	HFO 2
		Nursing Officer, Tutong Hospital**	HFO 3
		Head of Women and Children	HFO 4
		Head of Berakas Community Health Centre	HFO 5
		Head of Radiology, RIPAS Hospital	HFO 6
Total			**26**

*Group Interview 1
**Group Interview 2
***Group Interview 3

4.3.2.1 **Ethical Considerations**

Ethical issues are another important aspect which needs to be considered when conducting empirical works. As noted by Saunders et al (2009) and Eriksson and Kovalainen (2015),it is imperative to ensure that all processes in conducting the research are kept in line with ethical principles. Ethical considerations are important as they relate directly to integrity and quality of the research (Berry and Otley, 2004). In considering the ethical issues when conducting this

research, the participants in this study were given the option to opt out of the research and assured that their identities would be anonymised. There were few who refused to participate in the research on the count of confidentiality and cancelled at the last minute due to work commitments. Therefore, prior to conducting the fieldwork, an informed consent form and participation information sheet (refer to APPENDIX 3 and APPENDIX 4) were distributed to prospective participants through email and they were given one week to reply and decide whether they would want to participate. It is crucial to give as much information as needed to assist them in making an informed decision about whether to participate in the study (Bryman, 2008).

4.3.3 Interviews

Alvesson and Ashcroft (2012:239) note that interviews have long been dominant ways of collecting data and knowing what goes on in organisations. Through the interviews the researcher will be able to gather views from organisational members in search for understanding about how they perceive regulatory controls from government and accountability relationships with the government in the context of the organisational and societal requirements and how these will affect their internal MCSs. King(2004) suggested that qualitative research interviews are suitable for exploring the different meanings of certain topics. Hence, the objective of interview is to understand the issues being studied from the perspective of the interviewees (King, 2004; Collis and Hussey, 2009).According to Kvale and Brinkmann(2009:3) a research interview is a

conversation that has a structure and a purpose. It goes beyond the exchange of view in everyday conversations and becomes a careful questioning and listening approach … is not a conversation of equal partners, because the researcher defines and controls the situation.

This definition suggests that interview is not a straightforward process because it requires planning and preparations. Furthermore, being a novice researcher who has not had prior experience in conducting interviews strengthen the need to carefully plan and prepare for them. Next will describe the practical steps taken prior to and during the interviews and some of the challenges faced.

4.3.3.1 Semi-Structured Interviews

The study employed semi-structured interview which would elicit explanations of the interviewees' attitudes or experiences or opinions regarding the issues being studied (Elger and Smith, 2005). The semi-structured interview provides the researcher sufficient flexibility to approach different respondents by allowing them time to reflect on the issues before other issues are being mentioned (King, 2004; Saunders et al, 2009).

With the semi-structured interviews, the researcher would need to develop an interview guide which lists out the topics with pre-set questions that the researcher would want to discover the answers (King, 2004; Alvesson and Ashcroft,2012; Saunders et al, 2009). For this study, the topics were derived from the literature review on the NPM, accountability and MCSs. As health organisations consist of a range of employees, it would be necessary to develop separate interview guides which reflect the nature of the interviewees' work in

the organisation (Brinkerhoff, 2004; Elger and Smith, 2005). Samples of the interview guides are shown in APPENDIX 5.

According to King (2004) and Scapens (2004), despite using the interview guide, the researcher still has the flexibility to modify it to facilitate deeper exploration of issues. By using the interview guide, the questions are to be asked in an open manner and flexible order. The interview guide as its name explicitly implies serves as a guide whereby the questions could be adapted or changed as and when new knowledge is discovered in the fieldwork (King, 2004; Scapens, 2004; Elger and Smith, 2005; Alvesson and Ashcroft, 2012). The flexibility of the interview guide allows researchers to change the order of the questions according to the flow of interview, and also probe when important issues emerged from the respondent's responses (Saunders et al, 2009). The process of changing the interview guide is normal and reflective of the thinking process of the researcher.

As such, the use of the interview guide characterises the MRT approach adopted by this study as the researcher is provided with 'skeletal' rules to guide the fieldwork but 'still allows for variety and diversity in observational practice' (Laughlin, 1995:82).

4.3.3.2 During the Interviews

The researcher undertook face-to-face interviews with the participants at the Prime Minister's Office and Ministry of Health and each interview lasted approximately one and a half hours and took place in the office of the officers. The interviews were conducted in English and Malay (depending on the

interviewees' preference) and were recorded (except for two interviewees who refused to be recorded). The researcher sought consent of the interviewees for the interviews to be conducted. Written notes in the form of a research diary were also utilised during the interviews to augment the recording in order to provide rich narrations and facilitate subsequent analysis and reflections. By obtaining rich narrations about their lives would enable the researcher to understand them (Alvesson and Ashcroft, 2012; Elger and Smith 2005). The research diary contained mainly the researcher's reflections of what she noticed, heard and saw during the interviews as to what and how the participants answered the questions. Furthermore, as the interviews involve an iterative process, by adopting both note-taking and recording, the researcher could gain in-depth insights of the earlier interviews and, hence, allow for additional probes and questions to be asked in subsequent interviews if related issues emerge during the interview (King, 2004; Scapens, 2004; Alvesson and Ashcraft, 2012). As noted by Halford et al (1997:59) semi-structured interviews facilitate 'dialogue between researchers and respondents, to provide much more detail on context and process.'

The interview guide was used as a basis of questions to be asked; however, the flow of the conversations did not follow in the same direction as the guide. As has been explained earlier, this is the case with conducting semi-structured interviews. The researcher let the participants do most of the talking to get them to talk on the topic that matters to them and probe them on the issues they mentioned whilst at the same time follow up their answers with the research interests of the researcher (contained in the interview guide).

4.3.3.3 Post-Interview Reflections

There is inherent risk of the researchers bringing their presupposition to the interviews which could distort qualitative analysis. In resolving this issue, King (2004) argued for a reflexivity approach whereby the researchers continuously evaluate critically their involvement in the research process as they interpret their participant's contributions. This process is crucial to ensure that the researcher is consistent in the MRT approach that this study undertakes (further discussion on this in the later section on Analysis of Data). To solve this issue, the researcher immediately reviewed her notes in her research diary taken during the interviews and wrote and recorded her impressions of the interviews and information gained. Doing this allowed the researcher to start the process of analysing and interpreting the information whilst it was still fresh in her mind.

4.3.4 Documentary Analysis

The second primary research method employed was analysis of archival documents. This method serves as a supplementary method to augment interpretation and understanding gained from interviews and observations methods. Prior (2008:824) suggested that documents play an important role as '… active agents in episodes of interaction and schemes of social organisation.' Hence, the analysis of documentary evidences could help further understanding of how the organisation and the people within it think about and respond to external regulatory controls. The collection of documentary evidences used in this study is shown in Table 4.7below.

Table 4.7 Documentary Evidences Used

No	Title	Source	How used in the thesis
Published Data and Documents			
1	Health System and Infrastructure Master Plan (Framework)	MOH; Website	Background to NPM in MOH
2	Health Information Booklet	MOH; Website	MOH background, context, management controls
3	MOH's websites – Organisational chart; MOH Values; Minister's speeches	Website	MOH background and context
4	Multi-Sectoral Plan for Non-Communicable Disease Prevention and Control 2013–2018	MOH; Website	MOH background and context
5	Kumpulan Titah(Collections of Titah)	Prime Minister's Office Website; Information Department, Prime Minister's Office;	Societal steering requirements
6	Strategic Planning Framework for the Prime Minister's Office Brunei Darussalam: A Summary Report 2005-2014	PMO Website	Societal steering
Microsoft PowerPoint Slides			
7	'Application for Budget Allocation for Ministry of Health and Departments for the Financial Year 2016/2017'	MOH	Societal steering, management controls
8	Wawasan Brunei 2035 Framework	PSWB	Societal steering requirements
Newspapers			
9	Borneo Bulletin	Website	Societal steering, MOH
10	Brunei Times	Website	Societal steering, MOH

Key:
PMO – Prime Minister's Office
PSWB - Permanent Secretariat Wawasan Brunei 2035

The documentary evidences assisted the research in several ways. Firstly, it helps by providing background as well as contextual information on the MOH as well as understanding the societal steering requirements. Secondly, information in the documents was used to some extent to develop the interview guide and

enabled identification of unidentified aspects which may have not been brought up during the interviews. Prior (2003:2) argued that documents involve 'creators … users… and settings'. This definition acknowledges the potential of differences that may occur between the original intended meaning of creators (authors) of the documents and the understanding from the users due to institutional settings such as language, social, culture, belief systems, regulation and pressures (Prior, 2003).

However, not all attempts were successful in getting internal documents from the Ministry of Health due to issues of confidentiality and lack of transparency. Consequently, the study made substantial use of the external documents such as newspaper articles to analyse the MOH's steering and responses. The major source of most of the documentary evidences was the internet. The internet has great potential for making counter accounts or emancipatory information available and to communicate with a wider audience, both locally and globally (Gallhofer et al, 2006). The potential of the internet in facilitating change was demonstrated by the work of Sikka (2006) on the impact of online newspapers on the issue of the pension's crisis in the UK. Therefore, online newspaper articles, in this study, were very useful to gain wider understanding of the phenomena being studied.

4.3.5 Observation

The third method of data collection was observation. The short placement time given to the researcher provided opportunity to record behaviour and interactions between participants as they occurred (Eriksson and Kovalainen,

2015; Holliday, 2015). Through the observation 'the researcher may or may not have direct contact with the people who are being observed' (Eriksson and Kovalainen, 2015:15).This study employed a non-participant observation whereby the researcher directly observes and does not take part and become immersed in the culture that they are studying; instead, they try to be as unobtrusive as possible (Eriksson and Kovalainen, 2015). This method is appropriate for the current study due to the issues of access, lack of transparency, cautious attitudes of the participants and consideration of not trying to interrupt the operation of the organisation due to its nature. Furthermore, with the observational data, it enabled comparisons between the observed activities and the statements provided by the participants during the interviews, thereby providing greater insights into how the NPM actually takes place (Eriksson and Kovalainen, 2015).

4.3.6 Challenges Experienced

There were several other challenges faced by the researcher in the process of collecting the data. First, the risk of interviewees' perceptions and expectations, such as giving answers which the researcher would want to hear or being cautious in their answers, could deem the response unreliable. Most of the interviewees were cautious in giving internal documents and information to the researcher. Roulston (2010) and Alvesson and Ashcraft (2012) suggest establishing rapport with the participants to develop deeper understandings of them. Accordingly, the researcher to some extent solved the issue by explaining the objective of the research and reassuring them that their identities would be

anonymised and that the data being collected would be treated with full confidentiality and for solely academic purposes. Nevertheless, in this aspect, the challenges remained with regard to sharing internal documents and attending formal meetings.

Second challenge is in relation to the nature of the research field and the work of the interviewees. The participants were healthcare professionals and staff whose works were related to patients and time-consuming. To mitigate this issue, the interviews were scheduled according to the time convenient for the participants. The interviews were to a large extent successfully conducted with few cases of interviews having to be cut short.

4.3.7 Analysis of Empirical Data

According to Holliday (2015:98) data analysis is 'the process of making sense of the data and discovering what it has to say'. The analysis of the empirical data of this research was informed by the MRT methodological approach. Again, it is important to recall that analysing the findings using the MRT approach involves iterative processes of skeletal theoretical framework and empirical work whereby the theory is informed by the empirics and therefore, analysis is unstructured as the researcher do not seek to use test and predict theory(Broadbent and Laughlin, 2004; Laughlin, 2004).As such, MRT allows researchers to engage critically with and revise the existing 'skeletal' framework to the context of public healthcare in Brunei.

The starting point of the analysis, thus, was the consideration and development of Broadbent and Laughlin's (2013) societal steering framework and there were several phases to the analysis that flowed from the initial development of the skeletal theory. The stages are explained in detail next; however, the actual processes involved were not as precise as the stages depict. As noted by Scapens (2004), the investigation and analysis stages in case study research do not involve a strictly linear process but an iterative one. But before looking in detail into the process of making sense of the data, next section will discuss some of the aspects and steps taken in preparation for analysing the data.

4.3.7.1 Preparation of Data Analysis

From several readings on personal stories of researchers undertaking case study, analysis of empirical findings is complex and time-consuming. As recorded interviews were a significant part of the research, they needed to be documented through a process of transcription. The audio files were transcribed using NVivo software and converted to text files. Transcribing is a very time-consuming process as it involved listening to and noting the recorded interviews. This process was further made laborious by the need to translate the interviews from Malay (native language of the participants) to English and, to avoid translation errors, most transcripts were double-checked for accuracy by listening to the recordings a few times.

To mitigate to some extent this time-consuming issue, the researcher transcribed a few of the recorded interviews after the interview sessions. Furthermore, Scapens (2004) also suggested that researchers be selective in

transcribing by noting interesting issues. However, despite these challenges, transcription was a very useful task as it allowed the researcher to immerse herself with the data. Each time the researcher played the audio, she was reminded of the office setting of the interview, and the vocal intonation and facial expression of the interviewees and these insights were added to the research notes (O'Dwyer, 2004) and, therefore, became part of the analysis of the findings.

4.3.7.2 The Skeletal Theory

As mentioned earlier, the starting point of the analysis of this study was the identification and development of Broadbent and Laughlin's (2013) societal steering framework. Chapter 3 identified the elements of Broadbent and Laughlin's (2013) steering theory in terms of societal notions of lifeworld, steering media and system and organisational conceptions of interpretative schemes, design archetypes and sub-systems, and provided definitions of each of these elements. Figure 3.1 and Figure 3.4 show this skeletal theory and differences between the societal and organisational levels of analyses. The mechanisms used in the steering processes at the societal level are identified and, at the organisational level, the design archetypes are developed to enable steering by driving the sub-systems to reflect the interpretative schemes of the organisation.

4.3.7.3 Data Analysis

The second stage of the analysis involved relating to the contexts and empirics. This involved differentiating societal and organisational steering. An initial hunch

provided by the prior assumptions and empirical analysis of the data showed that theoretically the Prime Minister's Office and MOH may be viewed as the societal steering media because of their respective overarching policy setting and governing roles. Related steering mechanisms identified at this stage included Wawasan Brunei 2035. The healthcare facilities (hospitals and health centres) were conceptualised as the organisational systems responsible for the delivery level of the health sector. However, as the analysis processes went to the next steps (which will be discussed later) involving coding and thematic analysis of the data collected, it appears that the apex of societal steering in Brunei's public sector is the Sultan rather than the Prime Minister's Office. As will be discussed in chapter 5, the Sultan is considered the main societal steering medium among others due to his dual roles as the Sultan (Head of State) and Prime Minister (Head of Government). This in turn pointed to the identification of another type of steering mechanism which is different from that identified by Broadbent and Laughlin (2013), which is the Sultan's titah. The Prime Minister's Office and Ministry of Finance are conceptualised as secondary level societal steering, the MOH as the organisational steering within the societal steering and the health organisations as the organisational systems.

4.3.7.4 Coding and Identifying Themes

The process of analysing the steering process involved examination of codes, themes and patterns from the 'corpus of raw data' (Holliday, 2015:99) in the interview transcripts and documents. The aim at this stage was to identify and

analyse the three main organisational elements within the theoretical framework which are interpretive schemes, design archetypes and sub-systems for the Sultan and the MOH as well as key issues and concepts. According to Bernard (2011 cited in Saldana, 2016:9) analysing is 'the search for patterns in data and for ideas that help explain why those patterns are there in the first place'. The analysis process for the main societal steering (the Sultan) and the organisational steering (Ministry of Health) was undertaken in two separate processes.

First, the analysis of the main societal steering involved thematic analysis taken from the Sultan's titah addressed mainly during the Civil Service Day, the Legislative Council Meeting, the Sultan's birthday celebration and the National Day for the period between 1990 (when the Sultan started to introduce reform in the public sector) and 2016 (when the changes seem to be accelerated). The Sultan's titah during these events are analysed to ascertain the lifeworld and steering mechanisms of the main societal steering medium. This was fully undertaken using manual searching for themes and coding which was a laborious process. Second process involved analysis of the MOH. Based on the prior experience with manual coding and themes searching on the main societal steering, the researcher decided to use the NVivo software to organise the data under thematic headings. However, the researcher did not fully utilise the computer-aided software throughout the analysis processes. The software was mainly used in assisting the researcher in storing and organisation of the transcripts and helped in simultaneous listening of the interviews and sorting

and processing of the data transcript. Thus, the researcher did not fully explore other potential advantages that it may entail.

In dealing with the vast information from the interview transcripts and documents, the prior theory as well as the interview guide and literature provided a rough initial template from which a full analysis could proceed (O'Dwyer, 2004). Holliday (2015:103) noted that 'formation of themes represents the necessary dialogue between data and researcher ... which emerges from and then helps to further make sense of the data'. Initial themes were identified under the specific areas in the interview guide and overtime various themes emerged. Using the MRT methodological approach did not constrain the researcher's openness to new themes as it allows the 'fleshing out' of the skeletal theory and as such acknowledges the researcher in the research process by incorporating the researcher's subjectivity (Laughlin, 1995; 2004).After detailed reading and coding of the transcripts, five broad themes were identified which are shown in Table 4.8below.

Table 4.8 Primary Themes Identified

1. Values/beliefs/ethos	Perceptions of the officers regarding underlying beliefs of the Ministry of Health to provide evidence of its interpretative schemes.
2. Management control, roles, power	Within this theme those quotes that described how the officers perceived their management responsibilities and functions that they undertook and how these impacted the ways they undertook the responsibilities.
3. Accountability/Sultan/Minister of Health/Wawasan 2035/Prime Minister's Office/Ministry of Finance	Here the quotes that described and commented on how the officers viewed their relationship with central government. Perceptions on Minister of Health were also included within this theme. Quotes on how the regulatory controls impacted on management control roles were also

	assigned to this theme.
4. Limited funding issues and its impacts on management	Here the focus was on funding as steering mechanism and how the Ministry of Health management roles were affected by these issues.
5. Evaluation of performance	Under this theme all quotes that showed how the officers perceived the performance of the Ministry of Health and respective departments were measured and should be measured illustrating their perceptions of what consist of quality service delivery and not quality service delivery.

These themes are used to present the findings in chapter 6. Using the skeletal theoretical framework, the interpretative schemes, design archetypes and sub-systems were analysed. The interpretative schemes were evaluated through discussion about the beliefs and ethos. The management processes undertook by the MOH were assigned under the design archetypes. In this respect, how the Ministry perceived its relationship with main societal steering was explored. The sub-systems represent the more tangible aspects with respect to their relationship with the main societal steering.

4.4   Conclusions

This chapter has explained the methodological philosophy which underpins the thesis and has discussed the methods to be used to gather data. Additionally, it has provided the processes of how the data was analysed. The next two sections present the empirical findings. In chapter 5, societal steering is analysed whilst chapter 6 provides details of organisational steering and demonstrates responses to the societal steering.

Chapter 5
THE SULTAN AS MAIN SOCIETAL STEERING MEDIUM

5.1   **Introduction**

This chapter examines steering processes within Brunei's public sector. As has been explained in the previous chapter, Broadbent and Laughlin's (2013) theory provides a skeletal framework to study the steering processes at the societal and organisational levels. They argued that institutions are developed at the societal level to regulate other organisational systems. These societal institutions are government departments that employ legislation and funding to direct organisational behaviour. This institution is regarded as the societal steering medium whilst the organisational systems are the organisations, they steer which have functional responsibilities. Steering is to be achieved using money and law in such a way to ensure that the organisational systems achieve the intended goals proposed by the societal steering media.

This chapter examines the role of the Sultan in governing the public sector in Brunei and using the Broadbent and Laughlin (2013) steering model is conceptualises as the key steering medium at the societal level. It also examines the titah which is conceptualised as the main steering mechanism used by the Sultan to direct the public sector in Brunei. The steering model has been contextualised in democratic countries such as the UK and Australia in the health and education sectors. This study examines the steering process in the public health sector in a situation where a traditional monarchy system is very influential and there is a strong centralised government system and a highly institutionalised environment. Therefore, this situation provides a unique context

for understanding the steering process in the public sector in a monarchy political setting.

This chapter consists of four main sections. The next section will examine the steering process in Brunei to gain understanding of the nature of control in Brunei's public sector. The second section examines the role of the Sultan's titah in steering the public sector organisations, in general, and analyses the contents of the titah (as the main steering mechanism) in the period of 1990 until 2017 to understand his steering demands towards the public sector organisations in Brunei before providing a summary and concluding the chapter.

5.2 Steering Process in Brunei's Public Sector

As has been explained earlier (see Chapter 2, section 2.5.1), Brunei's public administrative system is primarily governed by the 1959 Constitution whereby the Sultan is made the Supreme Head of State and exercises ultimate governing authority as Head of Government, that is as the Prime Minister. Apart from being the Head of Government, the Sultan is also the Minister of Finance, Minister of Defence and Minister of Foreign Trade and Affairs. The Sultan's active involvement in the development and implementation of Brunei national policy signifies him as the 'main levers of power' (Saunders, 2013:201) determining the direction of the government in Brunei (Al Athmay, 2008). Arguably, therefore, the role of the Sultan is to steer in a 'transactional' (Broadbent and Laughlin, 2013) manner as he possesses positional and economic power to govern all aspects of the country's administration.

Brunei's government administrative system consists of twelve ministries (see APPENDIX 6). Each ministry is headed by Cabinet Ministers consist of a Minister, a Deputy Minister (in some ministries) and Permanent Secretaries who are directly responsible to the Sultan. With regard to government policies, the Prime Minister's Office (PMO hereafter) and Ministry of Finance (MOF hereafter) are central agencies responsible for governance of the public sector in Brunei (Yapa, 2014). These two agencies are headed by the Sultan and are responsible for coordination and overseeing the national policies and governance of the public sector organisations. This suggests a complex governmental structure as the Sultan is also embodied in the PMO and MOF. From one perspective, the roles of these two ministries are to act as societal steering media to regulate other government ministries (such as the MOH). In other words, the government ministries are to operate under the direction of the Sultan, PMO and MOF. The relationships between these two ministries and the government ministries provide an example of inter-organisational relationship which further extends the power of the Sultan. However, on another note, the PMO and MOF are also being directed by the Sultan to provide their respective functional responsibilities (which mean they are at the same level with other government ministries).

In relation to such case, the recognition of Broadbent and Laughlin's (2013) theoretical framework that there are several organisations involved within societal steering may be extended to recognise the presence of several layers of steering. This has been exemplified by Agyemang's (2009) empirical work on Local Education Authorities in the UK which she conceptualised as secondary

steering media employed by the primary steering, the Department of Education and Skills. In this study, the PMO and MOF can be regarded as secondary societal steering media as they function between the main steering medium and the MOH as organisational steering medium which function as intermediaries between the secondary societal steering media and the organisational system (health organisations).Figure 5.1depicts the different levels of steering in the Brunei public sector.

Figure 5.1 Analysis of Different Levels of Steering Process in Brunei's Public Sector
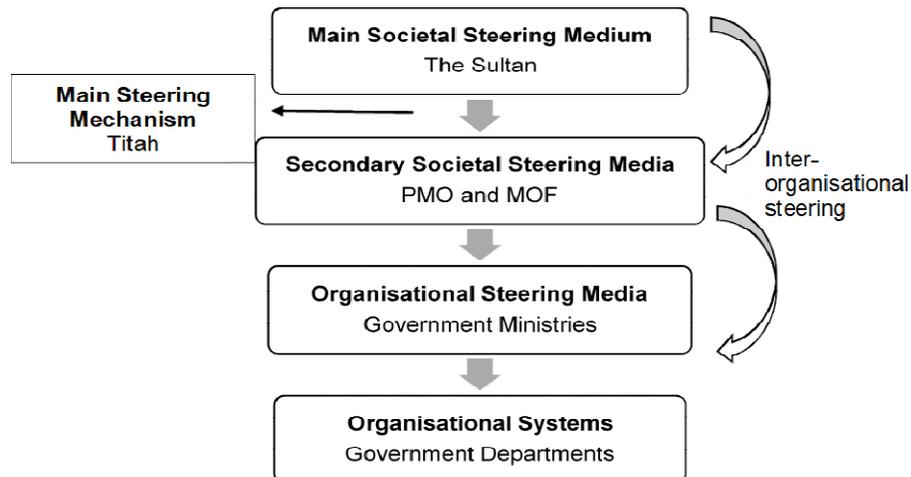
5.3 The Sultan's Titah as Main Steering Mechanism

In showing loyalty to the Sultan, upholding his titah is a crucial part of the MIB teaching. According to Said (2016) the Sultan needs to be respected through his titah because his government provides most of the resources to the citizens and he possesses executive power. The Sultan's titah are delivered in various formal events such as during the Sultan's birthday, National Day, the Legislative Council Meeting, Civil Service Day and informal events such as unofficial visits

to certain ministries. For Bruneians, these events are central to their life and are eagerly anticipated, not only due to the significance of the events themselves but they also serve as means for the monarch to disseminate various crucial issues of the country ranging from internal aspects of welfare to international relations (Hashim, 2010) including issues related to performance of the public sector. The use of the designated events to disseminate and address crucial concerns and issues pertaining to the nation symbolises a traditional monarchical culture and the need to respect and support the titah by implementing its contents.

5.3.1 Titah as Guidelines and Command

An interview with a senior officer at the Permanent Secretariat for Wawasan Brunei 2035[11]provides the view as follows:

> As a Supreme leader, the UlilAmri, the titah should be implemented and acted upon by relevant stakeholders. And his leadership guidance is for the benefit of the citizens and nation.(Interviewee PMO2)

> The titah is regarded as command or order. It is a sort of direction and advice.(Interviewee PMO2)

In a 2004 document called 'A Strategic Planning Framework for the Prime Minister's Office Brunei Darussalam (2005–2014): A Summary Report' mentioned this requirement:

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[11] This is part of governance structure for Wawasan Brunei 2035 which will be discussed in the next section.

> *His Majesty has provided unstinting guidance, leadership and*
> *as role model through either his titah (speeches) or actions, for*
> *all of us to take heed.*(Prime Minister's Office, 2004:3)

In a newspaper article, Othman (2017) stated the role of the titah as

guidelines and drives the Sultanate as an economically strong, culturally

vibrant, educationally brilliant, religiously motivated and globally acclaimed

nation …

This statement clearly mentioned the role of the Sultan's titah as providing

guidance and direction encompassing all aspects of the country. This includes

issues and concerns pertaining to the public service which are being expressed

through the Sultan's pronouncement (Saunders, 2013).

Non-compliance and slow implementation and action taken on the titah will

have several repercussions. First, the Sultan will address the concerned

ministries in his speeches (Roberts, 2011; Thambipillai, 2010). As Yusof

(2015:52) pointed out, the titah might initiate, support or condemn certain ideas

or activities. For example during the 25th National Day celebration in 2009, the

Sultan delivered a 'hard hitting speech' (Thambipillai, 2010:71) to the ministers

and government employees with regard to the complacent culture and

behaviour and lack of initiative that is prevalent in the public sector. Second, the

Sultan will pay an unscheduled visit to concerned ministries (Duraman and

Hashim, 1998). The unofficial visit is to witness himself the existing state of his

government's operations and service deliveries and the implementation of their

respective policies and projects. This unannounced visit could be a result of

written complaints made by the public either through the media or personally handed letters to the Sultan. There would also be a follow-up unannounced visit to check on any improvements and progress being made to the existing problems. During this unofficial visit, the concerns and issues he observed would be delivered in his titah. However, the worst repercussion will be dismissal of the appointed ministers and top-level officials for any misconduct in their dealings.

Whilst Broadbent and Laughlin (2013) suggest law and funding as steering mechanisms that trigger internal organisational changes, this study illustrates the titah as the main mechanism of steering to regulate the public sector organisations in Brunei. That the titah represents the Sultan's main steering mechanism is demonstrated through the role of the titah as providing guidelines and directives towards achieving the economic and socio-political development objectives of the country (Othman, 2017b). The directives contained in the titah carry force of command (Saunders, 2013) that must be respected and supported. Whilst the law and funding as steering mechanisms identified, in the main, are based on written law and regulation, this study shows that respect and compliance to the Sultan's titah is being expected as part of the MIB teaching that supports the Malay culture, observes Islamic principles and demonstrates undivided loyalty to the monarch. The impacts of non-compliance with the titah reflected through the reprimand contains in his titah and also the subsequent titah delivered post unannounced visit to the concerned ministry demonstrates the characteristic of the titah as the main steering mechanism

(Broadbent and Laughlin, 2013). The aim of the titah is triggering change in the behaviour and actions of the public sector organisations.

As this study seeks to examine implementation of NPM in a public sector organisation in Brunei, next section will look into the contents of the Sultan's titah to understand his steering demands towards the public sector organisations in the context of the NPM reform. Three main themes have been identified in the titah which established the roles and expectations of the public sector organisations in implementing the NPM reform in Brunei.

i. How ministries are expected to enhance coordination and collaboration through strategic planning and budgeting which are embodied within the 'whole-of-nation' approach.

ii. How the public sector organisations are expected to manage their performance towards meeting the economic challenges through the Wawasan Brunei 2035.

iii. How ministries are to provide greater transparency and accountability to the public.

5.3.2 Societal Steering: The Public Service Improvement Phase (1990–2003)

Within this period, Brunei faced several significant challenges that led to criticisms of the performance and accountability of the public sector organisations and, subsequently, provided impetus for the need to reform the public sector management. The impetus can be divided into internal and

external factors. The external impetus was prompted by a royal crisis event in 1997 involving misappropriation of national funds by one of the royal members which prompted interest from international agencies such as the World Trade Organization and the International Monetary Fund (Yapa, 2014) for improved transparency and accountability of the public sector governance in Brunei.

As for the internal factor, the main impetus was the impact of the fall in global oil prices and Asian economic crisis in late 1990s on economic performance of Brunei, which put severe pressure on the country to diversify the economy away from oil and gas (Cleary and Francis, 1994; Duraman and Hashim, 1998; Tasie, 2009; Duraman and Tharumarajah, 2010; Hashim, 2010). This is frequently stated by the Sultan in his titah. As noted by Cleary and Francis (1994:59)

> One of the more enduring features of the Brunei political scene has been the continued emphasis in press, royal titah (proclamations), and television on the need for a wide-ranging reform of the economy …

Some of the excerpts from the Sultan's titah with regard to requirement to diversify the economy are as follows:

> *We are convinced, that this decision (establishment of ASEAN-Free Trade) is a golden opportunity that allows our products to be available in the larger market, as well as at the same time to be a driving force for accelerating our efforts to diversify the country's economy.* (Titah by His Majesty in conjunction with 8th National Day 1992)

> *We also need to focus on the steps to diversify the economy, especially through developing the industrial sector we have*

been working on, including active involvement of the private sector. (Titah by His Majesty in conjunction with 9th National Day 1993)

In view of the economic challenge, reform within the public sector is deemed necessary to make it more resilient and dynamic (Cleary and Francis, 1994; Duraman and Hashim, 1998; Thambipillai, 2006; Crosby, 2007; Tasie, 2009; Hashim, 2010). As pointed out by Crosby (2007),economic growth will not happen without public sector reform in an economy such as Brunei's. Consequently, requirement to improve the quality of their service delivery (Hashim, 2010) has been frequently emphasised by the Sultan. Reform in the public sector management has explicitly been mentioned in the Sultan's titah as follows:

I would like to see the public service to change their ways of thinking and action, if the old ways need a change. (His Majesty in conjunction with the 10th Civil Service Day on 4th October 2003)

Efforts towards reforming the Brunei public sector started as early as the 1960s and this can be seen from the various development programmes and projects starting with the development of the National Development Plans (NDP)[12] (Cleary and Francis, 1994; Hashim, 2010). The NDP outlines the distribution of government funding and the budget allocated for development in various sectors. The performance of the public sector and allocation of annual national

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[12]The National Development Plan is a medium-term (5 years) development plan which outlines the distribution of government funding to various sectors for development projects.

budget are to be based on achieving spending efficiency of the NDP. The significance of the NDP towards realising the economic diversification initiative of Brunei has been noted by Cleary and Francis (1994:71)

Royal titah, ministerial comments, and policy documents highlight the potential social and economic difficulties that may result from the failure of the NDPs. The dangers of wealth without development, income without the need for work, are a constant theme in such public pronouncements.

Whilst the reform efforts started in the 1960s, arguably modernisation of the public management in Brunei started as early as 1990 following the Sultan's titah for all Ministries to develop a strategic plan and evaluate their performance to improve organisational performance (Al Athmay, 2008; Said, 2013).

Ministries must analyse and assess their existing organisational structure and planning in their respective ministries. This is to ensure that the organisational structure and policy planning are meeting the needs and the requirement of the nation..(His Majesty in conjunction with his 44th birthday on 15th July 1990)

Accordingly, in response to the Sultan's titah for improved performance, various reform initiatives have been introduced by the PMO in an attempt to improve the performance of the Brunei public sector. Table 5.1 provides a summary of the reform initiatives introduced within the period of 1980 to 2003.

Table 5.1 Performance Improvement Programmes Introduced (1980–2003)

Year	Programmes
1988	Performance Appraisal
1990	Review Plans for Public Service
1992	Annual Bonus

1993	Civil Service Excellence Awards
1995	Clients Charter
2000	Public Service Vision of 21st Century
2000	Work Manual Procedure
2000	Annual Report
2003	Alignment Program [Strategic Plan]

Source: Management Service Department Strategic Plan, 2008
cited inSaid (2016)

Several of the initiatives included the 'Review of Civil Service', 'Clients Charter' and 'Civil Service Excellence Awards'. The 'Civil Service Excellence Award' is presented to outstanding civil servants and they are awarded by the royal family during the 'Civil Service Day' occasion to further motivate the public sector employees. Apart from being the avenue of staff recognition and nurturing teamwork, this award serves as a means to promote performance-based and outcome-oriented culture and nurture continuous improvement in the quality of services rendered to the public in their effort to be responsive towards customers' demands. These reform initiatives reflect Hood's (1991, 1995) conception of NPM characteristic of adopting private-style management which is 'transplants of best practices' (Siddiquee et al, 2017:1) from Organisation for Economic Co-operation and Development (OECD) countries aimed at improving efficiency in the public service (Siddiquee et al, 2017).

Significant reform was introduced in 2003 when the Sultan mandated for the implementation of a 'strategic alignment programme' as the government's drive to achieve improved coordination and collaboration among ministries through ensuring that national targets are incorporated in the government agencies' planning.

With regards to the public service, my government will constantly strive to improve its services to a level that could take it to meet the requirements of customers more satisfactorily. Among the efforts that have been introduced is the Alignment Programme in which every ministry and government department should provide their respective strategic planning, so that the efforts undertaken by the organisations will be aligned with vision and aspirations outlined. I hope that all government agencies will give serious attention to this programme.(Titah by His Majesty during his 57th birthday celebration on 15th July 2003)

The language of improve quality of services, satisfy customers, alignment and formulation of strategic planning contained in the Sultan's titah above signals the need to adopt private-style management in public management(Hood, 1991, 1995).

In response to the Sultan's titah on the requirement to implement the strategic alignment programme, the Prime Minister's Office held an event called 'Alignment Symposium in Civil Service' as a way of ensuring that the strategic plans of every ministry were developed and that they were aligned with other ministries and departments. The intention was mentioned in an official speech by the Permanent Secretary at the Prime Minister's Office as follows:

The purpose of this symposium is for us in the government of His Majesty know the strategic planning of each ministries. In this symposium later, each ministry will inform the vision, mission, critical success factors, key organisational values, goals and tasks of the ministry's strategic, operational goals … we must have specific plans to monitor the agency's strategic

planning. […] With this, each Ministry will be able to avoid any duplication …(Official speech of the Permanent Secretary of the Prime Minister's Office in conjunction with Alignment Symposium in Civil Service on 21st October 2003)

The speech by the Permanent Secretary above explicitly calls for the ministries and their respective departments to produce their respective strategic plan in which they are required to specify their strategic goals and the means to achieve them to improve the organisational performance. This suggests the move to strengthen the planning and control in the government as part of the management control systems within the public sector organisations. The language of strategic planning, vision, mission, critical success factors, organisational values, monitoring and evaluating are all examples of performance management systems elements as identified by Ferreira and Otley (2009). Therefore, the strategic alignment programme serves as a way of cultivating performance management culture within the public sector which is a key tenet in NPM (Hood, 1991, 1995; Broadbent and Laughlin, 2002; Jackson and Lapsley, 2003; Verbeeten, 2008b; Arnaboldi et al, 2015).

Despite the introduction of various improvement programmes and requirement to draw up the strategic plan, not all government ministries drew up their strategic plan and if they did, the plans were not coordinated effectively (Said, 2013).Consequently, the performance of the public sector is being questioned as reflected in the concern over the increasing expenditure incurred by the government, the growing public dissatisfaction over the quality of public services delivery and the limited progress of the economic diversification efforts

(Bhaskaran, 2010; Roberts, 2011). These are due to primarily the non-business minded civil servants, bureaucracy and red tape, and resistance to change (Crosby, 2007; Bhaskaran, 2010; Jamil, 2016). The public sector has frequently been criticised for its slowness to adapt to changes which suggest complacency culture is in play. Other factors include cultural aspects and strong centralisation of the government systems. For example, Hamdan and Low (2013) made reference to Hofstede's (1991) framework in describing Bruneian Malay culture as having strong uncertainty avoidance and low individualism which impact on the provision of accounting information practices in Brunei. The strong centralisation of the government system as reflected in the various benefits provided by the government and highly bureaucratic structure and culture has made the public sector complacent which, ultimately, impacts on their capability to accept change. These prevalent culture and administrative attitudes present significant barriers towards implementing public sector reform in Brunei. Nonetheless, the requirement for modernisation of the public sector continued to be emphasised by the Sultan in his titah as follows:

> *To obtain satisfactory effects in the growth of the national economy, it is also dependent on the machinery of administration and management. It should be more efficient and proactive and may also require changes in management systems and decision-making in government.*(His Majesty in Conjunction with Brunei 20th National Day celebration on 23rd February 2004)

5.3.3 Societal Steering: The Performance Management Phase (2004–2011)

Whilst in other countries the private sector has a significant role in driving the economic development (Sozen and Shaw, 2002), in Brunei the private sector is influenced by the government (Yapa, 1999; Duraman and Hashim, 1998). This is because the role of the public sector over society is dominant whilst the role of the private sector has traditionally been limited and is dependent on relationship with the government. Whilst the move towards modernising the public sector in Brunei started as early as the 1990s, a study by Yapa (1999) showed that the involvement of accounting profession in Brunei was limited mainly due to the prevailing role of government and its bureaucratic machinery. The lack of involvement of the private sector coupled with continued poor performance of the public sector organisations have contributed to the limited progress in the diversification programme (Hashim, 2010; Lawrey, 2010; Thambipillai, 2010).

5.3.3.1 Environmental Disturbances: The Persisting Challenges to Realising the Economic Diversification

There are several factors contributing to this. First, the administrative attitudes identified during the previous period (1990–2003) prevailed. Accordingly, the Sultan continued to explicitly emphasise the need for the public sector organisations to improve their working ethos and commitment. The Sultan criticised the ministers and officials on their lack of initiatives and proactiveness

in handling various public sector aspects which needed immediate attention. He bluntly said:

> *[w]e need to change our mindset and attitude and strengthen our moral and ethical values … Learning culture needs to be practised continuously. We cannot be satisfied with doing routine jobs but need to find out why things happened and how we go about solving them. […] It is vital that we all have strong determination and are well prepared to implement change and reform in our approaches and actions.(Titah by His Majesty during 25th National Day Celebration on 23rd February 2009)*

> *To obtain satisfactory effects in the growth of the national economy, it is also dependent on the machinery of administration and management. It should be more efficient and proactive and may also require changes in management systems and decision-making in government.(His Majesty in Conjunction with Brunei 20th National Day celebration on 23rd February 2004)*

Second, there was substantial increased in the government expenditures due to complacency in the public sector management that have spurred the need for discipline, accountability and efficiency in their spending. The Sultan in his opening speech during the Opening of the 3rd Legislative Council meeting in 2007 reminded the Ministers entrusted with the budgets:

> *[…] will be able to control it with full accountability and use it as planned. All execution, monitoring and evaluation systems should be kept up to date, so that all interested parties will be*

able to enjoy efficient service. Wise and responsible financial management will enable us to move faster in dealing with any challenges. In one aspect, we are familiar with the importance of exercising prudence in spending.

Third, there were increases in complaints from the public due to persistent inefficiencies and ineffectiveness in the delivery of services. With regard to meeting the public expectations, the Sultan reminded the government ministries:

> *… the quality of service in several government agencies need to be improved. In fact, it must be the priority. … high quality services will be able to satisfy the public as customers. It is one of the main assessment criteria for determining success and excellence of an organisation.*(His Majesty in conjunction with New Year's Eve on 1st January 2004)

In effect, several significant reforms continued to be introduced by the Sultan within the period 2004–2011 to improve the performance and accountability within the public sector organisations. Table 5.2 provides a summary of the reform initiatives introduced within the period 2004–2011.

Table 5.2 Reform Initiatives Introduced (2004–2011)

Year	Programmes
2004	Reconvened of Legislative Council
	Establishment of a taskforce called 'Council for the Long-Term Development Planning'
2005	Reshuffling of Cabinet Ministers
2007	Establishment of Wawasan Brunei 2035

5.3.3.2 Reconvened of Legislative Council

One of the reforms initiated was the revival of Legislative Council(under the PMO)in 2004 after it was suspended in 1984. The members consist of the Sultan, Crown Prince (the Sultan's son), the Cabinet Ministers, those members with special titles and other stakeholders representing districts and various agencies (private and non-governmental agencies). All the stated members are appointed by the Sultan annually in accordance with the 1959 Brunei Constitution. The council's major task is to discuss the national budget and endorse it (Al Athmay, 2008; Roberts and Onn, 2009; Thambipillai, 2008). The discussion has also focused on matters related to efforts in diversifying the economy. Several months prior to the council meeting which usually takes place in March every year, stakeholders' engagement processes with the public would be conducted by the elected members to gather any issues, feedbacks and queries pertaining to their respective ministries and departments. During the deliberations, the Cabinet Ministers were asked by the other members of the council about various issues ranging from how they conduct their respective policies activities to how they use the budget resources allocated to them. Arguably, the process of making the Ministers report and answers to the public queries about their policies and programmes and for the use of the budgets entrusted to them would bring about 'accountable management' (Humphrey et al, 1993) in the public sector in Brunei. Fundamentally, the consultation process in implementing the Legislative Council meeting is suggestive of the move towards achieving democratic and transparent government and strengthening accountability of the ministers towards the Sultan and the public.

In terms of the model of steering that underpins the thesis, the Legislative Council can be considered as a secondary steering medium at organisational level of the PMO as the Council was created through the Sultan's titah. The budget and its deliberation process can be regarded as examples of steering mechanisms that arguably seek substantial change in the way the public sector organisations operate and think about their accountability towards the public. Broadbent et al (2010) argued that the control of resources through the use of funding is important in providing incentives and, therefore, directing organisational behaviour towards the expected outcomes.

5.3.3.3 Reshuffling of Cabinet Ministers

Another reform within this period was reshuffling of the Cabinet Ministers which was announced by the Sultan in 2005. The reshuffling of the ministers is held every five years. The reorganisation of the Cabinet Ministers during this period was significant because the Sultan appointed to the Cabinet 'younger technocrats' who have substantial industrial experience working in the private sector (Roberts and Onn, 2009). This move of transferring the private sector managers into the public sector arguably reflects the NPM model of injection of private sector practices (Hood, 1991, 1995) as a way to strengthen the relationship between the economy, and private and public sectors.

5.3.3.4 Establishment of Wawasan Brunei 2035

One significant reform introduced within this period is the establishment of Wawasan Brunei 2035. In 2004, the Sultan consented to the establishment of a taskforce called 'Council for the Long-Term Development Planning' headed by

the Brunei Economic Development Board under the PMO. The role of the council was announced in the Sultan's titahas follows:

> *… providinga clear vision, transparent and understandable to every family in the country.*(Titah by His Majesty during Brunei 20th National Day celebration on 23rd February 2004)

The Council was responsible for formulation of a new economic blueprint for the period of 30 years towards achieving the economic diversification goal (Hashim, 2010). As such, it was required to seek consultation with stakeholders to find out their issues of future development. Consequently, in 2007, a document entitled 'Brunei Darussalam Long Term Development Plan' was officially launched which sets out three main components: Wawasan Brunei 2035 (Brunei National Vision 2035), Outline of Strategies and Policies for Development 2007–2017 and the National Development Plan (NDP) 2007–2012. The relationship among these elements is depicted in Figure 5.2 below.

Figure 5.2 Brunei Darussalam Long-Term Development Structure

Source: Brunei Council for the Long-Term Development Plan (2007)

The Long-Term Development Plan (LTDP) embedded a vision known as Wawasan Brunei 2035 which can fulfil the people's long-term hopes and expectations (Brunei Council for the Long-Term Development Plan, 2007). The Wawasan Brunei 2035 reflects the aspirations of Brunei society and this wasaddressed in the Sultan's titah as follows:

> *The Council has identified a range of challenges such as the need of the individual, community, spirituality, culture and economy, which will come from the new world when our children are growing up in the next three decades. The Council has sought to ensure that the challenges would be faced successfully. When everything is done perfectly later, this Wawasan will undoubtedly be a legacy to the people of this*

country. (Brunei Council for the Long-Term Development Plan, 2007)

The Wawasan Brunei 2035 serves as a roadmap providing long-term direction for the country. It entails the government targeting three main areas, which are education, quality of life and economy, that needed urgent redress. The Sultan's titah with regard to this is as follows:

> *The Wawasan will chart the future direction of the country, driving a more systematic planning towards becoming a nation with highly educated and skilful people, good quality of life and sustainable economy …*(His Majesty during the 25th National Day celebration on 23rd February 2009)

To ensure achievement of the Wawasan 2035 goals, eight national strategies have been devised (which is summarised in Table 5.3).

Table 5.3 The Wawasan Brunei 2035 and National Strategies

Vision	1. The accomplishments of its welleducated and highlyskilled people as measured by the highest international standard; 2. Quality of life that is among the top 10 nations in the world; 3. Dynamic and sustainable economy with income per capita within the top 10 countries in the world.
Strategies	1. Education 2. Economic 3. Security 4. Institutional development 5. Local business development 6. Infrastructure development 7. Social security 8. Environmental

Source: Adapted from Brunei Council for the Long-Term Development Plan (2007)

A key strategy related to the public sector is an institutional development strategy which will enhance good governance in public and private sectors, and ensure high quality public services, modern and pragmatic legal and regulatory frameworks and efficient government procedures that entail a minimum of bureaucratic red tape. These national strategies are set within the NDP which is the medium-term development plan for a period of five years with each year promoting different themes to be achieved by the government towards realising the Wawasan Brunei 2035.With the establishment of the LTDP, the NDP targets are required to be incorporated into local strategic plans of all ministries to ensure that they are working towards the Wawasan Brunei 2035. The need to be efficient and effective in spending the allocated fund for the NDP and timely completion of projects under the NDP are often cited by the Sultan in his titah (Hashim, 2010).

Essentially, with the introduction of the Wawasan 2035, the strategies and policies of the Ministries are to be aligned to it. This requirement was highlighted in the Sultan's titah in 2009 during the 25th National Day Celebration on 23rd February 2009:

> *[e]ach steps of the reform and change must be based on Wawasan Brunei, taking into account not only internal position, also global trends.*

Furthermore, with each of the national strategies identified (see Table 5.3), the Sultan emphasised the development of key performance indicators by the ministries with which to measure the quality of their service delivery performance.

… the public service needs to be improved in terms of productivity and work ethics. I want the civil service to continuously assess its strengths and weaknesses using key performance indicators that have been set. This way, we can measure the extent to which the public service carry out its responsibilities in meeting the demands of this country and the public.(His Majesty in Conjunction with His Majesty's 64th birthday on 15th July 2010)

Within the Broadbent and Laughlin (2013) theoretical model, the Brunei Council for Long-Term Development Plan and the Wawasan Brunei 2035can be conceptualised as a steering medium and mechanism respectively. They were established as a result of the Sultan's titah in his attempt to direct the internal management processes of the public sector organisations. Through the Wawasan Brunei 2035, the government ministries are required to implement strategic planning, set key performance indicators and targets, align their plans to the national targets and constantly evaluate their performance. All these elements are part of the performance management system to make things happen (Broadbent and Laughlin, 2009; Ferreira and Otley, 2009) towards realising the Wawasan 2035.

5.3.4 Societal Steering: The Intensification of the Performance Management Phase (2012–2016)

The public management reform with performance focus continued to receive a further boost from the Sultan following the lacklustre performance of the public sector for the past 20 years. In 2012, the Sultan delivered a hard-hitting speech with regard to slow take-off in realising the Wawasan Brunei 2035:

Our journey towards meeting the Wawasan 2035 goals requires us to be more agile and decisive. Any goals not achieved will need to be accelerated and returned on its track. In any of our actions, cohesive planning is a fundamental requirement, while achieving the goals should also be measured objectively.(Titah by His Majesty during Brunei's 28th National Day on 23rd February 2012)

5.3.4.1 Environmental Disturbances: The Impetuses for Change

The role of the public sector organisations in spurring the development of the economy continued to be strongly emphasised by the Sultan through various occasions as the challenges faced during the previous periods persisted. There are several impetuses for the further focus on performance management within this period (2012–2017). The government's policy continued to rely on the improvement in energy revenue to resolve the financial challenges despite the increase recession caused by the sector (Roberts and Cook, 2016). As of 2015, the total income from hydrocarbons comprised approximately 90 percent of total government revenue. A fall in oil prices has significant impact on the government's financial position with a budget balance at negative 8.5 percent of gross domestic product (GDP)[13] (Shen, 2016). The concern over the economic performance of Brunei is reflected in the Sultan's titah as follows:

… we must also look at our economic performance where in recent years, the growth rate of the Gross Domestic Product (GDP) growth is relatively slow, which requires us to redouble

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[13]Gross Domestic Product is a monetary measure of the value of all final goods and services produced in a period

its efforts to improve the country, especially outside the oil and gas sector.(Titah by His Majesty in conjunction with New Year's Eve 2016)

Then, there continued to be a rise in the public sector expenditures. The Sultan, during the 10th Legislative Council meeting in 2014, mentioned his concern about the over-spending of the national funds for the 10th NDP by B$1.65 billion. Consequently, there is increased demand for the public services to be prudent, disciplined, and efficient, and adopt value for money and accountability in using the public fund. In 2015, the Sultan made the call as follows:

> *On the financial side, we also need to maintain a policy of fiscal stability, especially in considering the allocation of public expenditures of the country which emphasizes prudent and value-for-money. With this practice, God willing, will enable the country to save on expenses and be able to save the surplus income to cover the provisions in the moment of need.*(His Majesty in conjunction with 11th Legislative Council Meeting on 5th March 2015)

Amidst this financial concern, the culture and mindset of the general public and the government ministries continued to be a challenge faced by the country. The following excerpt of the Sultan's titah explicitly shows his seriousness in the matter whereby he said:

> *The key to it is a 'culture of change'. It is necessary for civil servants. If this culture fails to be incorporated, the government agencies will not be able to achieve excellence in their works.*(Titah by His Majesty during 22nd Civil Service Day on 24th November 2015)

The Sultan has also explicitly reminded the citizens in several occasions to be 'more independent and self-sustaining without being dependent on assistance'.

> *We need to be competitive through our values, ways and thinking towards making us more independent and self-sustaining without being dependent on assistance. We must be the instigator of change and adapt appropriately to ensure that we are not left behind.*(His Majesty during 31st National Day on 23rd February 2015)

In doing this, the role of the Legislative Council is being highlighted as significant in coming up with best approaches to instil a 'positive mindset' culture for the development of Brunei.

> *Among the approaches is the need to instil a 'positive mindset' to the people, so that they are more mature in action, in line with the demands of the times. … The mindset migration, from merely relying on relief to more self-sufficiency and endeavour is an aspect that needs to be addressed by the council.*(His Majesty during 11th Legislative Council Meeting on 5th March 2015)

The call for the change in the mindset is significant because the strong reliance on the oil and gas revenues and on the various benefits and subsidies provided by the government to the public has made the people complacent and apathetic to public sector issues in Brunei.

Another challenge is the continued complaints received from the general public with regard to the quality of the delivery of public services. Consequently, the Sultan's titah continued to emphasise the need for the public sector

organisations to satisfy the needs of their customers. He urged the government

ministries to be responsive towards the needs of the citizens as their customers

are at the receiving end of the services. This is to be achieved through

improvement in their work ethics and commitments, increased efficiency and

changes in management process within the public sector. With regard to these

issues, the Sultan made an explicit call for improving quality of leadership and

management.

> *… governance is the heart of the government. Indeed, the quality of leadership and management is the determinant of success in public service.*(His Majestyduring the 21st Civil Service Day in 2014)

Accordingly, several reforms were introduced within this period, which are

summarised in Table 5.4 below.

Table 5.4 Reform Initiatives Introduced (2012–2016)

Year	Programmes
2014	Establishment of Executive Council for Wawasan Brunei 2035
2015	Reshuffling of Cabinet Ministers
	Appointment of Strategy Champions for Wawasan Brunei 2035
	Establishment of New Wawasan Brunei 2035 Framework with mandate to implement 'whole-of-nation' approach to planning.

5.3.4.2 **Establishment of Secondary Societal Steering Medium: The Executive Council for Wawasan Brunei 2035**

The Executive Council for Wawasan Brunei 2035 and the Wawasan Brunei

2035 Framework are significant reforms introduced within the period 2012–

2017which gave rise to proliferation of key performance indicators (KPIs) and targets.

In 2014, the Sultan consented to the establishment of governance for Wawasan Brunei 2035 (see Figure 5.3) under the Prime Minister's Office. The governing body consists of three executive committees which are responsible for providing an oversight of the Wawasan Brunei 2035. They are the National Development Plan (NDP) Executive Committee (JKTR); the Executive Council for Wawasan Brunei 2035 (MTWB); and PENGGERAK. The role of each of the executive committees in the governance structure of the Wawasan Brunei 2035 was provided during an interview with the officer at the Permanent Secretariat for Wawasan Brunei 2035as follows:

> *JKTR handles the big projects under the NDP. The PENGGERAK focuses on specific key performance indicators (KPIs) whereby if there is a problem that a certain Ministry is not handling very well, they will intervene and provide any assistance needed. The Executive Council, on the other hand, is the bigger picture.*(Interviewee PMO1)

Figure 5.3 Governance Structure of Wawasan Brunei 2035
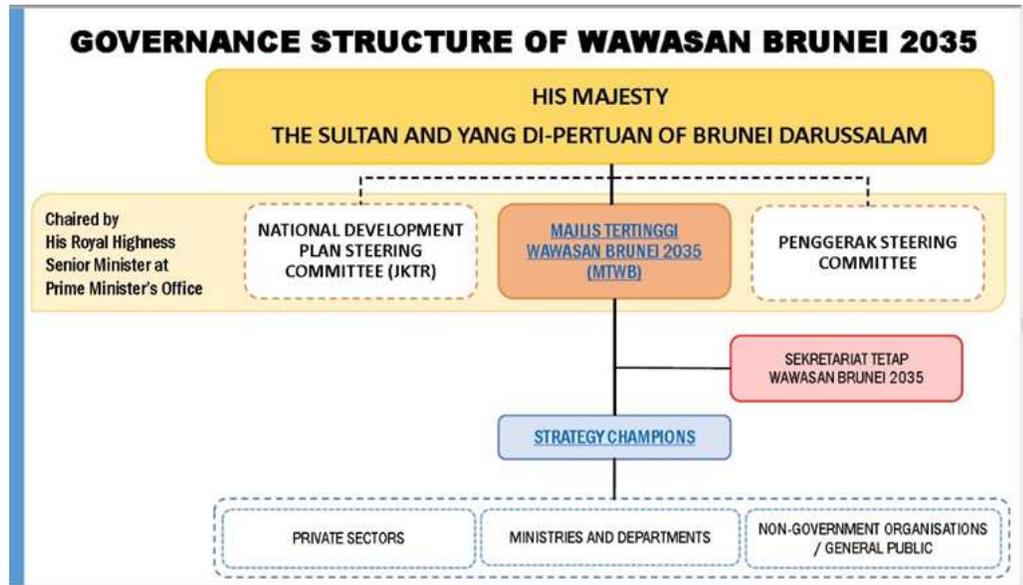
*Source:Sekretariat   Tetap   Wawasan   Brunei   2035   (2016)
(PowerPointSlides)*

The members of the Executive Council for Wawasan Brunei 2035 consist of the

Cabinet Ministers and several high-rank officers who were appointed by the

consent of the Sultan. The role of the Executive Council was stated by the

Sultan in his titah:

> *To strengthen the development agenda, I have consented to
> the establishment of the Wawasan Brunei 2035 Executive
> Council, which will work closely with the National Development
> Plan Steering Committee and PENGGERAK Steering
> Committee in the Prime Minister's Office. The Council's primary
> role is to assist the implementation of intensive and systematic
> efforts of government agencies in realising the objectives of
> achieving Wawasan Brunei 2035.*(His Majesty during the 68th
> Birthday of His Majesty on 14th August 2014).

The Sultan's titah above clearly stated the role of the Executive Council for

Wawasan Brunei 2035 is to assist government agencies in the systematic

planning and monitoring of the implementation and achievement of the Wawasan 2035 goals.The council is given power to appoint 'strategy champions' (refer to Figure 5.3) consisting of all government Ministers and Deputy Ministers. With regard to this, the Sultan said:

> *… I have already consented for the Wawasan 2035 Executive Council to appoint champions to identify strategies in achieving the Wawasan 2035 and several additional new strategies. The champions consist of Ministers and Deputy Ministers who are responsible for their respective areas.*(His Majesty during New Year's Eve 2015)

The role of the strategy champions is to identify strategic goals, priorities and reforms. Assigning a strategy champion to respective key areas and targets is symbolic of the Sultan's intention to make the ministers accountable for results.

In assisting the Executive Council in achieving its oversight and governance functions, a department called Permanent Secretariat for Wawasan Brunei 2035 (Sekretariat Tetap Wawasan Brunei 2035, see Figure 5.3) was established. Figure 5.3 shows that the Permanent Secretariat acts as an intermediary organisation between the Executive Council and strategy champions. Its primary roles include acting as facilitator in setting the direction for government Ministries; supervision and monitoring the implementation and achievement of the various strategies set by respective Ministries are in line with the national goals; and finally, socialisation of the Wawasan 2035 to public and private agencies and the general public to create awareness and understanding of it (Sekretariat Tetap Wawasan Brunei, 2016).

Invariably, the Executive Council for Wawasan Brunei 2035 is the governing body for the public sector as it has been conferred with power to appoint, control and oversees the internal management of all ministries. As such, the establishment of the Executive Council suggests the need for the public sector organisations to take serious heed of the efforts towards diversifying the economy and achieving the Wawasan Brunei 2035 goals.

In the words of Broadbent and Laughlin's (2013) steering model, the Executive Council can be conceptualised as secondary steering medium at the societal level. It is conferred with positional power on behalf of the Sultan as the main governing body in ensuring that the government Ministries are working towards realising the Wawasan Brunei 2035.

An Interview with officers at the Permanent Secretariat for Wawasan Brunei 2035 reveals that the Executive Council was established following a long period of limited progress in achieving the vision. This is due to absence of a dedicated agency to assist with the implementation and monitoring of progress of public sector organisations towards realising the vision, and lack of clarity and non-structured introduction of the Wawasan Brunei 2035 which led to recurring poor performance of the public sector. This was explained during an interview with PMO1 as follows:

> *… prior to this it was clear that there was no specific entity that was entrusted to look after the progress for the Wawasan. All these times since 2007 … we are not sure whether we are going in the right direction and the things we are doing are aligned with the Wawasan. Our understanding was that the*

ministries or all the champions responsible for the strategies had to just look at the book and decide 'this is our role'. So, everybody was just fitting the pieces like that without any clear direction. So, imagine from 2007 all the way to 2014 when His Majesty announced in his speech at the end of the year that it is time for us to focus on what we have done so far and then get a clear direction so that we can prioritise what are the issues we need to focus on …(Interviewee PMO1)

The reason for the 'just fitting the pieces' above was because

[s]everal Ministries (including Ministry of Health) and their related strategies were not specifically identified in the original document [the 2007 BLTDP document]. (Interviewee PMO1)

This is supported by Adhair (2005:24) that

the role of the Ministry is often not clearly stated and its organisational structure is often out of date and reflects old concepts; management methods are often old style and not relevant to a modern environment and service delivery is generally poor …

And this also corroborates with the Management Services Department report in 2012 cited in Said (2016:235) as follows:

There was also no dedicated agency to help with the implementation and determining the right KPIs and targets aligned to the national developments and objectives, as well as monitoring and auditing the performance…

5.3.4.3 Societal Steering Mechanism: Implementing the Whole-of-Nation Approach:

To further realise the Wawasan Brunei 2035 goals, a structured approach was required to ensure there is collaboration among ministries. In 2015, the Sultan mandated the implementation of an alignment programme known as the 'whole-of-nation' approach. The Sultan's titah related to this is as follows:

> *From the aspects of the implementation of national policies, I am reminding Ministries to be more proactive by improving coordination through a 'whole-of-nation' at all levels. But all these require careful monitoring, knowing complete and accurate information, data and statistics. Therefore, all agencies need to increase their respective capacity in the collection and analysis of the information.*(His Majesty during 22nd Civil Service Day on 24th November 2015)

The above titah highlighted the need to implement managerial and operational changes within the public sector. The language of management control systems is again being emphasised by the Sultan through the need to improve the planning, monitoring, provision of information and evaluation. The need to be 'more proactive' is suggestive of the continued existence of inherent public sector culture of complacency, reactive, less creative and bureaucratic procedures. The requirement is also indicative of the Sultan's continuing concern on the way the public sector operates which has been in silos and this time, the means to improve the system was clearly specified by way of adopting the 'whole of nation' approach. The Sultan acknowledged the importance of not merely having an appropriate system in place without having to promote the

culture of cooperation and also a doctrine that ultimately guides the effective delivery of public sector services. The requirement for coordination was explicitly made not only between government ministries but also involving the public, thus the 'whole-of-nation' rather than merely 'whole-of-government' involvement. The Sultan's titah with regard to this matter stated as follows:

> *I call on all parties to work together to implement the 'whole-of-nation approach' approach rather than stopping the 'a whole of government approach' approach. (His Majesty during 27th Convocation of Universiti Brunei Darussalam on 9th September 2015)*

Furthermore, the Sultan's titah also emphasised the use of performance measures through '*knowing complete and accurate information, data and statistics … collection and analysis of the information* 'to ensure proper planning, monitoring and evaluating of the public sector organisations. In 2016, the Sultan explicitly called for the use of KPIs, benchmarking and adopting evidence and result-based culture in the government ministries. His titah with regard to this is as follows:

> *… we are now actively using key performance indicators (KPI) in relation to our delivery approach. And all these are based on best practices. … We are confident that, with concerted efforts of all ministries, with strategies based on evidence and result-based, God willing, we will see successful implementation of Wawasan Brunei 2035.*(His Majesty during the 23rd Civil Service Day on 20th October 2016)

The above titah provides further evidence of the requirement to use accounting technologies of performance management system for better government, empowerment and better mechanisms for accountability for resources used (Hood, 1991, 1995; Broadbent and Laughlin, 2009; Ferreira and Otley, 2009).

5.3.4.3.1 Steering Mechanism: New Wawasan Brunei 2035 Framework

Subsequently, in response to the Sultan's titah with regard to the 'whole of nation' approach, the Executive Council made two major amendments (with the consent of the Sultan) to the previous Wawasan Brunei 2035 Framework in an attempt to make government activities more efficient, effective and transparent.The first amendment involves employing a private sector' strategic management' model of establishing goals, national outcomes, key areas and key performance indicators (see Figure 5.4). Fundamentally, this requires the public sector organisations to develop a set of targets with which to measure the quality of their service delivery.

Figure 5.4 Strategic Management Model of Wawasan Brunei 2035
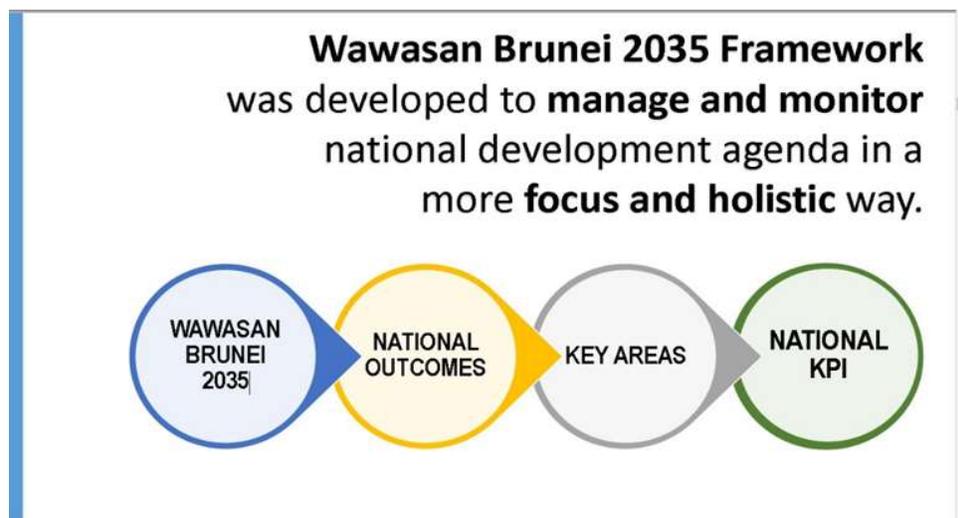
Source: Sekretariat Tetap Wawasan Brunei 2035 (2016)

Unlike the previous framework, this new model provides a focused and holistic approach to managing performance of the public sector organisations. The new framework clearly specifies and emphasises developing a strategic plan and use of KPIs. Besides specifying the Wawasan Brunei 2035 main goals (education, quality of life and economy) and national strategies, each main goal is now assigned national outcomes which are specified for each of the ministries. Then for each of the ministries, national outcome, respective key area and national KPI are specified. The strategy champions are held personally accountable for these targets(refer to Table 5.5 and for details of each of the strategic components for Goal 2 of the Wawasan Brunei 2035 see APPENDIX 7).

Essentially, adopting this strategic management model reflects the NPM thinking of greater emphasis on accountability for results and use of explicit standards and measures of performance (Hood, 1991, 1995; Broadbent and Guthrie, 2008; Lapsley, 2008), which allows monitoring and evaluation of the extent of success of each Ministry in achieving the stated Wawasan 2035 goals. Furthermore, arguably, the narrow specification of the national outcomes, key areas and KPIs is indicative of the intensified attempts of the government to control the public sector organisations to be more disciplined in their resource utilisation and improve their existing working ethics and culture.

The second amendment is in terms of the structure of the framework. Whilst the Wawasan Brunei 2035 main goals remained the same, areas which needed urgent redress, the national strategies, were amended to include an additional

five national strategies (see Table 5.5 fora summary of the changes made to the previous framework). According to officers at the Permanent Secretariat for Wawasan Brunei 2035 previously

> *health was there but it was part of the strategy for institutional development.* (Interviewee PMO2)

The specific identification of the additional strategies seems to be addressing the confusion and 'just fitting the pieces' issues faced by government ministries. Arguably, the additional specific identification of the five strategies including health reflects the concern of the government in achieving the goals of the Wawasan and, more importantly, to make the Ministers as strategy champions accountable towards realising the stated goals. This reflects the managerial accountability relationship between the strategy champions and the Executive Council. Table 5.5 below provides summary of the changes made to the framework.

Table 5.5 Amendments Made to the Wawasan Brunei 2035 Framework

Aspect	Wawasan Brunei 2035 (2007)	New Wawasan 2035 Framework
Areas/ Goals	1. Education The accomplishments of its well-educated and highlyskilled people as measured by the highest international standard 2. Quality of life Among the top 10 Nations In the World 3. Economy Dynamic and sustainable economy with income per	1. Education Highest international standards 2. Quality of Life Top 10 Nations in the World 3. Economy Top 10 GDP per Capita in the World

	capita within the top countries in the world	
National Outcomes	**Not specified**	**Specified for each Ministry**
Key Areas	**Not specified**	**Specified for each Ministry**
Key Performance Indicators	**Not specified**	**Specified**
National strategies	8 strategies: - Education - Economic - Security - Institutional development - Local business development - Infrastructure development - Social security - Environmental	The existing 8 strategies plus additional 5 strategies below: -**Health** -**Religion** -**Land use** -**Infrastructure and info-communication technology** -**Manpower planning**

5.3.4.3.2 Management Control Systems: Planning and Budgeting within Public Sector Organisations

This alignment process indicates the Sultan and his government's drive to enhance the coordination and collaboration among ministries and departments concerned where each ministry had to present their strategic plan. It aims to make public sector organisations work towards achieving the Wawasan 2035 goals. Through the 'whole-of-nation' approach, the national targets set by the Executive Council level would be cascaded down the government hierarchy through the strategy champions level to the ministry/department level and incorporated into the strategic plan, KPIs, programmes and projects of each organisation. Figure 5.5 illustrates the relationship between the different levels

of agencies and how the Wawasan 2035 goals are incorporated into the strategic plan at ministry and departmental level. The Sultan's titah in relation to the alignment programme stated as follows:

> *Each champion is responsible for identifying strategic goals to achieve Wawasan 2035, ... These things need to be aligned with the Executive Council Wawasan 2035 to avoid any duplication and to achieve optimum impact and effectiveness.*(Titah by His Majesty in conjunction with New Year's Eve 2015)

Figure 5.5 The 'Whole-of-Nation' Approach

Wawasan Council Level

Wawasan Brunei 2035 Framework

Strategy champion Level

Identification of strategies, priorities, reforms

Ministry/Department Level

Strategic plans, KPIs, prgrammes & projects, peformance programme budgeting

Implementing Agency Level

Action plans
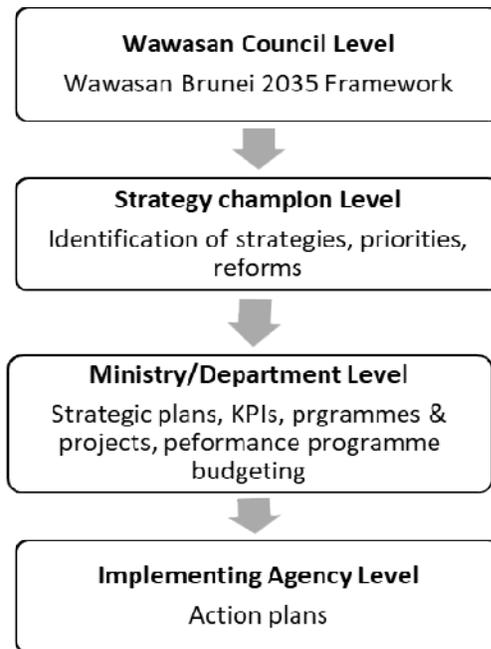
Source: Adapted from Sekretariat Tetap Wawasan Brunei 2035 (2016)

Despite the seemingly 'top-down' process of formulating strategic planning, the process was described as 'top-down' and 'bottom-up' during the interview with the officers at the Permanent Secretariat. The national targets in the Wawasan Brunei 2035 Framework were set at the Executive Council level. At the strategy

champion level, their role is to specify and formulate strategies, set priorities and identify reform initiatives which are line with the national targets; prepare and implement action plans which will contribute to achieving the relevant strategies and ensure the implementation of programmes and projects of high impact at the national level. Then, at the ministry and organisational levels, they are required to draw up their respective strategic plans outlining their objectives, initiatives and programmes, KPIs, formulate action plans and then monitor the implementation of the set plans and initiatives. The strategy champions are required to report progress of their respective ministry to the Executive Council in a timely manner and would be evaluated against the national KPIs.

The requirement to draw up strategic plans in which they must identify a set of KPIs and formulate action plans, thus, suggests two things. First, the ministries are expected to undertake management control functions over their respective departments and are to be evaluated and held accountable for their performance in achieving the control functions. Second, it is indicative of an attempt of the government to move from rules-based administrative practices to evidence and results-based orientation (Hood, 1991, 1995; Al Athmay, 2008; Jackson and Lapsley, 2003; Norhayati and Siti-Nabiha, 2009; Said, 2013).

In line with the aim to move towards results-based governed practices, another milestone was added to the reform efforts. In 2015, the MOF issued a directive to the government ministries to adopt performance-programme budgeting (PPB hereafter). The mandate is contained in a circular billed: 'Ministry of Finance circular 2/2015'. Previously, the budgeting system in the Brunei public sector

was based on traditional line budgeting whereby the focus was on recording inputs and expenditures rather than outcomes achieved. The traditional budgeting practice in Brunei's public sector has been noted by Al Athmay (2008) as focused on financial and procedural compliance rather than on performance results. The PPB requires the ministries to draw up strategic plans and identification of programmes with each programme allocated their respective owner or 'programme lead'. Under each programme, there are various initiatives with its respective activity lead. Each initiative will have its own KPIs from which to assess the performance of the programme, initiatives and individuals. The PPB requires justification for any proposed programmes and ensures that those programmes contribute towards meeting the objectives set by the respective Ministry.

To further ensure the ministries' programmes and initiatives are aligned to the national goals, every year the MOF specifies the budget theme with several priorities which serve as guidance for the government ministries when requesting the budget and as basis for allocating the national budget. For example, in the financial year 2016/2017 the theme was 'Strengthening the Economic Climate to Support Sustainable Development' with the focus on four priorities (see Table 5.6).

Table 5.6 Ministry of Finance: Budget Priorities for 2016/2017

1. Facilitating business
2. Enhancing state productivity
3. Building capacity and human capital
4. Maintaining public welfare

Source:*PowerPoint presentation 'Application of budget for Ministry of Health and its Departments for the financial year 2016/2017'*

The requirement to adopt the PPB demonstrates an inter-organisational control (Broadbent and Laughlin, 2013) of the public sector organisations management process. The PPB presents a marked shift in organisational planning of public sector organisations whereby they are required to strengthen their planning and control through linking the strategic plans and budgets to the expected programme and its outcomes which are measured against KPIs. Essentially, the new budgeting format as a form of management control system could serve as an accountability mechanism to ensure the set outcomes of programmes are achieved. Figure 5.6 illustrates the implementation of PPB within public sector organisations in Brunei.

Figure 5.6 Performance-Programme Budgeting Implementation in Brunei's Public Sector
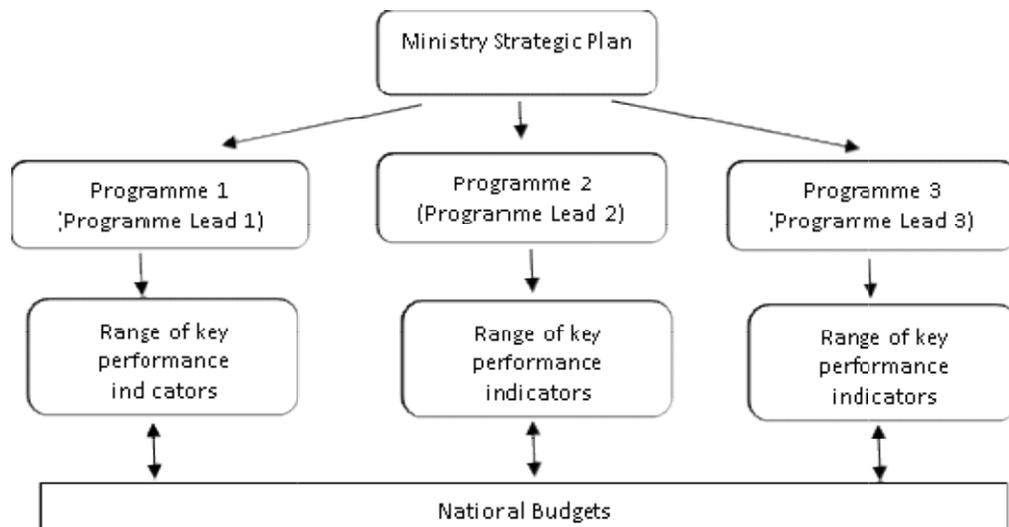
Fundamentally, the Wawasan Brunei 2035 through the 'whole of nation' approach represents a new shift in planning and control within the public sector organisations in Brunei. In the language of Broadbent and Laughlin (2013), the

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Wawasan Brunei 2035 as a societal steering mechanism can be seen from the detailed specifications of the 'ends' and 'means' to be achieved and also the requirement to implement the alignment process of the 'whole-of-nation' approach. It demonstrates an inter-organisational steering mechanism that seeks to direct the internal management of the public sector organisations towards achieving performance improvement and increased accountability and transparency.

5.3.4.4 Reshuffling of Cabinet Ministers

Another significant structural change is when the Sultan announced the reshuffling of the Cabinet Ministers in 2015.A significant change, among others, was the appointment of a Minister of Health (the current Minister of Health in this study) who possesses medical qualifications. Arguably, this change portrays the importance placed by the Sultan on having relevant professional members on the management board in the Ministry of Health, for the best interest of the citizens and nation. In the Sultan's titah to the newly appointed Ministers, he reminded them as follows:

> *…to do justice to the people, not to yourself. Benefiting for own sake is not justice but injustice. We need to willingly listen to the people below, or accept their good ideas, or complaints or grievances which is considered as characteristic of justice.*(His Majesty during Reshuffle of Cabinet Ministers and new appointments on 22nd October 2015)

5.3.5 Implementing and Observing Malay Islamic Monarchy in Public Management

Amidst the various challenges faced by the public sector, the Sultan emphasized strongly the need to assimilate the spiritual and etiquette factors in the management of the public sector (Cleary and Francis, 1994; Adhair, 2005; Tasie, 2009; Saunders, 2013).Apart from emphasizing the physical aspects of development, the Sultan also reminded the public sector that any development programmes and policies need to be firmly in accordance with Islamic principles and the MIB ideology (Tasie, 2009). As noted by Cleary and Francis (1994:60)

> In many ways, domestic events have continued to reflect the growing role of MIB: political, educational, social, and religious policies reflect the power of MIB traditionalists within government. The message was reinforced in the Sultan's Muslim New Year titah, in which he noted that Brunei

> > *will strictly adhere to the Malay Islamic Monarchy Concept without resorting to fruitless political culture. Futile politics will only lead to chaos and destruction.*

Some of the titah by the Sultan with regard to this are as follows:

> *Brunei is now in the process of modernisation and development. Yet Brunei as an Islamic country will never turn its back on moral values and religion in the pursuit of progress and development.* (His Majesty during the launching of on-board recital of a special prayer on all flights by the Royal Brunei Airlines in 1996).

In addition to achieving Wawasan 2035 in the physical aspect, we also want to achieve grace and blessings in all aspects of our lives. … This is a unique platform, we will continue to strengthen our identity as a people of Brunei. This matter is very critical for our survival and the process of 'nation building'. In fact, it appears to me, the MIB is the only strong and effective firewall to address any global issues and challenges.(Titah by His Majesty during 30th National Day Celebration on 23rd November 2014).

… those in authority must be willing to hear people's voice below, or accept good ideas, or their complaints can be considered a feature of justice. In the meantime, it must be remembered that the interpretation of justice does not mean following self-interest, but must be guided by the religion, law and ethics. (Titah by His Majesty addressed to the newly appointed Ministers during the Cabinet Ministers reshuffle in 2015).

Our policy is MIB. All the plans and action must be based on the MIB.(Titah by His Majesty during 32nd National Day celebration on 23rd February 2016)

5.4   Summary: Environmental Disturbances, Lifeworld and Steering Mechanisms of the Main Societal Steering Medium

Using the Broadbent and Laughlin (2013) theoretical framework that underpins the thesis, at the societal level, the pressures from the fall in global oil prices, the global economic recession and economic diversification away from oil and gas create environmental disturbances to the Sultan as the main steering medium. These disturbances in turn have imposed change in the lifeworld of the Sultan. Through analysis of the Sultan's titah, the lifeworld of the Sultan can be

identified. Firstly, there is underlying belief in centralisation of policy, and this is reinforced by his absolute ruling. Secondly, there is the belief in improving the public administration based on the MIB ideology. And finally, the Sultan believes in the use of NPM approaches to improve public sector performance. Figure 5.7 illustrates the lifeworld, steering media and steering mechanisms of the main societal steering media employed to direct the public sector organisations.

Figure 5.7 Analysis of the Main Steering Medium: The Sultan

Through the titah, several steering mechanisms are created by way of directions and structures (the Wawasan Brunei 2035 and its ensued governance structure) aimed at directing government agencies towards meeting the goals defined in the Wawasan Brunei 2035.

Broadbent and Laughlin (2013) suggested that the societal steering media and their related mechanisms could become a form of potential external environmental disturbances to the ideal coordination between interpretive schemes, design archetype and sub-systems within an organisation. As both the steering media institutions and the organisations that are subject to steering have their own micro-societies then there is a possibility of differing interpretive schemes held by the societal steering media and the organisation, and hence some sort of resistance to changes introduced by the steering media may occur. Thus, at the organisational level of the government ministries in Brunei, the Sultan's titah, budget deliberation during Legislative Council meeting and performance monitoring and evaluation through ability to achieve the Wawasan Brunei 2035 arguably serve as environmental disturbances that drive the ministries' actions. Starting from the subtle requirement to develop a strategic plan through to the strategic alignment programme in 2003 to the requirement to adopt the 'whole-of-nation' approach in 2014 have provided the possibility to accelerate change in Brunei public sector environment. Through the requirements to develop the strategic plans, KPIs and implement the PPB underlying the 'whole of nation' approach, the Wawasan Brunei 2035, therefore, serves as an external control system to ensure that the goals of the ministries are in tandem with the national goals and make government activities transparent, efficient and effective. Figure 5.8 illustrates change processes within Brunei's public sector.

Figure 5.8 Change Processes within Brunei's Public Sector
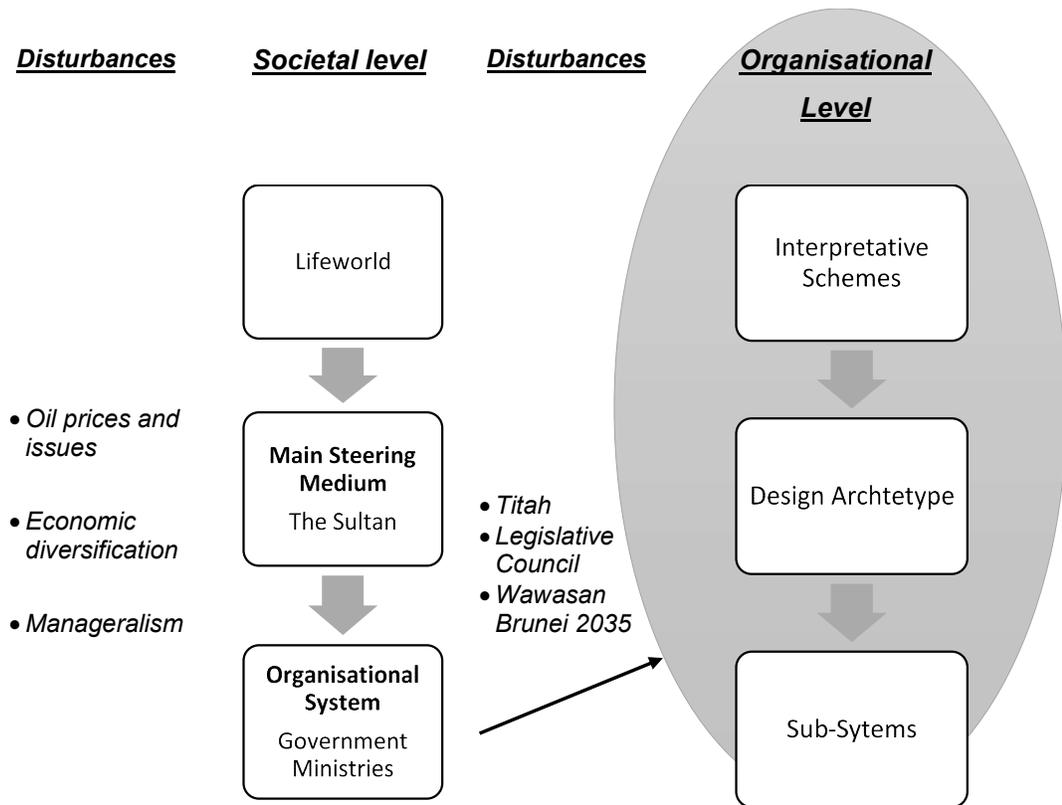
5.5 **Conclusions**

The chapter has provided empirical evidences aimed at adding to the skeletal

theory in chapter 3 that identifies the Sultan's titah as the main steering

mechanism employed by the Sultan as the primary steering medium to drive the

change in the public administration in Brunei. The central argument here is that

the Sultan is steering the government ministries towards achieving the national

objectives to diversify the country's economy which is made concrete through

the establishment of Wawasan Brunei 2035. It is argued that the Sultan's titah

provides direct steering of government ministries and department activities.

Through documentary analysis of the Sultan's titah delivered atvarious

occasions from 1990 to 2016, the titah provide explanation as to how the Sultan as the main steering medium has sought to direct and control the government agencies in Brunei. Through his power to rule by the titah, the Sultan has sought to direct the activities of the government Ministries and departments through the promulgation of MIB as the agreed societal lifeworld and the idea of NPM as means of solving the public sector management ills in Brunei.

Chapter 6
ORGANISATIONAL STEERING:THE MINISTRY OF HEALTH

6.1 **Introduction**

Following on from chapter 5, which presented the first part of the study's empirical findings, this chapter aims to examine the situation at the Ministry of Health (MOH hereafter) which is considered as an organisational steering medium to guide and control the healthcare organisations in Brunei to achieve the Wawasan Brunei 2035 goals as defined by the Sultan, who is conceptualised as the main societal steering medium. The MOH exists in a multifaceted web of relationships with various stakeholders such as the Sultan, government ministries and the public. Furthermore, there are various societal steering controls impeding on its capability to meet the societal steering demand emanating from the Sultan and the government. Thus, this chapter examines how these complex relationships impact on their management control roles. Essentially, this chapter aims to analyse the organisational steering employed by the MOH in response to the societal steering. Empirical findings from this chapter will provide a basis of analysing the case study in terms of the theoretical framework which will be discussed in chapter 7.

This chapter consists of ten sections. Table 6.1 outlines the structure of this chapter.

Table 6.1 Chapter Map for Chapter 6

Section	Topics
6.2	The Sultan's Titah on the Roles of the Ministry of Health
6.3	The Healthcare Reforms: 2005–2015
6.4	The Healthcare Reforms: 2016

6.5	Sustainability of the Free Healthcare System
6.6	Implementing the Whole-of-Nation Approach in Planning
6.7	The Effects of Limited Funding
6.8	Issues with Evaluating MOH Performance
6.9	Lack of Transparency and Ownership
6.10	Conclusions

6.2   The Sultan's Titah on the Roles of the Ministry of Health

Invariably, the external and internal challenges faced by the MOH (as discussed in Chapter 2, section 2.5.1.4) reflect the need for control around the delivery of the public healthcare that focuses on funding, on achieving efficiency and effectiveness in organisational performance, and also on improving the accountability to various external stakeholders. These health challenges impacted the health reforms in two ways. First, there is a need to drive the health services to respond to these challenges by shifting funds from curative to preventive care, and from secondary and tertiary care to primary care. In this matter, the Sultan has mandated for the MOH to adopt 'cost-effective methods', 'prevention rather than cure' and 'Health in All Policies' approaches to overcome the increasing healthcare costs. Some of his titah pertaining to the matter are as follows:

> *My government will always give priority to health issues. Our concept is to emphasise the prevention of diseases rather than treatment.* (His Majesty's 57th Birthday, 15th July 2003)

> *Moving on to the health aspect, we have no choice but to change the focus of treatment services (cure) to prevention so that it can be sustainable in the long term. This can be*

implemented through increasing public awareness on the importance of a healthy lifestyle inclusively or 'Health in All Policies' in all of their daily actions, as a key to effective prevention.(On the occasion of His Majesty's 65th Birthday, 15th July 2011)

… the costs of treatment and healthcare also continue to increase from one year to the next. In confronting such challenges, I hope all the relevant stakeholders, the Ministry of Health in particular, will continue to multiply efforts by taking more holistic approaches in accordance with best practices, such as adopting more cost-effective methods as well as the principle that 'prevention is better than cure'. (His Majesty during Majlis Ilmu on 11th September 2012)

Second, overall health outcomes are determined primarily by behavioural and lifestyle factors, socioeconomic status and environmental conditions (Ministry of Health, 2013). In the light of the rising NCDs, a multi-sectoral approach is required to address the main health determinants, as well as the need to strengthen the public health functions within the health services. The MOH emphasised that the Ministry cannot do it alone, therefore urging citizens to play a more vital role in promoting healthier lifestyles (Jalil, 2016). Accordingly, this is to be achieved through emphasising the 'Health in All Policies' and 'Whole-of-Nation' approaches as mandated by the Sultan. Regarding this matter, the Minister of Health said:

Obesity prevention and treatment requires a whole-of-nation approach in which policies across all sectors take health into account – a "Health in All Policies" approach.(Ministry of Health, 2016)

6.2.1 Summary: Environmental Disturbances and Lifeworld of the Main Societal Steering Medium for the Healthcare Sector

From the analysis of the Sultan's titah (as the main steering mechanism) which were directly addressed to health, the lifeworld of the Sultan can be discerned. First, the Sultan explicitly requires the MOH to improve health outcomes and performance of the population. This is to be achieved through monitoring and assessing their performance through implementing the 'whole of nation' approach. Second, there is an expectation to adopt cost-effectiveness and efficiency in the use of resources. This is to be achieved using the 'prevention rather than curative' approach. Fundamentally, the steering media and steering mechanisms (the appointment of the Executive Council for Wawasan Brunei 2035, strategy champions and development of the Wawasan Brunei 2035 Framework) developed by the Sultan through his titah are employed to direct the work of the MOH fulfil these underlying expectations.

These requirements represent significant environmental disturbances for the MOH which suggests that changes in its internal management practices are essential. The management control practices can be conceptualised as examples of design archetypes (Broadbent and Laughlin, 2013). According to Laughlin (1991) the change in the design archetypes is to give balance between the interpretative schemes and the sub-systems. In other words, the design archetypes as intra-organisational management structures and systems seek to control the organisation and ensure that their internal workings are in line with their interpretive schemes. As such, the design archetypes is a significant

element in steering the effects of the external disturbances on organisations and therefore, the nature of the MOH's design archetypes and the perceptions of the officers within the MOH towards these design archetypes are analysed to gain understanding of the impact of the Sultan's titah and Wawasan Brunei 2035 on the MOH. Next, we will look at the design archetypes introduced within the MOH to gain understanding of the impact of the Sultan's titah and Wawasan 2035 on the interpretative schemes and sub-systems within the MOH.

6.3 The Healthcare Reforms: 2000–2015

In responding to the Sultan's titah in addressing the growing challenges, the MOH has undergone several reform programmes ever since it first started adopting NPM in the year 2000 (Said, 2013).The modernisation effort started with the development of 'National Health Care Plan: 2000–2010' which initially served as an unofficial strategic plan of the Ministry and was developed for internal purpose. The initial focus of the early reform was on dietary and tobacco policies and interventions including counselling and education (Ministry of Health, 2013).Significant reforms include strengthening primary healthcare through decentralisation programmes and implementation of health promotion programmes in early 2000. These initiatives are considered milestones in the history of the MOH as it started to move in the direction of redistribution of resources from curative, secondary and tertiary services to preventive, public health, and primary care services. The decentralisation initiative was part of

Civil Service Vision for the 21st Century[14] initiated by the government in early 2000 as an initial effort to improve the efficiency, effectiveness and quality of management in the public sector.

Prior to the expiry of the 'National Health Care Plan: 2000–2010', the MOH developed a revised strategic plan called the 'Health Strategy and Vision 2035' in 2009 to further strengthen Brunei's health system and ensure effective enforcement of its policy guidelines. With this new strategic plan, the MOH aimed to develop a 'strategy-focused organisation' (Ministry of Health, 2009:3) which emphasised achieving short-term and long-term objectives and goals. New key strategic themes were introduced using the balanced scorecard framework.

Several other initiatives were introduced in subsequent years, as a result of continued concerns for heightened healthcare costs, prevalence of NCDs, changing demographic landscape and rising expectation of citizens. In 2013, the MOH published a blueprint called 'Multi-Sectoral Plan for Non-Communicable Disease Prevention and Control 2013–2018' to further strengthen the principles of primary care and health promotion (Ministry of Health, 2013). This blueprint emphasised the significance of implementing 'Health in All Policies' and 'Whole-of-Nation' approaches as mandated by the Sultan as means of encouraging collaboration among public sector organisations as well as community participation (Ministry of Health, 2013). This

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[14] Civil Service Vision for the 21st Century was the first vision for the public sector. This vision was superseded by the Wawasan Brunei 2035 when it was introduced in 2007.

was mentioned by the ex-Minister of Health in his foreword speech contained in the blueprint:

> *The urgent need to address NCD prevention and control has also been reflected at the highest political level where His Majesty ... in His Majesty's New Year's Day speech in 2012 and also during His Majesty's 66th Birthday speech in 2012, has called upon repeatedly for better discipline and sustainable actions in adhering to healthy lifestyles and progressively tackle NCDs.*(Ministry of Health, 2013:4)

Then, in 2015, another milestone was added with the introduction of 'Health System and Infrastructure Master Plan' (HSIMP) in 2015 as a blueprint towards providing healthcare that is accessible to all levels of communities and sustainable in the long term (Ministry of Health, 2015).A management consultant was appointed to assist the MOH in the development of the blueprint. The document has an excerpt of the Sultan's titah, on the occasion of the 'Majlis Ilmu 2012' held on 11th September 2012 with regard to the implementation of the blueprint project:

> *For my government, I have consented for the appointment of a consultant to prepare a Master Plan for Brunei Darussalam's Health System and Infrastructure, as a step forward in our continuous efforts to strengthen the planning, enhance quality and develop the country's healthcare system to be more focused so that it is aligned to the Wawasan Brunei 2035. This initiative also aimed to ensure the country's continuous prosperity and wellbeing and that the people are provided with high quality, comprehensive and equitable healthcare.*

The HSIMP serves as a very significant roadmap, guiding and providing directions not only to the MOH, but also to the relevant stakeholders in further strengthening the national health system and infrastructure. It highlights the strategies to be implemented which are in alignment and fully supports the Wawasan Brunei 2035 particularly in achieving the goal of enhancing the quality of life of the people of Brunei Darussalam (Ministry of Health, 2015). Invariably, the formulation of the strategy and master plans provides an indication of the need for the MOH to focus on their performance management such as quality of service delivery, resource allocation, planning processes, monitoring mechanisms and performance measurement as mandated by the Sultan.

It is worth noting that prior to the Wawasan Brunei 2035 Framework being amended in 2014, health was not specifically identified as one of the key areas. With the identification of the health aspect within the amended framework, the MOH's roles in realising the Wawasan Brunei 2035 goals are deemed significant and arguably, therefore, create increased pressures for them to improve their performance as they will be monitored and evaluated by the Executive Council for the Wawasan Brunei 2035 through achievement in 'increasing life expectancy' (as national KPI for health) and vision 'Towards a healthy nation'.

6.4 **The Healthcare Reforms: 2016**

In response to the assessment demands of the Wawasan Brunei 2035, the MOH initiated an organisational restructuring in February 2016 under the leadership of the new Minister of Health who was appointed during the

reshuffling of Cabinet Ministers in 2015. Most of the officers at the MOH perceived the restructuring as a major change within the Ministry at the time of the researcher's visit in September 2016. One officer said:

> *There's a lot of things within a short period of time. Then there are major changes … the restructuring, the new Minister.*(Interviewee MLA5)

At the time of the fieldwork, the reorganisation was just about eight months old. The Minister has just been few months holding the position as the Minister of Health and strategy champion.

As another indicator of the significance of the MOH restructuring, posters about the restructuring which include its vision, purposes and values were displayed in several areas of the MOH headquarters so as to be noticeable to the whole staff. The reason for this was to communicate the new values to the whole organisation so to create awareness and a conducive environment for implementation of the change. Other than the restructuring, a poster on the Sultan's titah relevant to the MOH was displayed in the main hallway of the MOH headquarters. Using the words of Laughlin (1991), the restructuring in this case represents a significant design archetype of the MOH. The restructuring was needed to give balance between the interpretative schemes and sub-systems. Full details of the impacts on these elements will be discussed next.

6.4.1 The Ministry of Health Values

The MOH's website projects its views about health and through which depicts its underlying interpretative schemes. Table 6.2 shows the MOH's values encapsulated in the vision, purpose, values and priorities.

Table 6.2 Ministry of Health Vision and Organisational Values

Vision

Towards a Healthy Nation

Purpose

The Ministry of Health aspires to improve the health and well-being of the people of Brunei Darussalam through a high quality and comprehensive healthcare system which is effective, responsive, affordable, equitable and accessible to all in the country.

Our Priorities

1. Inculcate 'health is everyone's business'.
2. Prevent and control non-communicable diseases (NCDs).
3. Deliver excellence through consolidation and realignment of healthcare services.

Core Values

1. Client first (our clients define us).
2. Together (we are one and we embrace diversity and we are united through one common purpose).
3. Excellence (we uphold the highest level of professionalism, where everyone matters and everyone delivers the highest quality of service every time).
4. Dynamic (we embrace change and develop our people through having a 'growth mindset' and we thrive on the opportunity to continuously improve).

Organisational Measures

1. 'Go back to basic' approach through re-visiting its mission and

goals; understanding its customers and their expectations; the progress and achievements so far; and its plans going forward.

2. Exercise continuous improvement at every level of the organisation focusing on reducing wastages and turning it into value for the public.

3. Open and participatory approach– making everyone accountable for their health and well-being. This will require collaborative and a 'whole-of-nation' approach, involving every key stakeholders in the country.

4. Empower more than 6,000 staff in the Ministry to be innovators and problem solvers. This will bring about a culture of accountability and pride in their work as well as minimising bureaucracy.

5. Inculcate 'Growth Mindset' and support development of staff. Health professionals will maintain their expertise and contribute towards the continuous development of healthcare services in Brunei Darussalam.

Source: Ministry of Health's Website, 2016c

Generally, health organisations are recognised with having clinical concern with their main emphasis on provision of healthcare (Jacobs, 2001). The MOH, in this case, also indicates this same clinical focus. The organisational values depicted above show that their core beliefs are prioritising the health of the public and the MOH is determined to ensure that this is achieved through achieving improved performance and accountability as reflected in the high quality, effective, responsive, dynamic, excellence, practise high quality professionalism and clients first, empower, growth mindset and promoting participatory approaches.

Interview data also shows most of the officers recognised the need to prioritise clinical values, deliver excellent services, and improve the quality of the services for the satisfaction of their clients.

> *… we will always think about the clients, you know we keep the clients happy even with limited budget, we still work towards that … yeah, the client first …*(Interviewee MMAM1)

> *…if the clinic is not clean then it will affect everyone. Not just the staff ... it also affects our clients ... and for the equipment as well, if we don't have say ECG for example, then it's not only affecting us … it's also affecting our patients …*(Interviewee MLAM5)

> *… commitment of MOH is to look into patient safety and quality improvement. ... So, the main objective of JCI [Joint Commission International] or any accreditation is patient safety and continuous improvement. So, that is what we are focusing on and that's why MOH is looking into that.*(Interviewee MMAM2)

The above comments show that the officers perceive their roles as prioritising their patients who they referred to as the 'clients', providing excellent and quality services and continuous improvement. One medical officer in discussing about his roles said passionately:

> *I have two roles. One is as Medical Superintendent … and the other role is my bread and butter, as clinician …*(Interviewee MLAM2)

Hence, the officers' views seem to be aligned with the healthcare lifeworld as projected in Table 6.2.

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However, it is interesting to note despite the projection of the health values, closer analysis of the interviews and documents shows that the MOH 'strategic priorities' (refer to Table 6.2 above) were of central importance to the majority of the officers as it was frequently mentioned during the interviews. For instance, on the issue of the rising NCDs, an officer was quoted as follows:

> *… we see the trend for premature death for NCDs is going up*
> *which means there are many people dying at young age due to*
> *NCDs. So, it is worrying, the trend is worrying.*(Interviewee
> MMA1)

Others discussed the need to instil the culture of 'health is everybody's business' in terms of ensuring that health policies are being considered by all stakeholders (government agencies, private and public). For example, one medical officer expressed his concern on the low level of health awareness of the public on the health issues:

> *You have to start making them think that health is not just MOH.*
> *Health is your business as well. So, this one is of our objective:*
> *'Health Is Everybody's Business' because we want everyone to*
> *be accountable to their own health.*(Interviewee MLAM2)

Another was the concern on provision of excellent services through the discussion on consolidation and alignment of health centres. During the researcher's fieldwork, the MOH was actively undertaking consolidation of several health centres. According to one officer responsible for Community Health (IntervieweeMLA1), the consolidation was a 'new way of managing health centres'as it would be able to provide value-added services through

provision of comprehensive services under one roof. Fundamentally, these comments seem to indicate the MOH strategic priorities portray their organisational values of concern for health of the Bruneian people and their commitment to reduce NCDs cases through promoting prevention programmes and delivering excellent services.

However, it is further interesting to note that most officers when discussing about the strategic priorities tended to relate it with the need to be cost-effective. As illustrated by some of the following comments:

> *The reason why we consolidate is because firstly, budget constraint. Now with the economic crisis we have to be very stringent in what we spend. We have to look at ways of how we can save for our country, future generation.*(Interviewee MLA1)

> *… sharing of facilities, equipment, manpower and also to consolidate rather than having too many things that are not frequently used we just combine in one place and you can share. These are examples. So, all the heads must be accountable and must come up with all these cost saving activities.*(Interviewee MMAM1)

> *At the moment, in terms of our obesity, we see our country is sick. … So, these are the major issues because if we have to think of this, how does a country sustain its healthcare if people are not well, are not healthy? It burdens the healthcare system. … in the sense that it adds up to healthcare cost.*(Interviewee MMA1)

> *How can we prevent NCDs? What are the initiatives that are not*
> *sensitive to people, easy to implement without costing*
> *much?*(Interviewee MMA1)

The above quotations suggest that the strategic priorities have underlying economic motive. Despite the seeming concern for health being portrayed by the officers earlier, the officers also felt accountable towards achieving cost saving (this will be discussed in a later section). Hence, the strategic priorities also provide, or arguably mainly provide, the underlying direction that defines the way things are done with the MOH.

6.4.2 Compliance to Titah

Further examination of the MOH website reveals the following remark which, arguably, brings out the main motive underpinning the restructuring:

> *Leveraging on a political commitment to adopt a 'whole of*
> *nation' approach, the Ministry of Health undertook a*
> *comprehensive restructure to ensure the organisation fits its*
> *function.*(Ministry of Health's Website, 2016a)

This statement was posted on the MOH webpage titled 'One Ministry of Health' which also specified organisational values such as vision, core values, and the three strategic priorities. Whilst the MOH statement above revealed that the motive of the restructuring was 'to ensure the organisation fits its function', which arguably suggests their organisational health values, the statement also suggests other values being prioritised. It shows the underlying aim is to support and conform to the Sultan's agenda as set out in the Wawasan 2035 as reflected in the statement 'leveraging on a political commitment to adopt a

whole of nation approach'. Evidence of compliance is further illustrated from the inclusion of the Sultan's titah with regard to the restructuring decision which appeared in another webpage of the MOH website titled 'Ministry of Health's Reorganisation' which stated that:

> *His Majesty … in his titah at the opening of the first meeting of the Legislative Council 11th Session in 2015, has stressed the importance of exercising prudence to ensure value for money in public expenditures. In line with his titah, the Ministry of Health aspires to position the national healthcare system to deliver a more cost-effective, integrated and holistic healthcare services. (Ministry of Health's Website, 2016b)*

Therefore, the inclusion of the Sultan's titah suggests the MOH conformance signals their acceptance and commitment to deliver the required demands from the Sultan.

However, it is interesting to note that only one officer made direct references to the Sultan's titah when discussing the MOH reorganisation. The officer said:

> *Whatever that we have now with the reorganisation, it is going towards where the country is heading to. … I have heard in the titah sometimes last year mentioned about the 'whole-of-government or nation' approach. What this means is that all Ministries and departments do not work in silos. We need to work together to achieve our Wawasan Brunei 2035.*(Interviewee MLA2)

The officer perceives the MOH restructuring asa response to the Sultan's titah that requires government agencies to adopt the 'whole-of-nation' approach.

Whilst most of the officers did not refer directly to the Sultan's titah when discussing the restructuring, they did indirectly mention some of the ideas mentioned in the titah such as the 'Wawasan 2035' and 'whole-of-nation'. For example, two officers said:

> *We are encouraged at the moment to take the whole of country approach to planning services …*(Interviewee MLAM1)

> *… everything is moving towards Wawasan 2035*(Interviewee MLAM2)

The researcher noted down in her reflective journal that this is possibly due to compliance to the titah being a 'taken for granted' thing that they assumed, as a Bruneian, the researcher should know and thus, the interviewees thought that is was not necessary to mention it.

Expectation to comply with the Sultan's titah was also promoted by the Minister of Health. This was illustrated from the Minister's formal speeches with regard to the incidence of increase in the NCDs.

> *As the situation is so alarming, the Ministry is striving to give the best service in meeting customers' high expectation in tandem with the social and economic development in the country.*(The Minister of Health cited in Othman, 2017a)

> *… obesity prevention and treatment require a whole-of-nation approach in which policies across all sectors take health into account – a "Health in All Policies" approach.*(The Minister of Health cited in Ministry of Health, 2016*)*

The statements above show the health concern of the Minister as reflected in his commitment to provide 'the best service in meeting customers' high expectation' and emphasis on obesity prevention but this is to be provided in accordance with the national agenda. There seems to be implied pressure to manage the MOH in line with the values of the Sultan and the Wawasan Brunei 2035 from the need to align with the 'social and economic development of the country'. Moreover, the Minister's description of the NCDs incidence as an 'alarming situation' and quoting the 'whole-of-nation' and 'Health in All Policies' arguably reflects his intention to comply with the Sultan as the issue is also considered as an 'alarming' concern to the monarch.

6.4.3 Change the 'Business as Usual' Attitude

Another dominant theme commonly discussed during the interview was on the 'business as usual' issue. For example, one medical officer made the following comments:

> *… if everybody is 'business as usual', it's how I do it for the last 20 years, why should I change? Then, nothing will change. And that's what happened in Brunei - too comfortable. Too comfortable for change.*(Interviewee MLAM2)

The officer's comment portrays the urgent need to change the 'business as usual' attitude as it impedes on their ability to change. The 'business as usual' was mainly described in terms of prevalent 'working in silos', 'complacency' and 'lack of accountability' cultures within the MOH.

6.4.3.1 The Need to Work Together

Most of the officers viewed the restructuring as a means of nurturing the culture of 'working together' not 'working in silos' within the MOH. For example, one medical officer related this issue with the new MOH organisational structure. Whilst not necessarily indicating endorsement or adoption of the new organisational structure, they acknowledged the awareness of the changes and how the new structure impacted on their work:

> *… in the past everybody worked within their own department. Kind of silos, I guess. Silos … So, I was responsible for say cardiology, so I just look at cardiology. I don't really think about anything else …*(Interviewee MLAM1)

The restructuring involves a total revamp of the old organisational structure with appointment of many new members and involves change in the 'usual' way the officers had worked. This was regularly emphasised by the officers as one of the important organisational values.

Several officers viewed the change positively in terms of nurturing shared responsibilities that otherwise they would be overwhelmed with many things. For example, an administrative officer in one of the health centres noted:

> *Now for clinical aspect, I have Medical Superintendent, I'm so glad that she is looking after that aspect. At least, I can concentrate on my work but still I would do it together. I want to be part of it as well. That is my perception of the advantage.*(Interviewee MLA1)

The restructuring appears to be viewed positively by the officers as reflected in her understanding to promote empowerment and culture of 'not working in silos' and improve cross-functional teamwork and communication (which are in line with the MOH Values in Table 6.2 above) through establishing clear lines of delegated authority (Chenhall, 2003; Ferreira and Otley, 2009) and, thereby, will lead to improved performance and accountability of individuals.

However, there were others who were indifferent about the change. They didn't see the restructuring as making any difference to the way things work within the Ministry. To them the 'working together' culture has always been there. Some of them made the following remarks:

> *The new management structure is good. However previously it was also proper but now they want to make it lean with less process in between.*(Interviewee MLA1)

> *It is just about setting the different functions to me. But in terms of working, to me it doesn't … because the cross-functional teamwork has always been there. … So, there are not many changes.*(Interviewee MMA1)

6.4.3.2 **Unsure of Purpose of Restructuring**

These different views projected by the officers with regard to the restructuring decision seem to suggest their lack of understanding of the motive of the restructuring. The officers seem to be unsure of the purpose of the restructuring. In the researcher's reflective journal, she noted how the officers gave different views on the restructuring and showed a lack of understanding of the functions and differences between the old and new organisational structure.

The officers were not sure of the purpose, thereby making them also unclear of their role. Despite this, the officers attempted to provide their understanding of the reorganisation. For instance:

> *The function is important than the post. Because sometimes with the post, you focus only on hospital. But with function, I focus on everything – health centres and hospitals. So, functional-based is more holistic. So, it does not limit my scope. That is one example. I don't know about the rest. Why they chose this, I'm not sure.*(Interviewee MMAM2)

> *With this new structure, there are no longer any departments. All become functional which is based on functions instead of department. … but it's not something different...*(Interviewee MLA2)

> *Lean concept is we want to be fast, avoid all these steps … so, now technically … Medical Superintendents report to me but if Permanent Secretary and Deputy wants to see them, they can do straight ahead. … Or the Minister wants to see them, go straight ahead. So, seamless reporting … I don't know how to call it, but we don't want to work in silos … No need via all the hierarchies …*(Interviewee MMAM1)

Whilst the officers appear to show understanding of the restructuring by rightly saying that the new structure would reduce bureaucratic working and reporting such as 'lean concept … want to be fast, avoid all these steps', not limiting their scope of work from the views 'functional-based is more holistic' as 'there are no longer any departments'. Nevertheless, despite the officers' attempts to provide their respective views on the potential benefits of the new structure, the

researcher noted down in her reflective journal how they seemed unsure and not convinced on how it would actually affect their works.

6.4.3.3 Requirement to Cost Save

Despite being unsure of the motive of the restructuring and how it would impact on their respective works, a predominant view projected by the officers was that they are being required to consider a cost-saving agenda in their decision-making. Comments from several officers illustrate this:

> *The restructuring aims to promote lean concept … reduce wastages and duplication of services …*(Interviewee MLAM3)

> *… they want to make it lean, less processes in between. We are trying to do that at the moment. Cut down on processes … so that we can save time, cost and manpower.* (Interviewee MLA1)

> *A lot of times in Brunei, we actually do things in a certain way because it's always been done like that. But it is not always cost effective or the most efficient way to do it.*(Interviewee MLAM2)

> *… it's just a mentality that the budget can be topped up easily. This is the legacy … the curse of the black gold. It's not just in Brunei, it happened in Saudi and all countries that thrive on oil and gas revenue. It's only when the revenue goes down, then they'll start thinking.*(Interviewee MLAM2)

The restructuring seems to be an attempt to imbue the cost-saving agenda within the MOH due to the concerns over reduced national budget and the prevalent complacency culture in terms of 'wastages and duplication of services', 'not always cost effective'. The researcher noted down in her

reflective journal how there was much frustration in the officers' voices as they said these.

Further examination of the MOH's webpage titled 'The MOH Reorganisation' which communicates the values on the restructuring and therefore, arguably, brings out their values underlying the change.

> *Against the backdrop of rising number of non-communicable diseases (NCDs) in the country, demographic shifts, rising expectations of our citizens and coupled with the global economic pressure, a new approach is needed whereby the Ministry can no longer operate with 'business as usual' attitude. The reorganisation is aimed to minimise duplication of services and reduce wastage of resources, with a focus on clear high-impact outcomes.*(Ministry of Health's Website, 2016b)

The statement above echoes the perceptions of the MOH officers revealed earlier. The statement depicts the urgency to change was motivated by several factors. Whilst the social and economic challenges were explicitly mentioned, however, it seems that the paramount 'environmental disturbance' (Laughlin, 1991) in implementing the change was the concern about the country's economy. The statement emphasises achieving efficiency and effectiveness through minimising duplication of services and reducing wastage of resources and this was to be realised through changing the prevailing 'business as usual' attitude and mindset. Further to the statement above, the MOH stated:

> *His Majesty … in his titah at the opening of the first meeting of the Legislative Council 11th Session in 2015, has stressed the importance of exercising prudence to ensure value for money in*

public expenditures. In line with his titah, the Ministry of Health aspires to position the national healthcare system to deliver a more cost-effective, integrated and holistic healthcare services.(Ministry of Health's Website, 2016b)

Fundamentally, the Sultan's titah with respect to exercising 'value for money in public expenditure' and 'cost effectiveness' were being quoted which signals the values that are of concern to the Ministry as it was being addressed by the Sultan in this titah in one Legislative Council meeting. Therefore, this substantiates the evidence of the economic values being the central importance viewed by the MOH. Furthermore, the quotation of the Sultan's titah above provides further evidence on the MOH's compliance with the titah.

Accordingly, the issue of exercising prudence in the public expenditure is the most recurring theme being mentioned in the interviews with the MOH officers. Some of the officers were quoted as follows:

> *… now that we are facing difficult times whereby our finance is constrained, savings is very much on the agenda.*(Interviewee MMAM1*)*

> *The government expenditure is massive. Imagine how many millions of dollars have been spent on health? If everybody looks after their health, less expenditure … So, now we are going for prevention approach. … The chronic diseases carry the highest burden costs. … you have to think of how you are to save for the government.*(Interviewee MLA1)

The comments seem to show their response to the Sultan's demands to exercise prudence and adopt the 'Prevention rather than Cure' approach.

Furthermore, interviews with several officers suggest that the Minister required them to consider cost saving initiatives in their decision-making. For instance, one officer said:

> *… we are taking a focus on highest impact initiatives. Those that impact the whole population without having that much cost. Dato [referring to the Minister] refers to it as 'low hanging fruits' which means that initiative is easy to implement just that nobody realises it. It can be easily picked. …*(Interviewee MMA1)

The comment above clearly shows the officer's acceptance of the requirement to cost save, and also endorses the Minister is attempting to steer the MOH towards meeting not only the organisational health values and economic values but also implied the need to conform to the Sultan's demand to overcome economic challenges faced by the country. As the cost-saving is addressed in the Sultan's titah, it becomes a mandate for the MOH to comply to this requirement and, for that reason, became part of the design archetypes within the MOH. Invariably, this adds to the complexity of ensuring that the MOH delivers its organisational objectives as they have to accommodate the requirements from the Sultan and the Minister of Health and as an organisation with an organisational steering role between the Minister and the health organisations. The MOH is expected to perform the social agenda through the delivery of quality services as well as the economic agenda of being cost-effective.

However, the officers provide a dominant view that thinking about cost-effectiveness has not been a culture within the MOH as revealed through the remarks made by two officers below:

> *Utility, for example, we have never looked into it in the past. But now that utility is in one of the activities … I should be switching off my lights. We try to save and prioritise in any ways we can.*(Interviewee MMA1)

> *Thinking about cost effectiveness has not always been a true priority within the organisation. But now perhaps I think they are trying to look more into cost effectiveness given the current budget constraints.*(Interviewee MLAM1)

> *We have been business as usual. This cannot happen. We have to wake up. Brunei hasto wake up and say, one, financially it is not a sustainable service. And secondly, there needs to be accountability… no prediction, no foresight, no thinking what's going on, still living in the coconut shell … buying things unnecessarily, not thinking about the implication …*(Interviewee MLAM2)

The officer clearly showed that thinking about the cost-saving agenda was not part of the MOH culture. There was no accountability with regard to the use of the allocated budget and this was reflected in the internal management systems of the Ministry. One of the officer's comment above relates the 'business as usual' to lack of accountability within the MOH with regard to how they managed and used the financial resources provided to them.

In discussing planning and budgeting, the officers consistently talked about the need to prioritise financial implications of any programmes and projects being

implemented. For example, one officer who is responsible for Planning of Services in discussing about the process of requesting the budgets by the Chief Executive Officers (CEOs) and Medical Superintendents (MS) of Services explained it this way:

> *… they want this and that but we also want them to think about cost saving actions … So, any cost-saving activities that can be thought of by the CEO and MS. Because they are accountable for their budget. … so, they have to think about cost-saving.*
> (Interviewee MMAM1)

The officer's statement suggests that meeting the cost-saving agenda is regarded as being accountable. Therefore, implementing cost-saving initiatives is considered as fulfilling their accountability responsibility.

6.4.3.4 The Need to Accept Change and Empower Staff

Notwithstanding the emphasis on the cost-saving, the officers also viewed the 'business as usual' attitude in terms of the need to accept change and encourage 'bottom-up' participation of their subordinates. For example, one officer mentioned the reluctance of those in senior positions to accept change. According to the officer, there was:

> *… traditional thinking that there are no issues with the ways things are managed before, so there would be no issue in the way things will be managed in the future.* (Interviewee MLA5)

The officers also expressed their difficulty in gaining support from their colleagues and staff in implementing the change. This is illustrated by the remarks from several officers below:

… we have to adapt to the climate. We cannot be forever in the same system. … you need to empower the people to want to make changes. (Interviewee MLAM2)

I know change in management and systems are not easy. It's hard because it is something new, this is very new for most people. (Interviewee MLAM5)

It's difficult because unfortunately one of the effects is that sometimes you bring change, people don't like change. … So, I also want to stress that it's not about ideas from top-down, we also want to hear as well ideas from doctors themselves about how to make the service better. But historically in Brunei, people have not always volunteered their thoughts because they are afraid of the repercussions. However, we are still trying to encourage people to say what they think but it's not always easy in Brunei. (Interviewee MLAM1)

The officer above viewed Bruneians' culture of 'top-down' management style and also the attitude of 'not always volunteered their thoughts because they are afraid of the repercussions' as contributing factors to the difficulties faced in adapting to change. Arguably, the fact that he mentioned this also possibly suggests his disagreement with the authoritarian style.

6.4.4 Ministerial rather than Organisational-Led Change

The restructuring, as it turned out, was not triggered from inside the MOH as reflected by the comments made by the officers below:

So now they change … I don't why and all that, but they [the Minister and senior management] see as a whole and what are the priorities of MOH and what are priorities to support the MOH

vision and Wawasan 2035. So, they see it and they feel that it's time to restructure and make it into functions. … Why they choose to do this, I'm not sure.(Interviewee MMAM2)

I don't know. You should ask the top management (laughing). We only report to them our progress. (Interview MLA5)

I didn't apply for this post. We were chosen. So, of course when we were chosen everyone was in shock. Why me? But we are given the trust to play this role, so we have to learn.(Interviewee MMAM1)

There seems to be a hint of frustration in the way they said these due to the fact that they don't know why' the change happened.

Apparently, the restructuring was introduced and imposed by the newly appointed Minister of Health. For instance, one officer (MMA1)tended to relate the strategic priorities of the MOH with the Minister:

…back in 2009 we have put in place fivestrategies that align to Wawasan. But now with the new management, our Minister has emphasised on threepriorities. …

We just look at our healthcare cost at the moment it is increasing year by year. … in fact, our Minister has actually outlined our three focus areas …

The officer clearly identified the strategic priorities with the Minister. The choice of the strategies for the MOH was made by the Minister. The reference made by the officer to the Minister with regard to the strategic priorities implied that the values of the MOH were being determined by the Minister rather than by the organisational members. This is expected as in the Minister's capacity as the

strategy champion for the Wawasan Brunei 2035,he was made responsible for formulation of the MOH strategic priorities and plans which are in tandem with the social and economic development of the country. As has been explained earlier, at the national level, the MOH is being measured through achieving increased life expectancy (national KPI). Then, at the strategy champion level, the Minister is required to formulate the strategic priorities and initiatives for health that will support the achievement of the national KPI. With such processes the language of the strategic priorities portrays ideas that resemble the spirit of the Wawasan Brunei 2035.In this sense, the Minister seems to be pinning down the requirement for him to set the strategic priorities. Thus, the power conferred to the Minister as the strategy champion provides a legitimate reason for his involvement in the formulation of plans for the MOH.

However, despite the change perceived as being imposed, the officers were not critical of the Minister. The officers seem to be accepting and complying. Quotations from two officers demonstrate this:

> *… we are fortunate in MOH because we were not caught by surprise because we are ready. … back in 2009 we have put in place five strategies that align to Wawasan. But now with the new management, our Minister has emphasised on three priorities. …*(Interviewee MMA1)

> *… the three priorities are already the best of the best … so we work towards that.*(Interviewee MMAM1)

The officers' statements above suggest that they were keen to show that the MOH had long been on board with the Sultan's requirements to realise the

Wawasan Brunei 2035andalso the values promoted by the Minister. They seem to applaud the MOH strategic priorities being set by the Minister. That they were 'not caught by surprise' as they 'are ready' arguably suggests their acceptance. The researcher noted in her reflection journal that throughout the interviews with several officers at the MOH, there was predominantly no hint of resistance and criticism with regard to the requirement to implement the Wawasan 2035 and the Minister's decision to restructure.

Notwithstanding this, there were very few who were brave enough to voice their resentment about the change during the interviews. One officer termed it as 'ministerial-led rather than organisational-led' change.

> *MOH in Brunei has undergone some changes … recent change is the cabinet Minister … for me it's all been like ministerial-driven rather than ownership by the MOH …*(Interviewee MLAM2)

There is inherent resentment with regard to the requirements on the cost-saving agenda. One brave officer relates to the top senior management's decisions to cut spending on services:

> *If they (referring to Minister and senior management) are really serious in improving the outcomes as they promise in Wawasan 2035 which is extending life expectancy … they have to spend at least 2–4 times the amount of money they put into health compared to the current one … But again, this performance driven by Ministry of Finance and Prime Minsiter's Office has trickled down to policy changes.*(Interviewee MLA7)

It seems that the policies and directives emanating from the Prime Minister's Office (PMO) and Ministry of Finance (MOF) have caused the senior management to put more emphasis on how much spending could be reduced rather than on health outcomes. It appears that the thinking of the Minister and his senior management team was apparently influenced by the way their performance was measured through achieving the KPIs set in the Wawasan Brunei 2035. The officer resented the Minister's compliance with the government's policies. The achievement of cost-saving is seen to be contradicting with the aim of life expectancy which reflects the concern for health values. The same officer continued to say:

> They want to do really well in the eyes of certain people. So, if you talk about performance, they will do well in front of the eyes of a few people on the top who actually have his KPIs. But to the people here, he is not performing …

> … the Minister … at least the senior management … are pressured by a number of things. One is economic climate because they are being assessed on how much spending they can reduce. But that does not mean how much health outcome has improved, that is not the measure.

> If you may excuse my words, it is a destroy and conquer tactic. You destroy the existing structure and create it new so that it is programmed to your wants and needs.

The restructuring decision reflected through the appointment of the new management teams was viewed as a way to ensure the Minister's decisions and ideas would be supported. Those who said things against the words of the

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Minister would face the repercussion of being downgraded. The officer bluntly said:

> *… these people are experts in their own areas. They will say things against the words of the Minister because they are experts. That's why I say it is a political rather than a technical decision.*

The officer's statements signal that the Minister has his own thinking that is against the thinking of the 'experts', therefore reflecting tensions in values between the 'experts' and the Minister.

The same officer also bravely said that the restructuring of the MOH was 'never discussed with the heads of the departments at all'.

> *… it [restructuring] was never discussed with the heads of departments at all. … All the heads knew about it through the newspaper. How do you think we can drive performance? They don't feel part of the team. There is no transparency. Wrong leader, wrong place will decrease the health system performance dramatically.*(Interviewee MLA7)

The Minister was viewed very negatively by the officer as a 'wrong leader'. The reason for this was due to his top-down management style as there was no proper consultation made with the new appointed management team. The frustration expressed by the officer such as 'they don't feel part of the team' reveals the contradiction between the espoused organisational values (as depicted in Table 6.2 and the actual values. The impact of the imposition of the restructuring seems to affect the pride in work of the organisational members.

People are demotivated, worse than ever. There is no transparency … [sigh] … that was such a major change in the MOH, they didn't know about it. It was never discussed with the Heads of Departments at all. … All of the heads knew about it through the newspaper. How do you think we can drive performance? They don't feel part of the team. There is no transparency. (Interviewee MLA7)

There are clear disjointed decision-making and top-down approaches to the performance management system within the MOH which made the organisational members feel a lack of ownership and, therefore, impacts on their performance.

6.5 Sustainability of the Free Healthcare System

As there seemed to be urgent pressure for the MOH to think about cost-saving, some officers expressed their view on the sustainability of the free healthcare policy.

We are free for all, from birth to dust. So, is that going to be sustainable? … because of the crisis you will change, it will drive the implementation of health financing. Can we forever be free? Is it sustainable?(Interviewee MLAM2)

… our government still look after health affairs of the population but in the long run how can we sustain our healthcare cost?(Interviewee MMAM1)

The officers felt that the 'free for all' system is not sustainable. In discussing this, they referred to the $1 fee (known as core payment) charged to citizens under the 'Scheme of Charges' policy. One officer who considered himself as a

health economist described clearly the impact of the policy on their performance.

> *We found out that every year we collected around $800,000 for all the hospitals, dental, primary care and everything but the cost of collecting requires $3.5 million.* (Interviewee MLA7)

This signals the inefficiency and ineffectiveness of the policy. Furthermore, the 'free for all' has led to the complacency culture within the MOH as noted by one officer:

> *… free for all –there is no justification; no critical thinking of what would drive the value.*(Interviewee MLAM2)

To the officers, as the public pay very a minimal amount for the medical services, there is a dominant mentality within the MOH that they are not obliged to provide 'justification' to the public and be 'critical' regarding their decisions especially in the management of the national budget. In other words, there is a lack of motivation to improve accountability on the part of the Ministry due to the 'free for all' policy.

The officers also seemed unsure of the objectives of the policy. Nevertheless, they gave several assumptions as to the purpose of introducing the policy, such as a means of getting revenue and as a method of counting. The same 'health economist' officer quoted above said:

> *It was not really clear and also the purpose of having a core payment is usually to divert out clients or patients towards a more cost-effective or technically effective service. Brunei not*

so much because all the things are actually given free and this
already goes to the essential needs … (Interviewee MLA7)

The officer does not believe that the policy serves the purpose of making the service efficient and effective as everything 'already goes to the essential needs' and therefore, they considered the policy as 'waste of time' and 'outdated'. The same officer also mentioned about the bureaucratic process that is involved in transmitting the $1 fee from the MOH to the MOF:

You don't have to charge $1, $3, $5 and set up all these
Financial Regulation … once you have $1 from the front liner to
MOF, it takes so many steps. We are bound by the Financial
Regulation. (Interviewee MLA7)

Some officers mentioned the possibility of charging for the essential services and any extra costs are to be borne by the patients. For example, one medical officer said:

… smoking cause heart disease but after the operation you still
smoke. So, you get the same problem again. Another
operation, you still smoke. So, what is that?! It's a waste of
resources because it's free. They don't appreciate it but if they
pay themselves, they had no money to pay, so they will give up
smoking because they want to be healthy. (Interviewee MLAM2)

The officer seems aggrieved that the 'free' service is being taken for granted by the public by being complacent in looking after their own health.

… you have to change the behaviour of the clients. You have to
start making them think that health is not just MOH. Health is

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> *Everyone's Business as well. So, this is one of our objectives–*
> *Health is Everyone's Business.* (Interviewee MLAM2)

By charging the $1 fee, it doesn't motivate the patients to be concerned about their health. Another officer expressed her view on the impact of the policy on the public's attitude towards health:

> *We have things for free and subsidised. So, it's time for people*
> *to play a role to be accountable as well to look after*
> *themselves, their health. If our citizens do not look after their*
> *health, it will burden the government. Government expenditure*
> *will rise. Imagine, how many millions have been spent on*
> *health? If everybody looks after their health, less*
> *expenditure.*(Interviewee MLA1)

The statement suggests that the MOHis struggling to achieve the requirement for cost-saving due to the 'free for all' policy. Another officer bluntly said

> *…it burdens the system in the sense that it adds up to*
> *healthcare costs …*(Interviewee MMA1)

Accordingly, there were several efforts being proposed to improve the financing system within the MOH to make it more efficient and to reduce wastages and streamline operations within the organisation. The initiatives identified were introduction of insurance policy and charging prescription fees in place of the free registration fee. One officer incharge of assessing the matter stated as follows:

> *… things like is it possible to consider abolishment of*
> *registration fee but introduce a different payment system such*
> *as prescription fee. Also, is it possible to introduce innovative*

payment methods for example through prepaid cards, or ATM machines … which can be programmed to our scheme of charges. (Interviewee MLA7)

The officer is of the view that alternative payment schemes would help resolve the problem of scarcity in their resources and optimise their existing resources. However, despite their effort to be innovative, it appears that such an issue was considered as 'sensitive'. As clearly stated by one officer:

> *healthcare financing is quite sensitive. But we acknowledge that not many countries actually give free healthcare. Off the record. We also don't want people to take for granted you know. But at the same time, we don't want to burden our people. … People are sick, there is no free medicine. You see. But this is something we just want to look at. But we also understand the sensitivity.*(Interviewee MLA7)

6.6 Implementing the 'Whole-of-Nation' Approach in Planning

Another significant issue commonly discussed during the interviews was with regard to implementation of the 'whole of nation' approach within the Wawasan Brunei 2035 as mandated by the Sultan. As has been explained earlier, the 'whole-of-nation' had emphasised establishing strategic plans and implementation of a new management control system operationalised through a budgeting system of Performance-Programme Budgeting (PPB). The approach involves the setting of key KPIs and alignment of the plan at local level (Ministry and department) with the national level(Executive Council for Wawasan Brunei 2035).

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Most of the officers consistently explained that they were obliged to develop their respective strategic plan and align it to the current objectives and goals of the MOH and Wawasan Brunei 2035. For instance, two officersexplained the planning process as follows:

> *We are encouraged at the moment to take the whole of country approach to planning services … to make sure that everything is planned within the country is planned as a whole.*(Interviewee MLAM1)

> *… strategic plan for the next five years, we have our vision, mission, strategic objectives and goals … Our vision is for MOH to be an excellent health provider and a model government agency that is well-governed and corruption free. … in a way this aligns with Ministry's strategic direction.*(Interviewee MMA3)

Initially, it seems that the planning process involves a 'bottom-up' process as one of the officers appears to identify his department's own objectives in the strategic plan. However, the fact that the departmental strategic plan is aligned to the MOH level suggests that the ideas contained in the plan conform to the ideas contained in the Wawasan 2035. In other words, the planning is implemented in a 'top-down' way as the department follows the requirements from the national level within their strategic planning.

An officer incharge of the Policy and Foresight clearly stated the MOH approach to planning in the following comment:

> *We actually align to it [Wawasan 2035]. When this comes out we had actually thought of MOH strategies that will support Wawasan 2035.*(Interviewee MMA1)

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The officer seems keen to show that the MOH planning is aligned to the requirements of the Wawasan Brunei 2035. The MOH approach to setting the priorities was clearly described by the same officer above in the following comment:

> *… at Secretariat Wawasan level, we've been asked what are our initiatives that will support towards increasing our life expectancy. So, we told them these three strategies and for each of these strategies what are the respective initiatives we are actually now establishing.*(Interviewee MMA1)

The officer's statement shows that it turned out that the MOH attempted to incorporate its objectives with the national goals. The MOH conducting their planning in line with the aspiration of the government seems to suggest that the ideas within the Wawasan Brunei 2035 are being accepted by the MOH.

However, there was a sense of compulsion to comply with the demand of the Executive Council for Wawasan Brunei 2035 because they have the backing of the Sultan. The government, through the establishment of the Executive Council, held the MOH hierarchically and managerially accountable to them. As such the MOH are required to show accountability to the government by delivering the national agenda. The government, through the Sultan's titah and the Wawasan Brunei 2035, had put strong pressure on the MOH to improve its performance. Invariably, this creates strong pressure for changes in internal workings (Laughlin, 1991; Agyemang and Ryan, 2013) within the MOH which is depicted through the way planning was conducted.

6.7   The Effects of Limited Funding

Reduced funding is another significant issue discussed during the interviews. The limited funding has meant that the MOH have to comply with hierarchical demands, reduced their capacity and capability and struggle to meet patients' needs.

6.7.1   Complying to Hierarchical Priorities

With the increased pressure on the country's financial resources and poor financial resource management of the public sector organisations, in general, within the 'whole of nation' approach, the MOF mandated the implementation the PPB. A consistent view being projected by the officers was that the PPB was regarded as a 'directive' from the MOF.

> *PPB is directive from MOF. They are the one who require all Ministries to use this type of budgeting system.*(Interviewee MLA2)

> *This [PPB] is a mandate and directive from MOF.*(Interviewee MMA1)

Despite being a 'directive', the MOH officers perceive the introduction of the PPB as positive as it will make them accountable for the allocated budget. The idea of cascading down accountability and responsibility was introduced under this new budgeting system. For example, one officer explained it as follows:

> *Each of the programmes has its respective programme lead and activities and for each of the activities, there is activity lead. So, in terms of accountability, it is there.*(Interviewee MMA1)

This new system requires development of strategic planning, identification of programmes and its own KPIs and owners. The officers acknowledged the change and its impact on their planning and decision-making processes. For instance:

> *I think MOF wants the Ministries and their departments to be more organised, more responsible, more accountable with the money given. That's why whatever they do it must be based on what programmes they do, the performance of the programme according to KPIs, otherwise if you simply give the fund then where has the money gone?* (Interviewee MMAM1)

From the comment, the officer understood the PPB as a way to foster accountability and performance culture within the government ministries with regard to their management of financial resources. Thereby, the new budgeting approach allows flexibility and effective planning and resource allocation in accordance with the MOH priorities within the limited budget situation.

However, not all of the aspects of the centralised funding and PPB are taken for granted by the officers. There appears to be resentment with the implementation aspect of the centralised funding and PPB by the MOF. One officer made the following comments:

> *At the moment the problem is the funding is centrally held by MOF. … MOH can propose but MOF will decide whether to accept. … If you look at the performance budget, the MOF has to understand what performance indicator is. Do they understand what performance indicators they are looking for? … So, that's important. …Say I ask for funding for NCDs*

control. MOF would say what percentage of NCDs would you
reduce? That is very difficult. As I said it is multi-factorial. You
cannot reduce just like that. That is impossible. Not even most
advanced countries can reduce it. So, they have to be careful
what indicator they want.(Interviewee MLAM2)

The officer sounded frustrated when he said this. Apparently, the MOF requires them to implement the PPB, but it seems that the MOF themselves do not have the expertise and good understanding on the mandated budgeting system. The officer does not think that the MOF understand the MOH situation by asking them to submit inappropriate KPI with which their performance would be evaluated and, eventually, form a basis for allocating the budget. Another officer also shared a similar view:

> *Honestly, I don't know how MOF will assess us [MOH] because*
> *I feel the PPB is a good tool but if MOF is to assess without any*
> *background knowledge it would be difficult.*(Interviewee MLA2)

The researcher noted down in her reflective journal how careful and not confident he sounded when he said this. Nonetheless, despite the officers' lack of confidence and resentment over how the PPB is implemented, it seems that they had no choice but to accept and implement the budgeting system because it is a 'directive' from the MOF and the MOH funding is based their compliance and ability to achieve the set targets. For example, one officer explained the uncertainty surrounding the issue of not being able to achieve targets and its impact on their funding. The comment is as follows:

> *We set something at 50 percent and then we didn't achieve it,*
> *we might not get what we want. I don't know, that's what we*

understand. It could be the other way that if you don't achieve somebody will do analysis on it and say,'Ok how canwe help you?' That can also be the situation. But the fear now is if you don't achieve it, we'll be in trouble.(Interviewee MLAM5)

6.7.2 Reduced Capability and Capacity

The officers felt that within the funding pressure, they were also expected to show good performance. Remarks from two officers demonstrated this:

> *With the PPB, they [MOF] expect us to use our budget wisely and prudently but still maintain our KPI.*(Interviewee MLA2)
>
> *It's tough, big challenge. I'm still new here … but struggling to make things work, to achieve things, get the best out of it, to give best services to the people at the same time.* (Interviewee MLA1)

The officers' statements clearly show the extent of the impact of the expectations to deliver quality services as well as to think about the economic imperative is making them 'struggle to make things work'.

Despite the officers' acceptance of the need to be cost-effective and its association of being portrayed as making them accountable (as discussed previously), several officers believed that the limited funding has made them think in short-term ways and, therefore, struggle to meet their organisational values. Most officers expressed their concern on the impact of the limited funding on their ability to meet their clients' needs. For example, two officers described the struggle as follows:

… even with limited budget, we cannot compromise service. Just because we cannot buy the latest equipment, doesn't mean the service will be compromised. You have to work with what you have. … we will always think about our clients ..even with limited budget …(Interviewee MMAM1)

… we felt sometimes … when they say that our services requested a lot of money for just cleaning expenditures, but you have to understand that we are health facilities, so we also need cleaning. So, cleaning services is our priority. … Otherwise, it will affect everyone … not just staff but also the clients. … then if say ECG breakdown, it's going to affect patients … they have to travel far and then staff will be scolded …(Interviewee MLAM5)

The comments above give a sense of their organisational values being prioritised by the officers; however, at the same time, they 'have to work with what they have … even with limited budget'. There was a sense of being helpless as one officer quoted above bluntly said:

… client first, yes we have been and are listening more to the patients … but occasionally, there is nothing we can do, like we tried but [her statement ended here] (Interviewee MLAM5)

The officers also acknowledged the change and benefits towards adopting lean management in order for them to be able to reduce wastages and bureaucratic procedures and satisfy the clients. One officer in discussing about the consolidation of the health centres stated:

If you pool everyone together there will be more services. We have feedback from customers saying that … it is faster and

better because in the past they have to go to different centres.
… So now by consolidation and alignment, you actually create
the value.(Interviewee MLAM2)

However, the extent to which the 'value added services'have affected the delivery of services has led to reduction in their capacity and capability to operate properly. This situation was vividly described by two officers in relation to experiences of staff at the health centres with regard to the issue of limited funding:

… we are now very stretched because of the long working
hours … to the extent sometimes doctors have to call the
patients themselves … this is what I meant by the system is not
allowing people to perform…(Interviewee MLA7)

… now with the consolidation of health centres … we have
extra resources … we are compiling lists of extra things … so, if
somebody needs them, we just say we have extra … so we
consolidate and share … so that we don't have to buy because
of the financial constraints …(Interviewee MLAM5)

They are trying to cut anywhere that is possible … first, there is
no recruitment of new staff … that is a major spending cut
which has huge implication on our services … Doctors are
really busy. Sometimes even taking up the work that should
have been done by nurses. (Interviewee MLA7)

The impact of the limited funding meant that the MOH have to sacrifice certain essential things and share resources which forced them to manage in a lean way. The hospitals also faced the same situation. Remarks made by several officers demonstrated this:

I give you an example of one of my discussions with one of the hospital administrators whereby he said, 'I really don't know how to work.' Then I asked, 'Why?' He said, 'We only have one laundry cleaner left and my machine is broken. It's been like this for the past one year. Somebody retired but no replacement'. Then I asked. 'What do you do?' He said, 'I use one of hospital's older cars and sometimes, if it's broken then I will use my staff's car to deliver the laundry to Kuala Belait because the machine there is working'.(Interviewee MLA7)

… now we try to consolidate and align. If a machine breakdown, is there additional machines in the other hospital which we can loan for now?(Interviewee MLA3)

… sometimes we borrow some equipment from other wards. We have four wards so, we can borrow from other wards if we don't have enough in one ward. So, at least the service is still running smoothly.(Interviewee MLA3)

There is a clear sense in the comments that they are struggling to deliver quality services due to the limited funding. The comments about the concern on staff and services arguably reflect the importance placed on the organisational values. The financial imperative has led the welfare of staff to be neglected and, ultimately, impact on the delivery of services towards the patients.

6.7.3 Inability to Satisfy Patients and the Sultan's Surprise Visit to MOH

During the researcher's fieldwork, there was an unscheduled visit paid by the Sultan to the Accident and Emergency department at the main hospital in the capital city, as a result of public grievances that had been brought to his attention (BruDirect, 2016).

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Whilst praising the MOH's strategic vision for the Wawasan Brunei 2035, the Sultan questioned if the stated objectives were actually being implemented. In relation to this, the Sultan critically said:

> *What we need is its implementation. It is not enough if it is only on paper or merely theory. It must be a reality that the people can benefit from. If in theory it says customer-friendly, then practically it must also really be the case for anyone without any discrimination...*(His Majesty's surprise visit to RIPAS on 27th September 2016 cited in BruDirect, 2016)

The Sultan further underscored several qualities that the ministry and its hospital staff must possess to fulfil the customer-friendly goal

> *... friendliness, transparency, willingness to help, caring, showing concern, kindness, good manners, politeness, soft-spoken, considerate, responsive and to not be rude to patients* ...(His Majesty's surprise visit to RIPAS on 27th September 2016 cited in BruDirect, 2016)

> *The Ministry of Health must ensure customer-friendliness and swift healthcare services for all. MOH must continue to ultimately uphold and exercise its responsibilities and roles as an organisation central in maintaining the people's well-being. People should not be asked to wait for long periods of time when they need medical attention.* (His Majesty's surprise visit to RIPAS on 27th September 2016 cited in BruDirect, 2016)

The Sultan further added:

> *Never add in more hardship for them and one of the ways to ease their suffering is by applying customer-friendly values* ...(His Majesty cited in BruDirect, 2016)

This incident clearly shows the 'struggle' view being projected previously by the officers and further substantiates the negative impact of the limited funding on the MOH's ability to satisfy their patients. Moreover, the Sultan's surprise visit demonstrates his concerns on the welfare of his people and also on the performance management of the MOH.

6.8   Issues with Evaluating Ministry of Health Performance

During the interviews there were several times that the issue of performance measurement and evaluation was discussed. Whilst the use of KPIs was viewed positively as bringing potential benefits, there is also dominant resentment over the setting of the KPIs, the need for the performance measures to reflect the situation of the MOH and the fact that the measures are linked to the budget.

6.8.1   The Setting of Key Performance Indicators

There was only one interview session where the development of the MOH's KPI at the national level was discussed. The officer dealt directly with the Permanent Secretariat for Wawasan Brunei 2035 which explains the reason for the topic to be discussed. According to the officer, the Executive Council for Wawasan Brunei 2035 through the Secretariat has requested the MOH to identify one national KPI[15] and submit only three major initiatives that will contribute towards the achievement of that national KPI. As such, it seems that

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[15] The national KPI for MOH is increase in life expectancy.

the setting of the KPI was a 'bottom-up' process. With such an opportunity provided by the Secretariat, arguably, should enable the MOH to select the performance measures that are relevant to them and reflect their organisational health values. However, there seems to be resentment over irrelevant performance indicators being used to assess their performance. For example, two officers commented as follows:

> *That's why, that's why, that's why we are worried. … of course life expectancy, it's not easy. So, 2035, now 2016 about 19 years. Can we achieve that in 19 years? … It's not easy you know. Life expectancy is not easy because there are multiple factors. It's notjust health, it's the social condition, social-economy.*(Interviewee MLAM2)

> *… the maternal mortality rates, the childhood mortality rate, I feel that it is unfair to give it to Community Health. For instance, in the case of people died post giving birth - that is not solely responsibility of Community Health. It can happen from the hospital, isn't it? Last time I told them it is unfair to put this KPI under us.*(Interviewee MLAM5)

There is a sense of lack of confidence in the officers' statements above on the choice and feasibility in achieving the set KPIs. The officers viewed the set KPI as 'unfair'. This is because to achieve the life expectancy and mortality rates, is not mere responsibility of the MOH but multiple factors. From the statement, the officer seems to resent that their performance is based on something that is beyond their control. The fact that there is disagreement with the choice of life expectancy as being the national KPI suggests lack of communication and that

the KPI was an imposed rather than discussed KPI. For instance, one officer made the following remark with regard to the MOF:

> *… the KPI should be understood throughout the organisation and across the organisation. That means MOF should also understand how the KPI works. They could not just demand KPI which they read somewhere and said I want this KPI in Brunei [laughing].*(Interviewee MLAM2)

The officer's comments seem to suggest that the MOF did not understand their situation by imposing unrealistic targets. There appears to be no or lack of discussion with the MOH with regard to the setting of the KPIs and therefore, this led to resentment and scepticism of the officer on the imposed KPIs and also credibility of the MOF. Despite the officer's resentment over the imposed KPI, he acknowledged the importance of using it.

> *… performance indicator is very important, something that is tested, something it can be benchmarked. Not something somebody just created from their brain and think aah! I think it's do able. Because it has to be tested. It means that it's do able, can be delivered. You cannot promise something that you cannot deliver.*(Interviewee MLAM2)

However, what seems to be bothering him is the fact that there is lack of communication within the MOH with regard to setting the KPI. The same officer also highlighted the importance of communicating effectively within the Ministry and how the selection of the measures should be 'discussed indicators'. He vividly described it as follows:

That's why the indicator has to be from us. … it should be a discussed indicator from MOH not from the administrative people in MOH. Say, they don't talk to the hospital and they don't understand how the hospital works and operates. Used to be like that. silo. I always call MOH the black hole … things that go there disappear and you don't know what's going on. And sometimes communication will take three weeks to reach you … So, they might choose indicator they think fashionable. Yes! I want to reduce by one percent but they don't know how difficult it is to achieve that. So, the indicator should be a discussed indicator.(Interviewee MLAM2)

6.8.2 Funding and Performance Measurement

As has been explained earlier, the development of the Wawasan Brunei 2035 intensifies the need for the government ministries to be evaluated using the KPIs. The 'directive' to implement the PPB in which the national funding is tied to achievement of the KPIs further intensifies the need for the MOH to identify and rely on performance indicators. The use of the KPIs was viewed positively by some officers from comments below:

… we know that if things don't get measured, things won't get done. I really believe in measurement you see. So, emphasising KPI is very important.(Interviewee MMA1)

… the MOF wants to see outcomes from our spending because we cannot just request money without any outcomes expected. That is why now with the PPB we have to use KPI …(Interviewee MMAM1)

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The KPIs were viewed as a way of making them accountable for the resources entrusted to them as well as to ensure that things would get done. Whilst there are positive comments on the use of KPIs, most officers, especially the medical officers, were critical of the use of KPIs in evaluating their performance which, in turn, would impact on their financial allocation as demonstrated from the comment made by one officer below:

> *… when we apply for the budget, we'll be asked what is our KPI. … For example, infant mortality, definitely it's not Community Health's sole responsibility. That should be responsibility of entire MOH. Then, why does the budget of the MOH must be explained by Community Health?*(Interviewee MLAM5)

There seems to be dominant resentment and constant fear that their budget allocation will be affected if they could not deliver the KPIs set. The officers seem to resent the linkage made between performance and budget. One medical officer expressed her concern as follows:

> *… If we don't achieve the results, we won't get the budget. That's why we have to be careful on the KPIs we submit to MOF. Before we submit our KPI, we have to make sure it is something that is achievable that we know we can achieve so that we get the money because what if we didn't achieve it? … we might not get what we want. I don't know …*(Interviewee MLAM5)

The officer seems desperate to find the 'relevant and achievable'KPIs; however, despite the struggle, the officer viewed the use of KPIs and its' achievement as significant, because otherwise it will impact on their budget allocation in the next

financial year. The significance of achieving KPIs was also demonstrated by a remark made by one officer (who is middle medical manager at the Ministry level) with regard to setting of the KPIs:

> *… we will check on their KPIs [MS and CEO] – what is their current percentage, whether they have achieved or exceeded – that is their performance. That's how they can be given the money. They are the one who set the targets, but we also influence them because what if they set too low? … we influence in such a way we discuss together what they should be achieving otherwise they would be stagnant and complacent.*(Interviewee MMAM1)

The same officer further said:

> *They [MS and CEO] will set the targets … They give us the baseline. Say, last year the readmission rate was 17 percent so, they say they want to keep it at 16 percent. So, we will assess together, whether we accept or not, whether we agree or not.*(Interviewee MMAM1)

The officer clearly shows the setting of targets at the Services level was influenced to some extent by the management at the Ministry level. As achieving the KPIs is seen as imperative as it affects their future budget allocation, therefore, some kind of 'gaming' in the form of 'influencing' the targets is essential.

6.9 Lack of Transparency and Ownership

Throughout the interviews, the issue of transparency and ownership represents the root cause for all the issues the officers mentioned which impact on their management control practices.

Whilst most officers allowed for their respective interview session to be recorded, there were hints of reservation in the way they answered the researcher's questions. For instance, when the researcher posed a question with regard to the implementation of the PPB to one officer, it is interesting to note that whilst she was explaining about the PPB, she was referring to some documents related to the budgeting system on her computer screen. This was also the case when she attempted to explain about the motives of the MOH restructuring whereby she referred to online newspaper reports. Furthermore, upon requesting to share the documents that she was referring to, she refused to do so on the account of confidentiality and asked the researcher to refer to the newspapers and the MOF's website as they were regarded as official, legitimate and reliable sources.

> *There are several articles in the newspaper, so you can refer to these articles. I can email you the link as to why it was revamped. At least more concrete reference rather than what I mentioned.*(Interviewee MMAM1)

> *I cannot email you this … for PPB you can find this on MOF website because they are the ones who implemented this … It was a directive from MOF …*(Interviewee MMAM1)

The officer further said

I don't want to give the wrong answers. But the documentation should be from MOF because I will just quickly share but I cannot email you because this is internal stuff. (Interviewee MMAM1)

Most officers were also reluctant to share internal documents when requested and one officer revealed that recently there was a directive for them to not issue any internal documents and not to give wrong information to external stakeholders. The researcher noted in her reflective journal how most of the officers were very diplomatic and not critical in answering the interview questions and in discussing matters related to the government and the Minister and the senior management as these issues were regarded as sensitive to be discussed openly.

Another evidence of the lack of transparency was demonstrated through the Ministry's decision to adopt accreditation of a health centre whereby it was perceived as a top-down decision and there was lack of transparency.

It is top level who decide I don't know why, maybe they just pick the centre.(Interviewee MLA5)

… there are those who don't know it yet. They are not yet involved … they will know bits and pieces but whether they know what it actually implies? Then that is why transparency is the issue.(Interviewee MLA5)

And on the issue of recruitment of doctors and nurses to achieve accreditation she commented:

… how do they recruit doctors and others, maybe Human Resource knows what the process is … we don't know … because top management hires so we just trust their judgement … the top management said we are recruiting this … our staffing plan is this … then our level should also know what our bosses do above. So far there is no transparency.(Interviewee MLA5)

There was also concern expressed on the lack of transparency from the MOF. Comments from two officers below illustrated this

We set something at 50 percent and then we didn't achieve it, we might not get what we want. I don't know. That's what we understand but it could be the other way around, that if you don't achieve somebody will do analysis on it and say, 'Ok how can we help you?' ... But the fear now is if you don't achieve it we are in trouble.(Interviewee MLAM5)

… it might affect their budget for next year because MOF of course asked what was their outcomes? What did they achieve last year based on KPIs? … Something like that. I don't know how MOF thinks.(Interviewee MMAM1)

Whilst not explicitly commenting there was 'lack of transparency', the officers seem to imply that the MOF was not being transparent in their dealings with the MOH. Comments such as 'I don't know but it could be the other way around', 'but the fear now' and 'I don't know how MOF thinks' seem to suggest the uncertainties they were facing. Furthermore, there was a sense from the comments that the PPB was imposed on them could contribute to their fear and uncertainties and, thereby, in turn impact of their sense of ownership.

6.10 Summary: Interpretative Schemes and Design Archetypes

From the analysis of the interviews and documents, it is possible to identify the underlying interpretive schemes and design archetypes of the MOH. The MOH seems to portray strong organisational health values and public sector ethos. However, at the same time, they are required to consider economic motives underlying the Wawasan Brunei 2035.

The design archetypes or management processes of the MOH follow the requirements of the Sultan in planning, monitoring and financing processes. In responding to the urgent demand towards realising the Wawasan Brunei 2035 goals, the MOH has undergone major restructuring not only involving structural but also mindset change. The restructuring appears to be the main design archetype of the MOH. The introduction of the PPB as new design archetype is also considered as a major change within the MOH as it requires managerial approaches to managing health. Whilst the officers accepted the need to adopt the modern and managerial approaches to managing health, through the requirements to adopt the 'whole of nation' approach to planning and budgeting, the management processes are being subjected to compliance with hierarchical authority. Figure 6.1 below summarises the MOH's interpretative schemes and design archetypes.

Figure 6.1 Analysis of Organisational Steering at the Ministry of Health

Interpretative Schemes of MOH

- MIB
- Health values
- Public sector ethos
- Managerialism

Design Archetypes

- The MOH restructuring
- New budgeting system
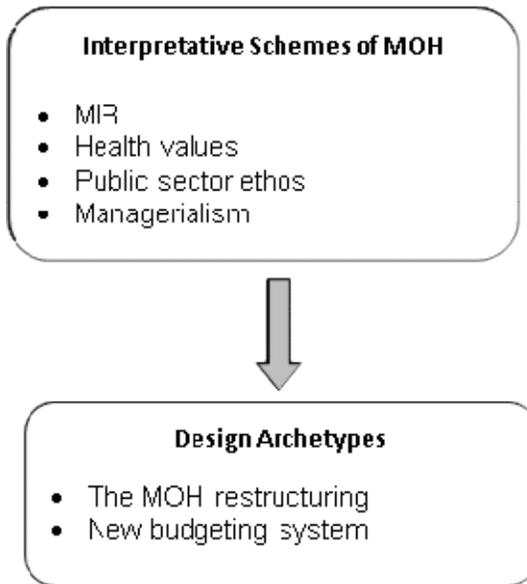
6.11 Conclusions

This chapter has discussed the story from the perspective of the MOH and how they perceived their relationship with the Sultan and his government and operate within the complex structures created by the Sultan. It seems that the Sultan's titah is the main driving force for the MOH restructuring. The Minister of Health employs the restructuring as essential in steering the MOH towards realising the Sultan's titah which serves as directives and therefore is mandatory to be fulfilled. The traditional values underlying MIB are likely to influence the management practices within the MOH. This compliance, however, has impeded the capacity and capability of the MOH to operate effectively. Invariably, there is likely to be tensions between the organisational health values, modern values underlying the NPM reform and the public sector ethos.

In the next chapter the empirical findings within this chapter are analysed using the Broadbent and Laughlin (2013) theoretical framework as language to explain the nature of the societal steering in Brunei and the impacts of the societal steering on accountability and MCSs in health.

Chapter 7
STEERING BRUNEI'S PUBLIC HEALTH SECTOR MANAGEMENT:
EMPIRICAL AND THEORETICAL DISCUSSION

7.1 Introduction

The overall aim of this chapter is to address the research objectives as stated in chapter 1. This study aims to explore how new public management is experienced in a complex environment of a traditional monarchical system and how this impact on accountability and management control systems within the Ministry of Health in Brunei. To achieve the aim, the following research objectives will be examined:

 i. To evaluate the nature of the regulatory control system in Brunei.

 iii. To explore how the demand for improved accountability and performance, in the context of new public management in relation to the Wawasan Brunei 2035, impacts on accountability and management control systems within the Ministry of Health.

This chapter discusses the empirical findings in the light of Broadbent and Laughlin's (2013) theoretical framework and prior literature as language to analyse the nature of societal steering and the impacts it has on organisational responses. It will provide discussion of the extent to which the steering processes in a traditional monarchical system are working through analysis of how the Ministry of Health (MOH) perceived the external regulatory requirements to be acceptable because they are in line with their 'taken for granted' values. In the case where the requirements by the societal steering are not accepted, the MOH may respond by adopting management processes that

are in consistency with their perceived values and, therefore, shows sign of resistance.

Based on the analysis of the empirical findings, this chapter argues that in a traditional monarchical setting, the societal steering process depends on more personal directives (titah) emanating from the Sultan as a central tool of steering. There remain underlying tensions between the traditional monarchic values and the desire to achieve modern performance management as promoted by the new public management (NPM). In effect, the drive towards reform in public sector management in Brunei is deemed to be ineffective.

This chapter consists of five sections. The next section will briefly recap the key elements of Broadbent and Laughlin's (2013) theoretical framework. This is followed by analysis of the nature of societal steering in Brunei. The analysis then considers how the MOH managed its internal management processes in response to societal steering. Then examination of the empirical findings is conducted to provide analysis of MOH responses. The final section concludes the analysis.

7.2   The Skeletal Theoretical Framework: Revisited

As has been explained in chapter 3, the Broadbent and Laughlin (2013) notions of steering are invoked to help unpack the complexities of societal steering processes and organisational responses to these control processes. They argued that institutions and organisations are developed at societal and organisational levels. The framework provides a basis for analysing relationships between societal steering media whose role is to regulate other

organisational systems and the steering mechanisms they employed to steer organisational systems towards societal lifeworld concerns in return for provision of certain resources. The steering media and mechanisms are important in the model as they have a structural role to ensure that the organisational systems enable the societal lifeworld to be achieved. The relationships are illustrated in Figure **3**.**1**.

7.2.1 **Types of Steering Mechanisms**

Broadbent and Laughlin's (2013) notions of transactional and relational approaches to steering can provide useful language for analysing the nature of societal steering mechanisms employed by societal steering media in certain contexts. Transactional steering mechanisms may be developed where an instrumental rationality underpins its design. The transactional approach to steering processes determines the ends to be achieved and the means employed to achieve the ends. It is characterised by 'command and control' whereby specified ends are expected in return for provision of resources (Broadbent and Laughlin, 2013:78) and without consultation between stakeholders. Alternatively, where relational steering approaches are used, communicative rationality underpins the design. The relational approach is based on negotiation and deliberations; thus, the ends are less prescriptive (Broadbent and Laughlin, 2013:78). This is summarised in Table 3.1.

7.2.2 **Organisational Responses**

Broadbent and Laughlin (2013) further argued that the institutions and organisations have their own 'micro societies' which give them 'a life of their own'(Broadbent and Laughlin,2013:65). This is captured in Figure **3**.**2**.Broadbent and Laughlin (2013) identify both tangible and intangible elements that may help to explain how organisations respond. The tangible elements are referred to as the 'sub-systems' whereas the intangible aspects are the 'design archetypes' and 'interpretative schemes' (Broadbent and Laughlin, 2013; Laughlin, 1991).

The interpretative schemes are the key element in the framework because they may influence organisational responses to societal steering pressures (Laughlin, 1991:2). However, there are different levels of abstraction with regard to the interpretative schemes that can also affect the responses organisations make to societal steering pressures (Laughlin, 1991). They range from mission, core processes to culture which meant that it is possible for the organisational participants and societal steering media to share the same cultural beliefs and yet hold different organisational missions (Laughlin, 1991:212–213). Consequently, organisational responses may be complex as there may be some societal steering controls viewed as acceptable whilst others being considered in need to be rejected. Figure **3.3**shows these different levels of abstraction of the interpretative schemes.

In an ideal situation, all three elements must be in some sort of balance, with the design archetypes reflecting the interpretative schemes through the sub-

systems (Broadbent and Laughlin, 2013). Laughlin (1991:222–223) suggests four factors that could affect the balance of these elements and cause organisational change: strength of environmental disturbances; the level of commitment of organisational members to organisational interpretive schemes; the organisation's capability; and the power dependencies. The greater the 'kick' or environmental disturbances, the more the organisation is able to accept or reject change. The higher the level of power of the organisational members to a particular interpretative scheme compared to others who want the alternative ideology, the more likely the response will side with the more powerful group. The stronger the level of commitment to a particular ideology, there is greater possibilities of inertia and greater the tendency to rebut change.

As shown inTable 3.2,there are two main levels of organisational response to societal steering: 'first order' and 'second order' (Laughlin, 1991). The 'first order' occurs when the 'environmental disturbances' cause less significant change in interpretative schemes but may cause change in the design archetypes and sub-systems. The change could take the form of 'rebuttal' and 'reorientation'. Under the rebuttal, the organisational members ignore the disturbances and do not change the organisational design archetypes and sub-systems. However, under the reorientation pathway, the organisational members make superficial changes to the design archetypes and sub-systems but the interpretative schemes remain unchanged. The 'second order' change, on the other hand, involves significant change in organisational interpretative schemes due to environmental disturbance, resulting in long-lasting change. The second order change also takes two pathways – colonisation and evolution.

The colonisation response involves the underlying organisational interpretative schemes changing through coercion, as consequence to changes in the design archetypes. Whilst under the evolution pathway, the organisation willingly accepts and changes the organisational interpretative schemes and then involves subsequent change in the sub-systems. The rebuttal, reorientation and evolution responses are chosen by the organisational members, whilst the colonisation response is forced change.

Accordingly, by way of understanding the views of the officers at the MOH, the effectiveness of the societal steering emanating from the Sultan can be assessed. By way of gaining the perspectives of the organisational members will also enable to identify the organisational interpretative schemes and design archetypes they privileged.

7.2.3 Middle-Range Thinking

As indicated earlier, Broadbent and Laughlin (2013) offer the model as a 'skeletal' theoretical frame in terms of MRT for analysing how the societal steering impacts on organisational steering in health. The MRT model suggests that the theory serves only as a conceptual guide to explore empirical situations. As such, the meanings of the concepts can only be substantiated through empirical analysis.

7.3 The Nature of Societal Steering in Brunei

This part of the analysis addresses the first research objective of the study. It will examine the context in order to understand the intangible societal lifeworld,

the societal steering media and the steering mechanisms being employed to understand the manner in which the societal steering is undertaken in the context of a traditional monarchical system such as Brunei.

7.3.1 The Sultan as the Main Steering Medium

Chapter 5 examines the public sector management in Brunei. The empirical findings show that in Brunei, the Sultan is very influential as he is the Head of State (Monarch), the Head of Government (Prime Minister) and also the 'guardian and protector of Islamic principles and Malay culture' (Saunders, 2013:187). He has the positional and economic power enshrined in the cultural values of Melayu Islam Beraja (MIB) as being the Head of the State and the Government, which thus render him the ultimate authority of Brunei.

Broadbent and Laughlin (2013) envisaged societal steering media as organisations or collections of organisations that regulate other organisational systems. This study also found that several organisations are involved in regulating other organisational systems – the Prime Minister's Office and Ministry of Finance. Most of the studies conducted using Broadbent and Laughlin's (2013) steering theory have been undertaken in the context of democratic countries whereby the main steering is led by the government institutions that have positional power as well as a legal duty to steer the organisational systems. This study, on the other hand, shows that in managing public sector organisations in Brunei, the Sultan, as an individual, is the main societal steering medium heading and steering all the government ministries.

7.3.1.1 Titah as the Main Steering Mechanism

The NPM reforms instituted in different political and economic contexts (such as the UK, Australia and Malaysia) have shown that the managerialist principles underlying the NPM have led to control of the public sector organisations using regulatory controls in the form of legislation, funding and inspection bodies (Broadbent et al, 2008; Norhayati and Siti-Nabiha, 2009; Conrad and Uslu, 2012; Broadbent and Laughlin, 2013; Agrizzi et al, 2015). The empirical case in this study shows that as well as the existing regulatory controls (such as law and funding), which exist in the main, the Sultan's titah is the main steering mechanism being used to trigger organisational changes within government ministries in Brunei. This finding is similar with the study on the public sector in Thailand conducted by Sutheewasinnon et al (2015). Thailand is also a country adopting a monarchy political system whereby the monarch's speech is also being used to legitimise activities. However, in the case of Thailand, the monarch's speech is regarded as a secondary mechanism as it is used after several mechanisms have been employed to induce change. In Brunei, on the other hand, the societal steering is very much dependent on the contents of the regulatory controls deriving from the Sultan's titah.

7.3.1.2 Titah as Guidance and Command

The empirical findings in chapters 5 and 6 provide evidence as to how the Sultan's titah represents the main steering mechanism in steering changes within the public sector organisations. The titah as the main mechanism is demonstrated through, firstly, its ability to create compliance. The titah contains

directive that carries force of command (Saunders, 2013) that must be respected and supported. Secondly, the titah creates policies and provides guidelines towards achieving the economic and socio-political development objectives of the country.

The Sultan's titah is perceived as a directive that is legitimate in providing direction as to what is important and how the society and organisations should behave and operate.

> *The titah is regarded as command or order. It is a sort of direction and advice.*(Interviewee PMO2)

The empirical findings in chapter 6 show how the organisational activities within the MOH are legitimised through the force of titah. The Sultan's titah related to health aspects are printed in big posters and framed in several places within the MOH facilities. As illustrated in chapters 5 and 6, the Sultan delivered his titah during various functions and his titah were also quoted in formal speeches by the Ministers, and official and policy documents. For instance, the titah on cost-efficiency and value for money was quoted by the MOH in legitimising the restructuring decision of the MOH. The inclusion and quotation of the Sultan's titah was intentional to ensure acceptance and legitimacy of any proposed changes and activities introduced. Therefore, the reliance on the titah suggests the dominance of and dependence on traditional values underpinning the organisational working within the MOH.

The titah as providing guidance and command illustrates what has been suggested by Laughlin (1991) as a form of interpretative schemes. The direction

emanating from the titah is in a sense 'intangible' (Laughlin, 1991:211) as it shapes the mind and behaviour of the organisational members. It provides direction and guidance through creating a view and an idea as what needs to be done.

Within the Broadbent and Laughlin (2013) model, however, the titah seems to not quite fit into the dichotomy of 'transactional' or 'relational' steering processes. Although the titah is seemingly transactional, as it is perceived as a directive and command that needs to be respected, it is also taken as a relational process, although it is not developed upon negotiation. Broadbent et al (2010) have pointed to the possibilities of reshaping the transactional into more relational controls. Their study was based on Higher Education in the UK whereby they argued that if a constitutive (transactional) regulatory control is agreed upon by stakeholders, it could be assumed as a regulative (relational) control. This study suggests that whilst the titah seemingly shows characteristics of a transactional mechanism, the commands contained in the titah are accepted and taken for granted. The titah is perceived as a strong mechanism having been enshrined by the MIB philosophy and, thereby, it was not viewed as a transactional mechanism but relational as it regulates established behaviour and is not regarded as reducing the freedom by which the organisations act (Broadbent et al, 1991; Broadbent and Laughlin, 1998; Broadbent et al, 2010). This is demonstrated in chapter 6 whereby, despite the various issues being addressed by the Sultan in his titah, the titah on cost-effectiveness were quoted by the Minister and, thereby, became part of the design archetypes of the MOH.

Apart from providing guidance, the titah also establishes regulatory control structures in steering the public sector in Brunei. The next section provides analysis of these regulatory control systems and its nature in detail.

7.3.1.3 Establishment of Governance Structure for Wawasan Brunei 2035

Aside from the aforementioned intangible elements (direction and guidance) created by the titah, the empirical findings also show that the titah established tangible structures through which the performance of the government ministries in Brunei are administered and evaluated. Chapter 5 has discussed the establishment of the Wawasan Brunei 2035 and its governance structure as a result of the Sultan's titah following the lacklustre performance and accountability of the Brunei public sector. Through the Sultan's titah, the governance structure for the Wawasan Brunei 2035,consisting of, among others, the Executive Council and strategy champions, was established to lead the changes within the public sector organisations. The main role of the Council is to provide intensive and systematic support to the government ministries in implementing various initiatives in their effort to realise the outcomes of the Wawasan Brunei 2035. According to Broadbent (2011) governance structures provide an important aspect of potential control over the management of public sector organisations through providing examination of the internal management and control of resources. Therefore, this is the key aspect in contributing towards provision of quality, productive, efficient and effective service, and enhanced accountability towards the public in order to achieve the desired goals.

Broadbent and Laughlin (2013) suggested that the steering media and steering mechanisms can be differentiated, and this is exemplified in several empirical works. As an example, Agyemang and Broadbent (2015) analysed empirically the steering processes between the Higher Education Funding Council for England (HEFCE) (as a societal steering medium) and Universities in the UK (as organisational systems). They identified various steering mechanisms including the Research Excellence Framework. Martin□Sardesai et al's (2017) empirical work analysed steering universities in Australia whereby Research Quality Framework/Excellence was conceptualised as a steering mechanism and Australian Research Council as a steering media. However, the empirical findings in chapter 5 of this thesis illustrate that in the case of a monarchy system, the distinction between steering media and mechanism is not clear. The titah created the Executive Council and in effect, theoretically, this seems as though the Executive Council is a steering mechanism to the Sultan. However, the Executive Council was established within the Prime Minister's Office (PMO); in which case, it seems to suggest the role of the PMO as steering medium and that of the Executive Council as its steering mechanism. However, at the same time, both organisations have been conferred authority, with positional and legislative power, by the Sultan to steer changes within public sector organisations; in which case, both organisations are regarded as steering media.

7.3.2 **Wawasan Brunei 2035 as External Management Control Systems**

As explained in chapter 5, the Executive Council developed the Wawasan Brunei 2035 Framework which followed the strategic management model in establishing objectives and KPIs for the government agencies and, then, socialised it throughout the public sector to ensure its correct implementation. In realising the Wawasan Brunei 2035, the Sultan mandated for the implementation of the 'whole of nation' approach to planning within the public sector whereby the KPIs are cascaded down from the national level to departmental level within the Ministries. As such, through the Wawasan Brunei 2035 Framework, the Executive Council intended to align the strategic planning of the government ministries with the national priorities, therefore improving their performance and accountability. The 'whole-of-nation' approach is similar to the strategic alignment programme (SAP) mandated by the Sultan in 1990. However, unlike the SAP, the 'whole-of-nation' approach put increased emphasis on the performance management and measurement.

The Wawasan Brunei 2035 Framework is similar to the public management performance measurement systems implemented in other jurisdictions. For example, 'Research Excellence Framework (REF)' in the university sector in the UK (Agyemang and Broadbent, 2015); 'Research Quality Framework (RQF)' for universities in Australia (Martin-Sardesai et al, 2017); 'UK National Health Service Trusts Star Ratings' in the health sector (Agrizzi, 2004; Mannion et al, 2005; Conrad and Uslu, 2012). The performance measurement system in the public sector can be used as a means of target-setting, ranking for

accountability purposes or to identify 'saints' and 'sinners' (Hood, 2007:95). In this study, the Wawasan Brunei 2035 Framework also serves as a measurement system with which to monitor and evaluate performance of the public sector organisations. It involves target-setting and gathering and collecting of performance information which needs to be reported to the Executive Council for evaluation and assessment.

To further realise the Wawasan Brunei 2035, the Ministry of Finance (MOF) mandated the implementation of the performance-programme budgeting (PPB) within the 'whole of nation' approach. The main aim is to foster performance orientation through linking elements of the government funding to the public sector organisations' performance (Al Athmay, 2008; Siddiquee, 2010; Siddiquee et al, 2017). The PPB attempts to integrate the national KPIs (at the Wawasan Brunei 2035 level) into the strategic plans of every ministry and its respective department. Every department within each ministry is required to establish clearly their respective missions and objectives and devise programmes or activities that could help achieve the stated objectives. Subsequently, the programme of the Ministries is linked to the achievement of the KPIs which then form the basis of evaluating the organisational performance as well as for allocating the national budget. As such, the Wawasan Brunei 2035 Framework seems to reflect language of control on public sector organisations. The use of budgets, targets and performance measures (Ferreira and Otley, 2009) to monitor whether the public sector organisations are moving towards the stated goals represent the 'cybernetic' form of control (Malmi and Brown, 2008:292)with the underlying objective of fostering change. Where the

organisations do not achieve the set targets, there will be impacts on the funding allocated.

Fundamentally, with such focus on performance measures and evaluation of the public sector performance, the Wawasan Brunei 2035 Framework is a manifestation of application of the NPM principles (Hood, 1991, 1995; Lapsley and Wright, 2004; Broadbent and Laughlin, 2013; Agyemang and Broadbent, 2015; Agrizzi et al, 2016), and, in essence, is an example of regulatory control systems (Chenhall et al, 2010; Broadbent and Laughlin, 2013; Agrizzi et al, 2016). According to Broadbent and Laughlin (2013) the regulatory control systems are external controls that may induce internal organisational changes.

7.3.2.1 Wawasan Brunei 2035: An External Disturbance and Transactional Management Control Systems

Laughlin (1991) noted that naturally organisations are inclined to inertia that this can become the norm. However, Laughlin (1991) did not ignore the conflict and disagreements that exist in organisations. He suggested that 'disturbances' or 'kick' coming from either external or internal environments can disturb the inertia, thus causing organisations to change (Laughlin, 1991:212). It has been argued that the changes and demands brought about by the principles underlying the NPM could also be considered as external disturbances for organisations (Gray et al, 1995; Agyemang and Ryan, 2013). At the MOH level, this study shows that the Wawasan Brunei 2035 shows characteristics that qualify it as an external disturbance that precipitates responses in the three organisational elements: interpretative schemes, design archetypes and sub-

systems (Laughlin, 1991; Broadbent and Laughlin, 2013) (this will be discussed further in a later section). The perceived transactional nature and development of the Wawasan Brunei 2035 is a substantive factor that renders it to be regarded as a 'disturbance' to the MOH.

There are two ways in which the Wawasan Brunei 2035 is perceived as a transactional steering mechanism by the organisational members. Firstly, whilst most studies showed that the legal requirement rendered external management control systems (MCSs) as mandatory (Agrizzi et al, 2016; Broadbent et al, 2010; Agyemang, 2009; Conrad and Uslu, 2012), the Wawasan Brunei 2035, as an external MCS, was viewed by the officers as a mandatory requirement mainly because it was announced by the Sultan and, therefore, needed to be adhered to. The MOH could not opt out. As has been explained, the Sultan's titah forms a significant part in influencing the Bruneians' way of thinking and doing things. The titah have long been accepted as a mandate that must be acted upon and thus become 'taken for granted' by Brunei people. The Sultan and his titah are viewed as the 'legitimate political regime' (Perez, 1991 cited in Sozen and Shaw, 2002) and, therefore, questioning and debating them publicly is considered to be inappropriate. This was evident from the interviews with the officers in chapter 6 whereby most of them did not mention or refer directly to the Sultan's titah because it is a 'taken for granted' thing. Nonetheless, they did mention indirectly the NPM ideas contained in the titah, for example, the 'whole of nation approach' and 'cost-saving'.

Secondly, the dominant concern of the Wawasan Brunei 2035, as perceived by the MOH officers was on the development of its standards. The interview with the officers at the Permanent Secretariat for Wawasan Brunei 2035 at the Prime Minister's Office suggests that the development of the national KPIs for health[16] involved meeting with various stakeholders. Whilst this corroborates with the interview conducted with one officer at the MOH who was responsible for the Head of Policy and Foresight, however, interviews with other officers in the MOH suggest that the selection of the national KPI for health was consulted with only certain people. Chapter 6 shows how the MOH officers felt lack of confidence in achieving the national KPI for the Ministry and this signals that its development was not entirely identified through consultative and discursive processes, despite the claim to the contrary. This approach to establishing the Wawasan Brunei 2035 standards suggests its main purpose is to control activities of the public sector organisations and, as such, signals characteristic of transactional steering mechanism (Broadbent and Laughlin, 2009; Broadbent et al, 2010; Broadbent and Laughlin, 2013). As Broadbent and Laughlin (2013:76) argued, in transactional approaches to control

> … performance indicators are generated by formal rationality, where measures come first and either assume or seek to define the implied values underlying the numbers.

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[16] Increasing life expectancy

Accordingly, the Wawasan Brunei 2035 is considered as a top-down oversight system which was externally imposed as the standards by which the MOH performance are expected to achieve and against which the organisation will be assessed were not relationally established.

In the existing literature, it has been widely recognised that the NPM reforms require discursive process between institutional actors for MCSs to have a significant transformational effect on an organisation. For example, Radnor and McGuire (2004) argued that for the performance management systems to be effective in achieving their stated goals within the public sector, there needs to be prior understanding of the inter-relationship between organisational facets (strategy, people, organisational design and performance systems). Otherwise, they contended that the performance management in the public sector is a 'fiction' (Radnor and McGuire, 2004:259).Conrad and Uslu (2012) have warned on the possibility of conflict, crisis and unintended consequences as a result of externally imposed MCSs based on a transactional rather than relational approach. There is an extensive body of literature which has criticised such a centralised and authoritarian approach to regulatory controls and has pointed out that when external MCSs are used in a top-down manner, there is likely to be a lack of commitment to the values promoted by the systems (Radnor and McGuire, 2004; Othman et al, 2006; Norhayati and Siti-Nabiha, 2009; Broadbent and Laughlin, 2009; Conrad and Uslu, 2012; Arnaboldi et al, 2015). Several officers at the MOH expressed their contention over the lack of consideration of the organisational factors and the lack of communication within the MOH and as well as between the MOH and MOF in setting the KPIs for

health. As a result, the chosen KPIs such as life expectancy, maternal mortality rates and childhood mortality rate were viewed as imposed, not appropriate and unfair by the organisational members within the MOH (see sections 6.8 and 6.9, chapter 6). Fundamentally, this lack of transparency and discursive communication had implications on the morale, motivation and ownership felt by organisational members over the required changes (Sozen and Shaw, 2002; Othman et al, 2006; Siddiquee, 2010; Arnaboldi et al, 2015). Invariably, this may result in possibly different and complex responses (this issue will be discussed in a later section).

Despite the transactional nature of the Wawasan Brunei 2035, the empirical findings show that the officers at the MOH were not critical of it. In fact, several officers mentioned that the MOH had been making efforts towards realising Wawasan Brunei 2035and were keen to show they are conforming to the Sultan's titah (see section 6.6, chapter 6). This finding is not surprising as the compliance and respect for hierarchical authority is a 'taken for granted' thing. Moreover, although the Wawasan Brunei 2035 is seemingly transactional in nature but because the titah is perceived as a strong mechanism having been enshrined by the MIB philosophy, the mechanism was not viewed as forced change but one that the officers used to legitimise the need for change. The officers had to follow the titah out of respect because it was a directive from the Sultan, thus it is accepted. This response is similar to that identified by Agrizzi et al (2016) in their study on hospital accreditation in Iran. Their study suggests that despite that the accreditation system was seen as employing transactional approaches, there was still conformance as the shared religious values were

viewed as strong. In this case, the MIB ideology is a very strong interpretive scheme as it influences all aspects of life that ensure conformity to the external controls.

7.3.3 The Influence of Melayu Islam Beraja

Bruneians' living and working ethos is grounded on the traditional values embedded in the MIB ideology. As has been explained in section 2.5.1.2of chapter 2, various efforts have been made to institutionalise the MIB within the country. It emphasises the need for compliance and respect for the Sultan and observing the Islamic principles. The MIB plays an important role in influencing and shaping the mindset and behaviour of government ministries towards obeying the Sultan and complying with his titah through the agreed values contained within the MIB. It plays a significant role in establishing and reasserting the power, hierarchical and legitimate relationship between the Sultan and society. According to Yuzyil (1996) cited in Sozen and Shaw (2002), within a traditional state framework, the society belongs to the state and the state is above the society because the state is sacred and holy. Consequently, the public sector management in Brunei is established and legitimised through the value system of the Sultan (Yapa, 2014).

The political system of Brunei is protected and strengthened through the MIB ideology. Through the ideology, the Sultan exercises supreme executive authority as the Head of State and maintains his power to 'rule by decree' (Roberts and Cook, 2016:101).It serves as a strong source of power of the Sultan in strengthening the monarchy system and governing the public sector

activities. Furthermore, the ideology underlies and dominates the government's development policies, direction and ethos (Duraman and Hashim, 1998; Yusof, 2015) and, thus, shapes the system of government and political culture of the country (Jamil, 2016; Yusof, 2015).

In the language of Broadbent and Laughlin (2013), the MIB can be regarded as the societal lifeworld that comprise the taken-for-granted assumptions that are important to Brunei society. In this study, the MIB values are examples of cultural beliefs and values (Laughlin, 1991:213) which regulate and influence all aspects of life and a source of motivation for complying with regulatory control system requirements.

The Islamic principles and beliefs within the MIB are also a very significant factor in influencing the compliance behaviour of the Brunei society. In discussing steering processes in the UK, Broadbent et al (2010) identified funding and regulations as significant mechanisms in explaining conformity to the regulatory controls. Whilst funding arrangements and regulations are generated by people's consensus, the Islamic principles are based on Allah's[17] rules whom as Muslims believe that 'the absolute and eternal owner of everything on earth and on the heaven, belongs to Allah, the Almighty …'(Abu-Tapanjeh, 2009:561).The Muslims derive their 'conceptions, values and standards, institutions, legislature and laws, orientation, ethics and morals from Allah alone' (Qutb, 1588 cited in Bjerke and Al-Meer, 1993:30).

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[17] God for Muslims.

Loyalty to the leaders is one of the Islamic principles promoted in Islam. In Islam, the Sultan as the 'Ulil Amri' (an Arabic term which means supreme leader of the government and the country) whom society in general shall respect and obey insofar as he is acting in accordance to Islamic principles (see section 2.5.1.2, chapter 2) and as such, the MIB is accepted by the MOH officers. Whilst most officers interviewed did not discuss this directly, there was only one officer at the Permanent Secretariat who mentioned that the Sultan is viewed as 'Ulil Amri' (see section5.3, chapter 5). This shows the significance of the Islamic principles in providing motivation for compliance. An empirical study by Agrizzi et al (2016) on accreditation systems in hospitals in Iran showed the significance of Islamic values in ensuring compliance to the regulatory control systems. Furthermore, the deep-seated respect for authority and paternalistic relationship (Low, 2008; Hamdan and Low, 2013) embedded within the Malay culture further reinforced the need to comply to the hierarchical authority.

Whilst the traditional values and culture of Brunei are similar to other Asian countries such as Malaysia, Singapore, Indonesia, Thailand and Turkey (Sozen and Shaw, 2002; Siti-Nabiha and Scapens, 2005; Low, 2008; Norhayati and Siti-Nabiha, 2009; Jurnali and Siti-Nabiha, 2015; Sutheewasinnon et al, 2015) in ensuring conformity, this study shows that the status of the Sultan as an individual also leads to conformance. The Sultan's ultimate authority in the country with positional and economic power plays a significant role in this context, explaining compliance to the external regulatory controls. This was evident in the interviews with most officers (see chapter 6) whereby they did not dwell on this because as a Bruneian the researcher should know. Therefore, it

was not discussed, as it is 'taken for granted'. As such, this represents a significant difference in the way the NPM is experienced in a monarchical context and those in other countries where the governments depend on the use of laws, regulations and funding to legitimise reforms and ensure compliance.

7.3.4 Summary: Implications of the Nature of Societal Steering in Brunei on Practice of Accountability

Discussion in this section has revealed various accountability mechanisms and expectations towards the public sector organisations emanating from the Sultan. Smith (1991) identified several accountability mechanisms that exist that in democratic developed and developing countries (see Table 2.3) in ensuring accountability are in place. The Wawasan Brunei 2035 and its related mechanisms represent the Internal/Formal (for example, requirements for planning and setting targets) and External/Formal (Governance for Wawasan 2035) mechanisms which exist in democratic polities. Whilst Smith (1991) noted that the External/Formal controls are related to institutions such as parliament, ombudsman and the Internal/Informal are associated with personal ethics and professionalism), this study, on the other hand, identifies the Sultan's titah and the state ideology of MIB as representing the External/Formal and Internal/Informal types of controls respectively.

Smith (1991) noted that whilst all governments will have the accountability mechanisms in place in dealing with managerial accountability of public sector organisations, other forms of accountability would emerge depending largely on the nature of the political processes with each country. This study shows that

whilst both the Internal/Formal, Internal/Informal and External/Formal (such as Governance for Wawasan 2035, Prime Minister's Office, Ministry of Finance) bureaucratic accountability mechanisms are being emphasised by the Sultan, the External/Informal (public comments, media scrutiny) instruments are less influential and to some extent curtailed. Citizens fear criticising the government and its policies, and the media is controlled with regard to any criticism of government.

Whilst there are advocates of centralised political systems arguing the benefits of the obedience and conformity to introduction of new approaches to public sector management (Walsh, 1995; Koike, 2013), such traditional values have been widely criticised as potentially impeding the balanced relationship between the state and society which is fundamentally required for successful implementation of public administrative reforms (Ozbudun, 1996; Sozen and Shaw, 2002). The paternalistic relationship and deep-seated respect for authority suppresses public demands for accountability upon government (Sozen and Shaw, 2002). As illustrated by this study (see chapter 6), the organisational changes within the MOH are largely driven by the traditional values respect for the higher authority that led to reservation and lack of open debate on the public sector issues. These traditional values seem to impact on the MCSs within the MOH, which will be discussed in the next section.

7.4 Managing and Achieving Change: The Impacts of Societal Lifeworld and Societal Steering on Accountability and Management Control Systems within the Ministry of Health

This section addresses the second research objective. The discussion concentrates on how the MOH managed the external regulatory controls emanating from the Sultan.

The managerialist reforms underlying the NPM have given increased attention on MCS as means of improving performance and accountability within the public sector (Lapsley and Wright, 2004; Broadbent, 2011). This is to be realised in modern and well managed ways through the use of the private sector management tools such as strategic planning, performance measures, target-setting, output results (Broadbent and Guthrie, 1992; Hood, 1991, 1995; Lapsley, 2008, 2009; Agyemang and Ryan, 2013). Consistent with the NPM, the Brunei government have introduced the Wawasan Brunei 2035 as an external management control system employing the use of targets and performance measures in planning, budgeting, monitoring and evaluating the performance of the public sector organisations.

In response to achieving the Wawasan Brunei 2035, the MOH undertook organisational restructuring in 2016 and implemented several MCS which entails change in the 'business as usual' mindset and ways of doing things within the Ministry. Using the words of Laughlin (1991), the restructuring in this case represents a significant design archetype of the MOH. The restructuring was needed to give balance between the interpretative schemes and sub-

systems. According to the officers at the MOH, historically, the concepts of working together and performance measurement and evaluation based on achieving KPIs and having to provide justification for requesting budget were not part of the way of allocating resources under the public sector ethos. The traditional budgeting process in the Brunei public sector was concerned over controlling expenditure (Al Athmay, 2008). However, the introduction of the PPB appears to provide a new interpretative scheme to the 'business as usual' way of the MOH have been conducting their activities. Invariably, the way the MOH is expected to bring about the intended results is being challenged through the requirement to implement the Wawasan Brunei 2035, which emphasised modernity and performance-based culture.

However, the existing traditional values are the most important issues that have emerged from the interviews which seem at odd with the modern values promoted by the Wawasan Brunei 2035. Gray (1989 cited in Hamdan and Low, 2013) highlighted the importance of examining the interactions between the reform and cultural values that would lead shared accounting values to have considerable influence on the effectiveness of MCSs. The literature has shown the potential tensions between the values of organisations and that of external regulatory organisations (Broadbent and Laughlin, 2013; Agyemang and Broadbent, 2015; Agrizzi et al, 2016). Whilst the impacts of the NPM in the literature have shown tensions between the societal (for example, market) and organisational (for example, health and educational) values (Llewellyn, 1998; Llewellyn and Northcott, 2005; Conrad and Uslu, 2012; Agyemang and Broadbent, 2015), this study shows that in a strong monarchy political system

such as Brunei, the regulatory controls developed by the Sultan contained the multifaceted amalgamation of traditional values, organisational values and modern values that underlies the NPM. Fundamentally, in achieving change in Brunei's public sector, the MOH are faced with the challenge of having to manage the tensions between the traditional, organisational and modern values which ultimately impact on the attempts of the MOH to achieve the required changes.

Broadbent and Laughlin (2013:87) argued that

> accounting controls as steering mechanisms emanate from the design archetype of societal steering institutions and seek to impact the design archetype of societal organisations …

As such, the organisational design archetypes play an important role in managing the environmental disturbances and aim to ensure the sub-systems reflect the organisation's interpretative schemes (Laughlin, 1991). The MCS is the management processes that ensure the values of the organisation are achieved (Laughlin, 1991; Malmi and Brown, 2008; Broadbent and Laughlin, 2009; Ferreira and Otley, 2009) and can be considered as organisational design archetypes which direct the organisational behaviour towards stated goals (Laughlin, 1991; Agyemang and Ryan, 2013; Broadbent and Laughlin, 2013). It has been argued that a study on MCS is an exercise in understanding change in organisations (Agyemang and Broadbent, 2015; Sardesai et al, 2017) therefore, substantiates the significance of studying the MCS in which they operate (Broadbent and Laughlin, 2009; Ferreira and Otley, 2009; Agrizziet al,

2016). Taking the same perspective, the next section analyses the nature of MCS implemented within the MOH in response to the societal steering and seeks to demonstrate the tensions between the multifaceted requirements of the societal steering media and that of the MOH.

7.4.1 Respect and Obedience to Hierarchical Authority

Analysis of the findings reveals that the MCSs were subjected to a 'cultural' form of control (Malmi and Brown, 2008). As shown in chapter 6, there were dominant views of obedience and respect to hierarchical authority and seeking compliance with the superiors which mainly led to compliance to the MCS. Brunei is known for its high-power relationship (Blunt, 1988 cited in Hamdan and Low, 2013). This indicates strong emphasis on hierarchy and, therefore, explicates weak relationships between superior and subordinates as the subordinates will have more tendency to listen to instructions from their superiors rather than proactively take up responsibility (Rahman, 2006).For instance, the implementation of the PPB was constantly referred to as a 'directive' from the MOF by the officers (see sections 6.6, 6.7 and 6.8 in chapter 6). This indicates the expectation to comply with the new control system and reflects the coercive and hierarchical relationship between the Ministry of Finance and MOH. However, regardless of the top-down perception of the PPB and that it was undertaken as part of their internal management process, the situation was that the officers felt they have no choice but to comply because it was a directive from the Ministry of Finance that has a very close link with the Sultan. The findings of this study are supported by the existing literature. Similar

to a study on impact of accounting changes in a government-linked company in Malaysia conducted by Norhayati and Siti-Nabiha (2009) found that the Malaysian culture and leadership styles contradicts with several NPM reform initiatives introduced. Othman et al (2006) also found that implementation of balanced scorecard in a Malaysian telecommunication company lacked the iterativeness due to the hierarchical culture. Therefore, the prevalent administrative attitudes which accept hierarchical culture and authoritarian style present a significant barrier towards implementing the NPM reforms.

Similarly, the restructuring was perceived as a 'top-down' decision by the MOH officers and was viewed negatively by the officers (see section6.4, chapter 6). However, despite their disagreements with the restructuring decision, some officers praised the Minister for the decision made and, in most cases, they were quite reserved and not critical during the interviews of the changes with exception of very few officers who were brave enough to voice their opinions. Essentially, these are manifestations of the obedience and respectful culture because fear of being blamed from answering the wrong things. The fact that most of the officers were not critical and seemingly accepting shows the significance of the titah as a steering mechanism and the culture of MIB in this context. The socio-culture in Brunei led to compliance with the Sultan's titah and instructions of the Minister as hierarchical authority because they were backed by the titah. It has been argued that in responding to any uncertainties of the external environment, individuals will develop coping mechanisms, such as unwillingness to share and express their views, because of fear of the uncertain repercussions (Hofstede, 1991 cited in Hamdan and Low, 2013).The actions of

the MOH officers suggest the characteristics of 'strong uncertainty avoidance' (Gray, 1988 cited in Hamdan and Low, 2013) and fear of 'loss of face' (Hofstede, 1991 cited in Hamdan and Low, 2013). Strong uncertainty avoidance is closely linked with conservatism due to concern with security and secrecy and a need to adopt a cautious approach to cope with the uncertainty of future events (Gray, 1988 cited in Hamdan and Low, 2013). This is similar to the findings of Low (2008), Hamdan and Low (2013) and Said (2013). For example, based on the study on feasibility of adopting an International Financial Reporting Standards (IFRS) in Brunei, Hamdan and Low (2013) argued that Bruneians have low individualism because they have a strong preference for clearly stated rules and regulations which should not be broken and are less inclined to speak up and pose opposite opinions. The tradition of formal and authoritarian relationship in this study also sided with Sozen and Shaw (2002), Norhayati and Siti-Nabiha (2009) and Koike (2013) that submissive and paternalistic tendencies are still prevalent in many Asian countries. Moreover, Koike (2013) contended that the influential factor for adopting the NPM reform in many Asian countries is the authoritarian bureaucracy.

Whilst adopting NPM reforms may lead to well managed and modern ways of operationalising the public sector, changing a culture is a challenging task (Hamdan and Low, 2013).Several officers expressed their concern on the difficulty they faced in trying to persuade their staff to accept the changes and a consequential outcome of this is impeding the introduction of the staff empowerment effort (see section6.4.3, chapter 6). The major influential factor for these values is socio-cultural. As Brune's public sector is based on coercive

power relationships and formal authority in influencing the subordinates, the resistance (this will be discussed further later) to such hierarchical influence is expected. Similarly, Sozen and Shaw (2002), who studied NPM implementation in Turkey, argued that the socio-cultural factors significantly influenced management practices in the country's public sector. This study, thus, highlights the significance of Brunei's socio-cultural factors which led to compliance to the MCS within the MOH despite the resentment expressed by the officers with regard to the control systems. This study also echoed Hamdan and Low (2013) and Yapa (2014), who argued that Brunei has a strong state ideology and culture and public sector ethos that impacted on the various reform efforts. Hamdan and Low (2013) argued that for Brunei to adopt the IFRS, there is an essential need for change in culture, law and policies, education, mindset and attitudes. The socio-cultural context appeared to be shaping and influencing the MCS. This concurs with the findings of Greve et al's (2017) study within Anglo-Saxon, Central European and Northern European countries that shows that the social-cultural and institutional contexts influenced the effectiveness of the MCSs.

Nevertheless, some authors (Ohemeng, 2011; Koike, 2013) advocate the use of such coercive influence to ensure compliance and obedience. Control of the organisational members is necessary as a result of the conflicts between societal, organisation and members' needs (Etzioni, 1964 cited in Sozen and Shaw, 2002). This study demonstrates a similar model of control adopted by the MOH. The perceived difficulty in changing existing traditional values has led the MOH to introduce other MCSs such as the accreditation as means to challenge

the prevalent traditional culture. However, even though there was compliance, the organisational members' perception of the accreditation is indifferent to the PPB as it was also viewed as imposed change. Despite acknowledging the beneficial consequences of adopting the accreditation, that is to improve quality of healthcare services, the fact that the officer responsible for overseeing the initiative saw it as a directive from the senior management (Minister and his senior management) manifests it as compulsory and, therefore, needed to be implemented. Whilst successful reform is unlikely to result from the use of only a single management control system(Simons, 1995),Radnor and McGuire (2004) warned on the tendency of organisations to implement new performance management systems as soon as challenges are apparent because of the potential tensions (as well as benefits) the systems can create.

Whilst NPM seeks to change and can have far-reaching impact on organisational values and cultures (Franco et al, 2002; Lapsley, 2009), this study is inconsistent with the literature that suggests that NPM reform can influence the behaviours of individuals and organisations. The reform initiatives in this study did not manage to diminish the existing values and norms shaping the mentality and behaviour of the individuals as the compliance and hierarchical culture, which is deeply embedded in the cultural setting and in the form of public administration of the country, seems to predominantly affect implementation of the MCSs within the MOH.

7.4.2 **Secrecy Prevails**

Whilst the NPM aims to improve performance through requirements for transparency, accountability, dialogue and trust, this study shows that secrecy culture prevails which impedes on the performance and accountability improvement. The introduction of the PPB has the potential of making the MOH officers become more accountable for the outcomes of programmes as they are now required to provide justification for achievement of the KPIs and resources used (Al Athmay, 2008; Siddiquee, 2010).Accordingly, this requires open discussions for feedback and feed-forward information which is one of the essential elements for performance improvement (Radnor and McGuire, 2004; Fryer et al, 2009; Arnaboldi et al, 2015). However, in this study, the essential element of transparency is missing and as a result, the perceived benefits of the PPB as an improvement tool are questionable. The fact that firstly, most officers were not critical of the changes; secondly, some requested interviews not to be recorded and to keep these discussions off the record when explaining about the Minister and the changes that happened within the Ministry; thirdly, they were reluctant to share internal documentation and; finally, the Finance department were unwilling to be interviewed on the account of 'confidentiality' are arguably manifestation of the fear of discussing about the government affairs(see section6.9 in chapter 6). Hofstede (1991 cited in Siddiquee, 2010) cautioned about the implementation of a performance-based system in a particularly high-power distance culture whereby the cultures of debating public affairs and open discussion is a sensitive issue (Othman et al, 2006; Low, 2008; Siddiquee, 2010; Hamdan and Low, 2013; Yapa, 2014). Thus, the

implementation of the PPB is likely to clash with Brunei's cultural norm, and as a result it may not be welcomed by organisational members, and thus renders it to be ineffective. The existing literature has widely recognised the dominant lack of transparency within the Brunei public sector (Cleary and Francis, 1994; Adhair, 2005; Tasie, 2009; Yapa, 1999, 2014; AlAthmay, 2008; Hamdan and Low, 2013; Haji Said, 2013; World Trade Organization, 2015) which renders the suitability of the implementation of the NPM ideas questionable.

Furthermore, the prevalent secrecy norm has been identified as one of the issues impacting on the international applicability of the NPM in developing countries(Cheung, 2002; Sozen and Shaw, 2002; Hughes and Teicher, 2004; Abdul Khalid, 2008; Samaratunge et al, 2008; Elias Sarker, 2006; Cheung et al, 2013; Brinkerhoff and Brinkerhoff, 2015). It has been argued that in developed and democratic countries, public pressures and expectations play a significant role in the successful implementation of public sector reform (Caiden, 1988 cited in Sozen and Shaw, 2002). Unlike its implementation in many developed democratic countries, whereby the civil society exert pressures on the government for better accountability through democratic and discursive processes, the Brunei government does not face such pressures from the public. Brunei is a monarchy country. The findings of this study concur with Yapa (2014), that fear of sensitivities of discussing Brunei government affairs have ensured that the majority of Bruneians are apathetic about public sector affairs. Similarly, Sozen and Shaw (2002) found that deep-seated respect for authority in Turkey's public sector compromised the demands for accountability upon government.

The lack of transparency from the top management was also argued by the MOH officers. For instance, the officers were unclear of the motive of the restructuring decision as reflected from their different views (section 6.4, chapter 6). Despite this, the predominant perception was that the aim is to ensure the departments within the Ministry 'work together' and 'not work in silos' to overcome the key issues of lack of financial discipline and accountability within the MOH. The main objective of the restructuring appears to show an attempt to put more emphasis on financial orientation as this was being emphasised by the Sultan. Thus, the lack of understanding of the reason for the restructuring seems to show that the initiative failed to facilitate the spirit of 'working together' and, instead, further reinforced the existing norm of 'working in silos'. Invariably, the lack of transparency shown by the top management resulted in a lack of commitment and trust among the officers which would negate the aim to cultivate a culture of trust and participation which are essential values promoted by the NPM (Sozen and Shaw, 2002; Abdul Khalid, 2008; Norhayati and Siti-Nabiha, 2009; Yapa, 2014). In fact, organisations need to address the scepticism by promoting an open discussion environment to gain the support and commitment of their subordinates (Wanous et al, 2000; Othman, et al, 2006).

7.4.3 Political rather than Technical Decision

The use of MCSs has been argued as having the potential to cause beneficial as well as dysfunctional effects in organisations. Nevertheless, the literature has shown that the impacts tend to be more on the negative rather than the positive

side(Smith, 1995; Van Thiel and Leeuw, 2002; Bevan and Hood, 2004, 2006; Bevan and Hood, 2007; Verbeeten, 2008a, 2008b; Fryer et al, 2009; Pollitt, 2013). The literature has shown how the healthcare setting has been subjected to various studies showing these implications (Millar and McKevitt, 2002; Mannion et al, 2005; Northcott and Llewellyn, 2003; Llewellyn and Northcott, 2005; Bevan and Hood, 2006; Hood, 2007, 2012; Conrad and Uslu, 2012; Agrizzi et al, 2016). This study also found evidence of the unwanted effects from the use of the MCSs in the MOH. Whilst there are mixed results on the impacts of the MCSs on organisations in developed countries, the studies conducted in Asian countries consistently found that the unintended and adverse effects of using MCSs on the implementing organisations mainly resulted from the issues of culture and leadership (Othman et al, 2006; Norhayati and Nabiha, 2009). Whilst the advocates of unified and hierarchal influence argued that the approach could lead to respect and obedience and, therefore, easier to introduce reform (Walsh, 1995; Koike, 2013), it may be deployed as a political tool. The obedience culture, in this study, appears to have led the implementation of the MCSs into a game.

7.4.3.1 Case in Point: The MOH Restructuring

The restructuring decision was viewed as a 'political' decision rather than a 'technical' decision (see section 6.4, chapter 6).There appears to be a perception among some of the officers (despite only three officers who were braved enough to discuss about the issue) that the MOH is suffering from this problem. They expressed their concern on the political motive of the Minister

that led to his commitment to the Wawasan Brunei 2035 and recognised the restructuring being subjected as a gaming tool that had certain rules designed to ensure they are seen to be complying and also to ensure the political survival of the Minister and senior management. Whilst Chang (2015) argued that the performance measurements established by political interests served as a major source of power deployed by political interests to strengthen their credibility and persuade the electorate, this study shows that the MCS is deployed by the political interests to gain credibility mainly in the eyes of the Sultan rather than the public.

The political motive is further evident from the appointment of the new 'functional leads'. The functional leads were appointed by the Minister and his senior management and arguably, the functional leads were chosen as part of ensuring that the Minister's ideas are accepted. This is manifested in the study whereby the setting of the KPIs at the Services level was subjected to intervention by the top-level management to ensure that the KPIs set are achievable (see section 6.8 of chapter 6).

Arguably, the Minister's role as the strategy champion for the Wawasan Brunei 2035 made him directly responsible and accountable for the performance results to the Sultan which may have put coercive pressures on the Minister to perform to maintain his existing power. Moreover, the Wawasan Brunei 2035 allows flexibility in terms of every ministry setting their own KPIs and the performance targets which may have won the Minister's commitment to it. Campanale and Cinquini (2015), whilst not referring to political motive of willing

acceptance of clinical top managers of the NPM values in the Italian National Health System, reported similar evidence whereby direct pressure exerted on the top-level clinical managers as a result of their high-level decisional power and direct accountability to government has led to their acceptance of the NPM values.

Furthermore, as the use of KPIs was seen as significant in evaluating the performance of the MOH, arguably the Minister selected those titah which were deemed significant to the Sultan (not based on the public interest) in an attempt to gain legitimacy in the eyes of the Sultan (for complying and achieving the requirement contained in the titah) and as one officer said 'performing in the eyes of other Ministers who actually have his KPIs'. Suchman (1995:574) defined legitimacy as

> … a generalised perception or assumption that the actions of an entity (i.e a hospital) are desirable, proper or appropriate within some socially constructed system of norms, values, belief …

The Sultan's titah on prudence on spending was being quoted by the MOH as the main motive of the restructuring and, thus, served as a way of the Minister to legitimise the cost-saving agenda within the MOH (see section 6.4, chapter 6). Although the titah spelt out the bottom line, it only addressed issues in general and the implementation of the NPM was left to individual Ministries to implement the reform. Amidst the economic austerity faced by the country, the issue of cost-saving has been one of the agendas frequently emphasised by the Sultan in his titah, that it became part of management processes (design

archetypes) of the MOH and therefore it is viewed as a significant measure of performance. The Minister putting too much emphasis on the Sultan's titah on cost-saving (despite various titah pertaining to health), arguably, signals dysfunctional behaviour in an attempt to achieve legitimacy, which was viewed by the MOH officers to be at the expense of realising the health outcomes. Broadbent and Laughlin (2013) suggested that legitimacy is ideally gained through compliance with the societal steering mechanisms that should reflect the societal lifeworld. As such, the extent to which the restructuring decision of the MOH reflected the societal interest in health is questionable.

7.4.3.2 Dysfunctional Effects of Compliance

Studies have underlined the dysfunctional effects generated by the MCSs that in an effort to comply with externally imposed MCS, managers may work the system and miss the point (Radnor and McGuire, 2004; Christopher and Hood, 2006; Bevan and Hood, 2006; Norhayati and Siti-Nabiha, 2009; Conrad and Uslu, 2012; Hood, 2012; Agrizzi et al, 2016). In a healthcare setting, Conrad and Uslu (2012) found that the use of star ratings as a performance measurement system in NHS Trusts in the UK hasled to unintended consequences, conflict and crisis. Similarly, Bevan and Hood(2006) reported that the use of targets in the NHS in the UK was subjected to gaming. Although there were dramatic improvements in reported performance, the extent to which these were genuine was questionable. In fact, Van Thiel and Leeuw(2002) argued that extensive use of the performance indicators can create a gaming situation in which agents strongly focus on the aspects of their work that are

important in the eyes of their superiors. This satisfying behaviour in an attempt to gain legitimacy, as in the current study, has also been reported by Norhayati and Siti-Nabiha (2009), that 'pleasing the boss' led to unfair use of the performance management systems in a government-linked company. The satisfying behaviour associated with the use of the performance management system can be regarded as a form of gaming. In this study, the rationales for such behaviour arguably occurred mainly because of the perceived importance placed on the Sultan's titah and the transactional nature of the Wawasan 2035 and its related MCS.

Essentially, this case shows the differences in the value system of the societal steering media and organisational systems which accord with Broadbent and Laughlin (2013). The intentions that flowed from the societal steering media may not be in line with the organisational level; the latter may not understand 'the imperatives behind them' (Broadbent et al, 2010:507). The gaming represents responses by an organisational system, in this case the MOH, in their attempt to respond to the societal steering. The gaming as evident in this study is not in line with the societal healthcare lifeworld. Thus, the perceived rationale for the gaming suggests the potential of the societal steering mechanisms as not effective in contributing to the MOH vision 'Towards a Healthy Nation'.

7.4.4 Imposed Management Control Systems and Repercussions on Organisational Values

In responding to the government demands, the MOH implemented the strategic planning and PPB underlying the 'whole of nation' approach in an attempt to empower its staff to be innovators and problem solvers, promote a culture of accountability and pride in their work as well as minimise bureaucracy (Ministry of Health's Website, 2016b). However, the officers did not express the same perceptions of this intention with regard to the implementation of the PPB, as the findings revealed (see section 6.8 and 6.8, chapter 6). Even though the officers were keen to show they were responding to the external demands to develop their strategic planning in line with the Wawasan 2035 and implement the PPB, the way it was operationalised was not taken for granted by the organisational members.

7.4.4.1 Implementing the Whole-of-Nation Approach

The officers expressed their concerns related to the setting of the KPIs that seems to impact on the internal management processes within the Ministry. The PPB which championed the idea of devolution of authority and accountability (Hood, 1991; Van Thiel and Leeuw,2002;Abdul Khalid, 2008; Siddiquee, 2010) was introduced in an administrative environment that has long been characterised by strong centralisation and hierarchical command. The setting of the internal KPIs within the MOH, as it turned out, was imposed rather than 'discussed' ones, as the empirical work revealed. Although there was some sort of consultation made with the organisational members at the organisational

services level (hospitals, health centres),the final decision on appropriate KPIs seemed to be made by the top management within the MOH (see section 6.8, chapter 6). In effect, this top-down approach meant that the understanding of the operationalisation of the PPB at the organisational level remains inadequate and thereby, risk running the management control system as merely a measurement rather than a management tool (Otley, 1999; Radnor and McGuire, 2004).Similarly, Othman et al (2006) found that the lack of emphasis on organisational participation in Malaysian culture on the implementation of balanced scorecard in a Malaysian company has resulted in lack of understanding of the imposed initiative.

It has been argued that an effective approach in developing the KPIs should involve public participation (Othman et al, 2006; Conrad and Uslu, 2012; Agrizzi et al, 2016). However, this study reveals that the approach employed by the MOH does not seek the public's views. The KPIs for the MOH were developed internally and subjected to some sort of influence from the Prime Minister's Office, Ministry of Finance and top management within the MOH. The selection of the national KPIs were established mainly by the Executive Council for the Wawasan Brunei 2035 and strategy champions (refer to chapter 5 and section 6.8, chapter 6). Furthermore, it has been argued that the focus on achieving the KPIs and their targets has led to much emphasis made on objective rather than subjective matters (Conrad and Uslu, 2012; Campanale et al, 2010; Campanale and Cinquini, 2015b). Consequently, the MOH may not be able to serve the public who are their main 'clients'. Therefore, this approach to control signals the transactional approach (Broadbent and Laughlin, 2013) which instigates

'something for something' and thus intensifies the focus on compliance and measurement rather than management (Otley, 1999; Radnor and McGuire, 2004; Agyemang and Broadbent, 2015; Agrizzi et al, 2016).

As has been explained in chapter 5, the mandate to adopt the 'whole-of-nation' approach requires all ministries to collaborate with each other which entails discursive process and information sharing. In fact, improved integration and coordination between all those departments and agencies which affect the health of the population is argued to be crucial to successful healthcare reforms (Braithwaite et al, 2016). However, the empirical finding shows there is a lack of integration between the MOH and other ministries with respect to the establishment of the national KPIs for health (see section 6.8, chapter 6). The officers viewed the KPI as unfair because they believed that the national KPIs is not the mere responsibility of the MOH but rather multi-sectoral factors. Moreover, the interview with one officer suggests that the concept of formulating the KPIs has not been fully understood by many ministries (the MOH were not surprised when it was introduced but other ministries were not ready). Whilst training has been provided on how to implement the PPB, there still seems to be disjointed planning within the MOH and between the MOH and other ministries. Invariably, this situation suggests a lack of effective execution of the 'whole-of-nation' policy. Nevertheless, despite the officers' contention over the choice of the national KPIs, the situation was that they have no choice but to accept.

7.4.4.2 **Problems Associated with the Centralised Management Approach**

Extensive literature has documented the problems associated with such a centralised and autocratic approach to implementing the MCSs. First, a lack of understanding by the MOF with regard to the MOH priorities was argued by the organisational members. Whilst the PPB was viewed as having beneficial effects on the Ministry, the officers, in particular medical officers, questioned the expertise of the Ministry of Finance (refer to section 6.8, chapter 6). There seems to be the view that the Ministry of Finance rolled out the PPB but did not have the expertise to undertake cost-benefit analysis and properly evaluate the appropriateness of the set KPIs. This signals what Randall (1998 cited in Othman et al, 2006:68) termed as 'organizational hypochondria' whereby it is a 'habit of simply jumping into adopting the management fad of the day without really assessing the needs of the organization'. As a result, the MOH felt that the Prime Minister's Office and MOF did not fully understand the situation the MOH were facing, yet insisted on using the imposed KPIs. In fact, Othman et al (2006) argued that development of the MCSs needs to reflect local circumstances by considering the nature of the organisations and organisational history. The use of the MCSs tools without implementing the proper processes (such as proper consultation with relevant stakeholders, understanding of the MCSs) associated with it is likely to limit the effectiveness of the control systems as improvement tools (Amaratunga et al, 2001; Othman et al, 2006). In effect, such a centralised approach was viewed by the officers, especially the medical officers, with scepticism and cynicism and resulted in the KPIs being viewed as 'not deliverable' and unrealistic because they did not reflect the organisational

situations. There was a sense of resentment as there was constant flow of instructions from the Ministry of Finance as well as the administrative people within the MOH and from the fact that they did not try to adapt and modify the targets according to the needs of the MOH. This concurs with Wanous et al (2000) and Othman et al (2006) that imposed MCS would lead to scepticism and not be perceived as meaningful among the organisational members. As argued by Conrad and Uslu (2012), the MCS need to get clinicians views to get them on board to achieve targets, otherwise the targets would not be perceived as meaningful.

The top-down approach raised the issue of credibility of the MOF in exercising their role in monitoring of performance. This disregard the literature which argued that managing for results requires effective monitoring and assessment of performance (Abdul Khalid, 2008;Abu Bakar et al, 2011; Siddiquee, 2010). This study echoed Siddiquee (2010), Abdul Khalid (2008) and Abu Bakar et al (2011) who found that one of the factors for less encouraging results for implementation of PPB and Modified Budgeting System (MBS) in the Malaysian government was due to a lack of evaluation and monitoring of performance undertaken by the Malaysian Treasury.

Second, it may lead to a disjointed decision-making process. There seems to be limited involvement of the functional leads, especially the medical officer, in the process of drawing up the budget as the matter of budget appeared to be under the purview and responsibility of the Finance department. Despite that there appears to be discussion between the CEOs and MS with regard to the budget

planning, the involvement of the MS was viewed to be very limited as the top management and CEOs will have the final say. De Harlez and Malagueño's (2015) study supported the positive impact on hospital performance in Belgium as a result of involving clinicians in the top-level management team and its interactive use facilitated the effective recognition of the MCSs within hospitals. Furthermore, although there was a consensus among the MOH officers that the PPB initiative was something beneficial, when the researcher sought their views on the aspect of planning and budgeting, it was apparent that most of the officers did not have a clear idea of what the PPB was about. In fact, one medical officer attempted to answer by referring to the official PPB-related documents out of fear of giving the wrong information (section 6.9, chapter 6).

Whilst the MCSs could serve as enabling managers and clinicians to jointly lead changes (Buick et al, 2015),the way the PPB is being implemented within the MOH is inconsistent with the intended purpose of the control systems as potential mechanisms for more effective and coordinated decision-making and evaluation (Lega and Vendramini, 2008). The lack of the officers' involvement and understanding of the PPB, as revealed in this study, appears to indicate potentially the PPB may not be used to facilitate integrated decision-making and communication. Additionally, this will ultimately affect the legitimacy of the 'whole-of-nation' approach in promoting coordination and collaboration within Ministries to realise the Wawasan Brunei 2035.

Third, imposed MCSs can lead the system, potentially, to be used as mere compliance rather than management tool (Otley, 1999; Radnor and McGuire,

2004; Fryer et al, 2008). Xavier (2014) cautioned the potential of the KPIs to be degraded into just another process of 'ticking the boxes' and it can be the case if the target-setting is divorced from the mission and goals of society. The MOH seems to be struggling to move from the traditional compliance with rules and procedures mindset (associated with the previous line-budgeting practices) towards performance-based and result orientation. Despite that the PPB manifests its superiority over the old practices of line budgeting, its implementation proved challenging (Xavier, 1996; Abdul Khalid, 2008;Siddiquee, 2010) as the old public administrative ethos was still dominant. This suggests the possible diagnostic use (Radnor and McGuire,2004;Xavier, 2014) of the PPB rather than as a tool for performance improvement and evaluation as manifested from the tendency to associate the initiative to the old budgeting practices. In fact, Xavier(1996) discussed the problems and implementation issues related to PPB in Malaysia whereby there was no integration between budgeting and planning functions, lack of emphasis on performance indicators and limited cascading down of authority.

Fundamentally, the NPM requires cultural change to facilitate implementation of new practice (Hood, 1991, 1995; Pollitt, 2002;Norhayati and Siti-Nabiha, 2009) which in turn requires change in the interpretative schemes of organisational members (Laughlin, 1991; Broadbent and Laughlin, 2013). However, this did not happen as this study demonstrated. Whilst this study found that the MOH faced similar problems associated with the implementation of the PPB elsewhere, the dominant compliance to titah culture is influencing the design and implementation the MCSs. Invariably, the prevailing social, political and

administrative culture in Brunei has remained highly centralised which refuted the idea of delegation, empowerment and performance evaluation as valued principles of the NPM.

7.4.5 The Impacts of Centralised Funding, Subsidised Healthcare and Limited Funding

The issue on funding is, nonetheless, the dominant and recurring theme discussed by the organisational members. According to Broadbent and Laughlin (2013), controls contained in societal steering mechanisms may impact on the internal management controls within an organisation. The empirical work shows that there are two ways in which the work of the MOHis influenced by the societal funding regulations. As a result of the reduced and limited funds, the MOH felt their resources were constrained and therefore, they struggle to meet their primary function of health for people upon which they are mainly accountable for.

7.4.5.1 Centralised Funding

The issue of the centralised funding system was argued by the officers. The MOF seems to maintain centralised control over the national budget. The officers saw the closer link of the MOF with the Sultan, the Sultan's titah and the financial rules and regulations as means by which the MOF steered their organisational activities. According to the relevant documents[18] shared with the

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[18] The documents were considered confidential but, nevertheless, they were shared by one officer.

researcher, the process of requesting the budget under the PPB was disciplined according to specified rules contained in the MOF circulars. The process required identification of programmes and related targets which need to be aligned to the specified themes determined by the MOF.

The MOH officers also felt that the budgeting activity was decoupled from the planning. Instead of using the PPB as a management tool for effective planning and resources allocation, the organisational members were compelled to base their decisions on programmes and KPIs on what was required and set by the MOF. This situation suggests the MOH is accountable to the MOF and that the MOH lacked financial autonomy as their activities need to be aligned with the government priorities. The implementation of the PPB appears to remain largely driven by the MOF with financial taking precedence over clinical considerations. Therefore, such practice is contrary to the spirit of the PPB which champions result orientation through decentralisation of authority, and improving and modernising the accountability. The MOH have no full control of the financial resources and therefore, this limits their flexibility in the use of resources. Although the implementation of the PPB in Brunei's public sector is still at its infancy, currently, it appears that the MOF maintains its centralised control and is reluctant to devolve financial authority and flexibility. With the implementation of the PPB, the MOF is given the extra role of monitoring performance of ministries whilst at the same time undertaking their usual role of controlling the national financial resources and monitoring the use of the funds. A similar finding was reported by Xavier (1996), that in Malaysia, the Treasury was unwilling to let go of its centralised control and was only willing to exercise

budget flexibility depending upon the Ministries demonstrated that they were responsible management.

At the same time, there was also requirement to identify the strategic programmes and performance targets that contribute to the achievement of the national KPI of the MOH[19]. The findings of this study showed that, among the medical managers, there remained underlying frustration that the budget allocation was linked to their performance in achieving the KPIs instead of on their ability to achieve improved health performance (refer to section 6.8, chapter 6). They saw this as constraining and affecting services delivery as the PPB made them operate in a 'lean and mean' way and compelled them to take efficiency principles in their decision-making. The centralised funding and control practised by the MOF, thus, has far-reaching impacts on the MOH's capacity and capability to meet its intended goal 'Towards a Healthy Nation'.

However, whilst funding is the significant steering mechanism in this study, as also identified by other studies (Broadbent and Laughlin, 2009; Broadbent et al, 2010), the main driver of change within the MOH seems to be the Sultan's titah. As a case in point, the MOH claimed that the decision to consolidate the health centres was to provide 'value-added' and excellent services to the public. Whilst there are some value-added services to the decision such as extended operating hours, in reality, the intention of the initiative was based on the principles of reducing duplication and wastages, saving money and provision of

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[19] Increase life expectancy.

basic and essential services, which are in line with the requirement of the Sultan to exercise prudence in public expenditures. The fact that they were prepared to go to this extent shows the significance of not only money but also the Sultan's titah as steering mechanisms (Broadbent and Laughlin, 2013).

7.4.5.2 Subsidised Healthcare and Limited Funding

This study illustrates that a high dependent on oil and gas revenues to finance development of a country and a highly subsidised system raised the issue of financial sustainability of healthcare in the long term. Whilst in other countries the government earns revenues from taxpayers and payments from various provision of services, in Brunei the citizens do not pay tax and most of the basic public services such as health and education are heavily subsidised by the government. As a result of such arrangements, there is inherent pressure on the MOH to improve performance within the budget constraint according to the priorities set by the Sultan, Prime Minister's Office (PMO) and MOF instead of based on the public needs. In suggesting to enhance the management of public sector organisations, Osborne and Gaebler (1992) advocated for the role of the government as 'steering rather than rowing' which means that its role needs to move beyond just spending towards revenue earning. Their argument was based on the USA political system which advocates the efficacy of the market and competition. Whilst in the Brunei context, at least currently, there is no pressure to move towards market systems, there is a strong pressure to improve the performance of the public sector using the private sector style of management.

The adoption of the NPM reform in Brunei, thus, requires a shift in the role of the Brunei public sector as suggested by Osborne and Gaebler (1992) which is being the main revenue earner towards more involvement of private sector organisations and also private sector management styles and practices. It has been argued that the NPM principles of the transfer of private sector principles into the public sector has brought about changes public sector management in developed and Western countries (Shaw, 1997 cited in Sozen and Shaw, 2000). On the contrary, in Brunei the transfer of private sector managers into the public sector is very limited. Whilst the move towards modernising the public sector in Brunei started as early as in the 1990s, a study by Yapa (1999) showed that the involvement of the accounting profession in Brunei was limited mainly due to the prevailing role of government and its bureaucratic machinery; thereby, the private sector is dependent on having a strong relationship with the government to survive. Similarly, Hamdan and Low's(2013) study sheds light on the existing influential role of the government that impact on the efforts to adopt International Financial Reporting Standards(IFRS) in Brunei. In such a situation, the feasibility of managing the Brunei public sector according to private sector techniques is questionable.

Whilst the NPM promotes flexibility innovation, empowerment and delegation of authority (Hood, 1991, 1995; Kennerly and Neely, 2002;Sozen and Shaw, 2002; Currie and Croft, 2016), the centralised funding of the MOF and its regulations is resented by the officers and perceived as bureaucratic processes impacting on the proactiveness and innovation of organisational members. A case in point is the officers' view on the $1 fee under 'Scheme of Charges'. They viewed the

existing 'Scheme of Charges' policy as contributing to the MOH inefficiencies, duplication of resources and increased wastages. Accordingly, this led the Ministry to look into the possibility of introducing an alternative financing model for healthcare such as privatisation and insurance payment, with the aim of resolving the inefficiencies issues faced. However, closer analysis of the empirical findings in this study indicates that despite the realisation of officers on the sustainability of the subsidised healthcare and their efforts to revise the system, there was a hint of scepticism as to the implementation of the proposed privatisation. Furthermore, it appears to be the case that the issue of introducing alternative health financing is viewed as being 'sensitive'. This remark arguably reflects the fear of discussing and debating government affairs. As the Sultan is the Head of the MOF, there is no public debate over the MOF affairs (Yapa, 1999), and debates over affairs and accountability of the government are viewed as 'too sensitive' (Yapa, 2014:11). Invariably, this further substantiates the argument of the possibility of socio-cultural factors impacting on the implementation of MCSs which may impede on the proactiveness and innovation of organisational members as required by the NPM.

7.4.6 Multiple and Confused Accountability

The government seems to favour the move towards consumer accountability which appeared to be accepted by all officers. Most of the officers referred to patients as 'clients', suggesting their recognition of the requirement for consumer accountability through providing a business-like attitude towards meeting their needs. In fact, 'clients first' is one of the core values (see Table

6.2) promoted by the MOH which reflect the organisational health values which needs to be considered by the organisational members. Interviews with the medical managers revealed that they remained passionate in their beliefs in prioritising the needs of their clients and that they were determined to keep them happy amidst the challenges faced by the Ministry.

In an effort to meet the consumer accountability, the Sultan directed the public sector organisations to employ targets and KPIs and placed greater emphasis on financial orientation. In fact, according to Agyemang and Ryan (2013) in an attempt to change the behaviour of the public sector organisations, governments made use of managerial accountability relationships that exist between public sector organisations and central government through the use of targets. As such, through the requirements to use KPIs, the government seems to be advocating the managerial accountability to meet the demand for consumer accountability.

According to Ferreira and Otley (2009), to assess the effectiveness of MCS there is a need to analyse the use and interpretation of the MCSs tools. Analysis of the empirical findings suggests that the government, through their steering mechanisms, were seen to be causing tensions in accountability among the organisational members within the MOH. The administrative and medical managers had different feelings concerning changes in the accountability demands. There was compliance by both administrative and medical managers but non-acceptance by the medical managers of the

managerial accountability which appears to require them to compromise on meeting the needs of their clients.

This tension between the administrative and medical managers was widely recognised in the literature and revealed tensions between organisational and market values that impact on internal management process within a healthcare setting (Broadbent et al, 1991; Llewellyn, 1994; 2001; Kurunmaki et al, 2003; Conrad and Uslu, 2012). This study concurs with these studies on the tension between the organisational and modern values as the medical managers attempt to carry out their clinical responsibilities. There are three ways the tensions were constituted by the societal steering.

First, one top administrative manager claimed that they were not caught by surprise when the 'whole-of-nation' policy required them to develop the KPIs system as the basis of performance evaluation. However, this was not the perception among the CEOs and medical managers at the organisational services level, as the findings revealed. For the medical managers, there were mixed feelings as to the use of KPIs. In an attempt to imbue the performance culture, training was provided by the MOF on using the PPB. However, despite being provided with the training, they still struggle in terms of finding the right KPIs. Even when the medical managers had decided on their organisational services KPIs, the MCSs were subjected to some intervention and influence from the top management which required them to align their KPIs to the national rather than local (Ministry and Organisational) priorities. Invariably, this situation

suggests that the PPB was perceived as a new culture that was enforced upon them that conflicted with the existing organisation culture within the MOH.

Despite the claim made by the administrative manager, the analysis showed that the medical managers seem to be not ready to take on the new culture underlying the PPB, but the situation was they felt compelled to comply because it was a directive, instruction and priority given by the MOF and top senior management within the MOH. There were requirements to work in modern and well managed ways but at the same time the traditional requirement of respect and obedience for hierarchical authority still prevails that compromised the priorities given to their clients. This level of compliance was perceived as the requirement for bureaucratic accountability relationship with hierarchical authority. In effect, the medical managers were caught in the middle between modern and traditional values as they attempted to undertake their clinical responsibilities.

Second, the top administrative managers seem to be advocating the policy on adopting cost conscious culture. But the top medical managers are concerned about the financial focus to managing health being emphasised by the government policies as it impacts on their ability to meet clients' needs. The goal of the PPB is mainly understood by the officers as a mechanism to develop KPIs. However, the established KPIs were more focused on financial rather than non-financial issues. Developing the non-financial KPIs is an aspect which was admitted by the medical managers as very difficult and it posed challenges. Their view is that focusing on the financial measures would have little impact on

the health outcomes. Nevertheless, they felt they could not opt out and were forced to conform. Accordingly, the economic rather than clinical decisions were being prioritised. The intention to move towards the PPB was supposedly designed to promote accountability culture for performance and result rather than traditional concern for expenditure control (Al Athmay, 2008). But this intention was not enshrined in the process as the performance was perceived in terms of meeting cost-efficiency and compliance to the measurable outcomes (Dubnick, 2005; Dubnick and Justice, 2006) rather than improved health outcomes for patients.

Third, the Sultan's titah on exercising prudence in public expenditure spending has led to the MOH devising a strategy that requires a change in the bureaucratic 'business as usual mindset' within the Ministry. This is to be achieved through introduction of lean management. The relentless pressure to do 'more with less' led to the widespread concept of value for money to maintain or improve the quality service delivery (Broadbent, 1991; Broadbent and Guthrie, 1998; Lapsley, 2009; Arnaboldi et al, 2013). Murden (2006) cited in Arnaboldi et al (2015) noted that government ministers have deployed lean thinking in their effort to reduce public sector wastages. Nevertheless, healthcare has been at the forefront in using the lean management as healthcare needs standard application of best practices to lower costs and improve quality (Arnaboldi et al, 2015).

The empirical findings in this study showed that despite that the officers acknowledged the requirement to adopt lean management, they were

concerned about the constant focus on the cost reduction that has been identified with the restructuring and introduction of the PPB. The officers appear to not understand the purpose of the PPB, resulting in seemingly reverting to old budgetary line practices that focus on meeting financial results and neglect the underlying values and principles of the performance-based culture intended by the PPB. Arguably, the lack of understanding of the PPB and lean management seems to indicate the failure of government to adequately evaluate the likely results of imposed MCSs.

Furthermore, the use of both MCSs (PPB and lean management) at the same time seems to have different principles and yields incompatible outcomes. Whilst the PPB attempts to promote result-based management and performance-based culture, the adoption of the lean management means constant focus is on cost reduction, which contradicts the spirit of the PPB. Kinder and Burgoyne(2013) noted that the use of lean management in the NHS in the UK has been faced with high failure rates. Indeed, it has been argued that the lean approach would not yield overall improvement without considering the service-dominant model to guide its adoption and design (Radnor et al, 2012; Osborne et al, 2013; Radnor and Osborne, 2013). The MOH is required to achieve both high quality of their services and cost-effectiveness but analysis of the findings revealed that the balance could not be achieved. Rather tensions ensued between meeting targets of cost-efficiency (financial compliance) and the achievement of provision of high quality of services for patients. This is consistent with Al Athmay's (2008) study which revealed that despite

performance auditing as envisaged in the legislation, the main thrust of auditing is still on financial and rules compliance.

7.4.7 The Tensions between Cultural and Organisational Values

Another tension also emerged from the empirical work. Within the clinical community there seems to be different reactions to the 'whole-of-nation' approach which suggests differences in the interpretative schemes within the clinical community. In fact, Broadbent (1992) argued that fragmentation in the lifeworld is possible, as also shown in this study. Whilst the top medical managers were sceptical of the MCS principles, at the same time it seems that they also accepted the financial values. This was different from the viewpoint of the middle medical managers who resented decisions based on managerialist values. There was a sense of determination by the middle medical managers that they would not let the financial aspects overwhelm their clinical priorities. Similar evidence is reflected in the literature by Broadbent (1992), Conrad and Uslu (2012), and Campanale and Cinquini (2015) whereby within a group of clinicians there were different perceptions and reactions to the values promoted by the performance management tools. Similarly, although not in a healthcare setting, Agyemang and Broadbent (2015) found a dilemma faced by academic managers in responding to managerialist reform in a Higher Education Institution.

Based on the findings in this study, arguably, the dual roles played by the medical managers is the main reason for their contradicting perceptions. Despite that the top medical managers were supposed to work hand in hand

with the CEOs, the perception of the top medical managers was that they actually did not have any independence and choice when making decisions. The top medical managers' involvement in planning and budget setting was actually limited which reflects their lack of power. The CEOs were given the final say in deciding whether to approve or not any decisions, including clinical ones. Nevertheless, the top medical managers were made directly responsible and accountable not only for clinical but also economic decisions. Consequently, giving attention to cost and efficiency is important for the sustainability of the Brunei healthcare system, regardless that this is against the medical managers' clinical values. This points to the importance of associated roles and responsibilities of the organisational members. The top medical managers hold dual roles of managerial and clinical responsibilities and thus, were caught in the middle of two worlds, the Ministry and the organisational services which, to them, held different values. Whereas the middle medical managers mainly resided at the services level and, thus, were responsible for operational tasks, in which the clinical culture prevails.

The fragmentation was also evident within the administrative community between the top and middle managers. This is significant because it is widely recognised that administrative managers would generally accept the values of achieving efficiency and cost-saving. However, in this empirical setting, it seems that the middle administrative managers hold the same viewpoint as the middle medical managers. They understood the need to control costs, but they felt that the government and the Minister put too much emphasis on achieving these objectives. The findings showed that the differences in values held between the

top and middle managers are mainly due to the close and direct monitoring of the top managers' performance by the Minister and his senior management.

In a case in point, under the PPB, the top-level managers were made to become programme leaders and, therefore, directly responsible for their respective programme results. In effect, this creates a situation in which the top-level managers have to comply and, thereby, exert a pressure on them to perform according to the national rather than local priorities. Similar evidence is reflected in the literature emphasising the important role of the top-level management in supporting the values promoted by the MCSs tools and improving performance of healthcare organisations (Ballantine et al, 1998; Modell, 2001; De Harlez and Malagueño, 2015; Campanale and Cinquini, 2015).However, closer analysis showed that despite resentment from the middle-level administrative and medical managers, they complied with the government requirements. This is disquieting particularly with regard to the medical managers. In contrast to their administrative counterparts, they are very close to the point of delivery of services and have the role of making the people at the organisational services level aware of and accountable to organisational values.

Analysis of the findings showed that the commonality in the responses of the top and middle managers was due to their shared values, the MIB. Shared values enable control to be achieved in non-obstructive ways (Agyemang and Broadbent, 2015). The prevailing view was that the top medical managers felt the Ministers, MOF and PMO requirements as directives indirectly from the

Sultan which must be implemented. Dominant compliance and respect for hierarchical authority, as shown in this finding, may create distortions of what is considered a good healthcare organisation.

From the theoretical perspective of Broadbent and Laughlin (2013), they suggested that whilst societal steering media seek to guide organisations in particular ways, the former's ability to steer depends on the interpretative schemes of the latter and the steering mechanisms of the former. There was difference in the way the top and middle managers responded to the societal requirement for managerialist approaches despite recognising the transactional nature of the steering mechanisms of the government. Arguably, this reflected their respective interpretative schemes. At the middle-level management (administrative and medical) there was scepticism to the managerialist principles which suggests possible resistance. However, the extent to which there is full resistance is not possible in this setting because of the prevailing traditions embedded in the cultural setting of the country. Thus, whilst the middle managers arguably portray stronger organisational values than the top-level managers, because of the stronger shared values, both top and middle managers seem to conform to the societal demands. The empirical analysis of this study showed that in responding to the societal steering, the organisations have to balance the bureaucratic and managerial accountability demands from the government whilst managing their own organisational values. Conforming to the Sultan's titah and management instructions are influencing the management control within the MOH. This study shows the significance of culture as impacting on interpretative schemes of the organisational members. The culture

of obedience to hierarchical authority is very dominant that it impacts on the commitment to espoused organisational values. As argued by Al Athmay (2008:808):

> as with all management reforms, the possibility of change depends on the thinking and practice of the participants. … which is more significant in any context depends on the understanding and commitment of the people involved.

7.4.8 Summary: Implications on Practice of Accountability within the Ministry of Health

Sinclair's (2005) study identified five forms of accountability relationships which are political, public, professional, managerial and personal in the context of Western democratic political systems. This study found that in a monarchic political system, whilst the MOH officers also felt accountable towards the public, their professional sphere and their managerial performance, their main thrust for accountability is on compliance to hierarchy and rules and regulations which is akin to bureaucratic accountability. Despite the various accountability relationships acknowledged and felt by the MOH officers in their attempt to demonstrate their managerial accountability, the emphasis for maintaining accountability in this setting seems to rest largely in compliance to hierarchy and regulations (Internal/Formal), Sultan's titah (External/Formal), the state ideology, MIB (Internal/Forma)l and to a much lesser extent, on the public (External/Informal controls)as identified by Smith (1991) (see Table 2.3).

Whilst extant literature on healthcare in a Western context has revealed that the organisational members, in particular the clinicians, have to deal with tensions between public, professional and managerial accountability, in a monarchical context such as in Brunei, the empirical analysis of this study shows that the medical managers are caught in a complex web of public, professional, managerial and bureaucratic accountability relationships. However, the main accountability thrust of the MOH officers is more on satisfying the bureaucratic accountability relationship with superiors. Aside from the culture of Brunei, the state ideology of MIB emphasises the need to comply with and respect hierarchical authority and therefore, as the findings of the study show, the MOH officers were keen in demonstrating that they are seen to be complying with the Sultan and higher authorities' demands. Furthermore, the absence of democratic process through which the public can exercise their rights to express their views with regard to government (they are able to lodge their complaints on public services via Management of Services Department, under the Prime Minister's Office and the local newspapers; however, these mechanisms are viewed as less influential and tightly controlled), has led to fear of sensitivities of discussing the Brunei government affairs (Yapa, 2014).Therefore, where bureaucratic and hierarchical accountability is privileged, the story of performance tends to be the one that is concerned with satisfying the superiors and delivering the 'political rather than technical' agenda.

7.5 Analysis of Organisational Responses

This chapter has discussed the nature of the societal steering mechanisms which the main societal steering medium employed in an attempt to influence the behaviour of the MOH. It then examined how the MOH is impacted upon by the societal mechanisms and also probed the intra-organisational mechanisms by which steering is advanced at the organisational level. To conclude the chapter, this section provides analysis of the MOH responses to the societal steering controls.

The empirical evidences of this study have shown that the cultural factors, Sultan's titah and the ensued directives and established structures as manifested in Wawasan 2035 have triggered internal change within the MOH. These changes have been triggered by perceived weak performance of the public sector. Theoretically, the Sultan's titah and WawasanBrunei 2035 have been analysed as examples of environmental disturbances for the MOH. Empirically, these disturbances have been conceptualised as requirements for improved performance and accountability and were mainly driven by an economic motive. These external disturbances, in turn, precipitate responses in the design archetypes, sub-systems and interpretative schemes of the organisation. Thus, by examining these three elements, the extent to which changes made within the MOH and the effectiveness of the societal steering mechanisms can be assessed.

7.5.1 **Reorientation**

The empirical analysis of this study suggests that there are both resistance and compliance. The titah, as the main societal steering mechanism, causes environmental disturbance to the way the MOH have to think about their management processes. The titah forced the MOH to accept and obey the NPM requirements contained in it because the titah is perceived as the directive and command which cannot be questioned. Accordingly, the MOH changed their design archetypes to respond to societal steering (Laughlin, 1991) which are reflected in the restructuring, implementation of the PPB, use of the KPIs, and also subsequent change in the sub-systems in the form of appointments of CEOs and MS within services organisations to head respective hospitals and health centres to further diffuse the requirements at organisational level.

However, despite the shift in the design archetypes and sub-systems to accommodate the NPM values, the empirical findings showed that the interpretative schemes of the MOH in terms of their organisational and public sector values (in terms of complacency in existing mindset and practices) seemed to be unchanged. Whilst the NPM seeks to promote change in the public sector towards the private sector management ethos, the traditional ideologies are 'stronger' that deem the interpretative schemes 'resistant to fundamental ideological shifts' (Laughlin, 1991:222). The empirical analysis showed that the MOH appears to resist the NPM value of exercising prudence as it was perceived as not in line with primarily their organisational values (health), and, also, the public sector way of thinking and doing things. For

instance, the Minister made some changes by maintaining, appointing new and dismissing previous key people in the new organisational structure, in an attempt to gain control and acceptance of the changes. The main thing he emphasised was the significance of exercising prudence in spending and the importance of organisational members to change their 'business as usual' mindset to enable them to accept some changes. Cost cutting strategy as manifested in the strategic priorities also became part of the new design archetypes. However, these were resented by some officers as they are against their organisational values. Table 7.1 provides a summary of the changes involved.

Table 7.1 Changes in the Ministry of Health's Interpretative Schemes, Design Archetypes and Sub-Systems

Interpretative schemes	- Public sector - Health - MIB (Cultural and Islamic)
Design Archetypes	- Changed organisational structure - Implement new budgeting system which involves strategic planning and development of KPIs in accordance with national priorities
Sub-Systems	- Appointment of CEOs and MS

Invariably, these responses are suggestive of reorientation which is a form of resistance to regulatory controls (Laughlin, 1991; Broadbent and Laughlin, 2013). Reorientation involves 'first order' change whereby the organisational members accept the change and accommodate it superficially into internal workings of organisations in a way that will not impact on the organisational interpretative schemes (Laughlin, 1991).This occurs because the disturbances cannot be fully rebutted and therefore, in such situations the 'next best thing is to internalise the problem' (Laughlin, 1991:218) by some form of permanent

changes in the design archetypes (Broadbent and Laughlin, 2013; Laughlin, 1991).

7.5.2 **Colonisation**

However, closer analysis of the empirical findings showed that there was internalisation and acceptance of the NPM values (despite that the officers seemingly resented and resisted it), reflected not only in the design archetypes and sub-systems but also in the 'real heart of the organisation' (Laughlin, 1991:218) – the interpretative schemes of the MOH which is suggestive of a colonisation response (Laughlin, 1991; Broadbent and Laughlin, 2013). Colonisation response is a 'second order' type change that involves transformation in both tangible and intangible elements within an organisation which is highly possible in response to an imposed change (Broadbent and Laughlin, 2013; Laughlin, 1991). In the light of the current study's evidence, next section will provide insights into the argument provided by Broadbent and Laughlin's (2013) model on the colonisation pathway.

The societal steering has created tensions between the need for the MOH to preserve traditional, their organisational and modern (NPM) values. The study found that despite the officers' resentment of the required changes (due to the fact that those changes were not in line with their organisational health and public sector ethos), the dominant response of the officers was acceptance and compliance to the societal steering demands. The directives to implement the MCSs underlying the Wawasan Brunei 2035 have forced the Minister and MOH officers to focus on meeting narrow organisational objectives. For example, the

Minister putting too much emphasis on the Sultan's titah on cost-saving (despite various titah pertaining to health), arguably, signals dysfunctional behaviour in an attempt to achieve legitimacy which was viewed by the MOH officers to be at the expense of realising the health outcomes. There is considerable evidence of issues about dysfunctional and unintended consequences from the implementation of MCS in the healthcare setting (Millar and McKevitt, 2000; Broadbent et al, 2001; Modell, 2001; Agrizzi, 2004; Radnor and McGuire, 2004; Llewellyn and Northcott, 2005; Conrad and Uslu, 2012; Agrizzi et al, 2016). For example, Conrad and Uslu (2012:247)found that gaming of targets by the managers as they focused on 'meeting targets and miss the point'. Whilst gaming in the literature is defined as deliberately underachieving in order to obtain a lower target in the future (see Table 2.5), this study also shows the implementation of MCSs have been subjected to some kind of gaming by the Minister, not to the extent of deliberately underachieving but in terms of complying to ensure the political survival of the Minister and senior management. Whilst this finding is similar to Chang(2015) who argued that the performance measurements established by political interests served as a major source of power deployed by political interests to strengthen their credibility and persuade the electorate, this study shows that the MCSs are being deployed by the political interests to gain credibility mainly in the eyes of the Sultan rather than the public. The responses of the MOH officers reveal similar dysfunctional behaviours such as tunnel vision, sub-optimisation and myopia (see Table 2.5) as identified in the literature (Smith 1995; Van Thiel and Leeuw, 2002; Bevan and Hood, 2004, 2006; Fryer et al, 2009; Pollitt, 2013) as a result of the

centrally determined top-down MCSs and multifaceted expectations of various stakeholders.

The empirical evidence of this study showed similar conceptualisation of colonisation as suggested by Laughlin (1991) and Broadbent and Laughlin (2013) whereby the imposed design archetypes invade and change (through coercion) the interpretative schemes of the MOH. However, the shift in the interpretative schemes was not exclusively affected and caused by the change in the design archetypes as suggested by Broadbent and Laughlin (2013). Unlike colonisation envisaged by Laughlin (1991), the pathway of colonisation highlighted by this study was mainly derived from the societal steering mechanism of titah. Although the MOH seemingly rejected the NPM values because they challenged their organisational values of public sector and health (as illustrated in the reorientation response earlier), the titah created strong environmental disturbance which required the MOH to adopt NPM values in the form of Wawasan Brunei 2035. The force of the titah has led to imposed change in the design archetypes and subsequent changes in the sub-systems as well as the interpretative schemes of the MOH. Figure 7.1 depicts the colonisation response of the MOH.

Figure 7.1 The MOH: The Colonisation Track of Change

Track 1   Track 2

Keys:
⟺   Balanced relationship
⟶   Pressure to change (by disturbances)
Design archetypes 2   Refer to Table 7.1
Sub-systems 2   Refer to Table 7.1
Disturbances   Titah/Wawasan 2035
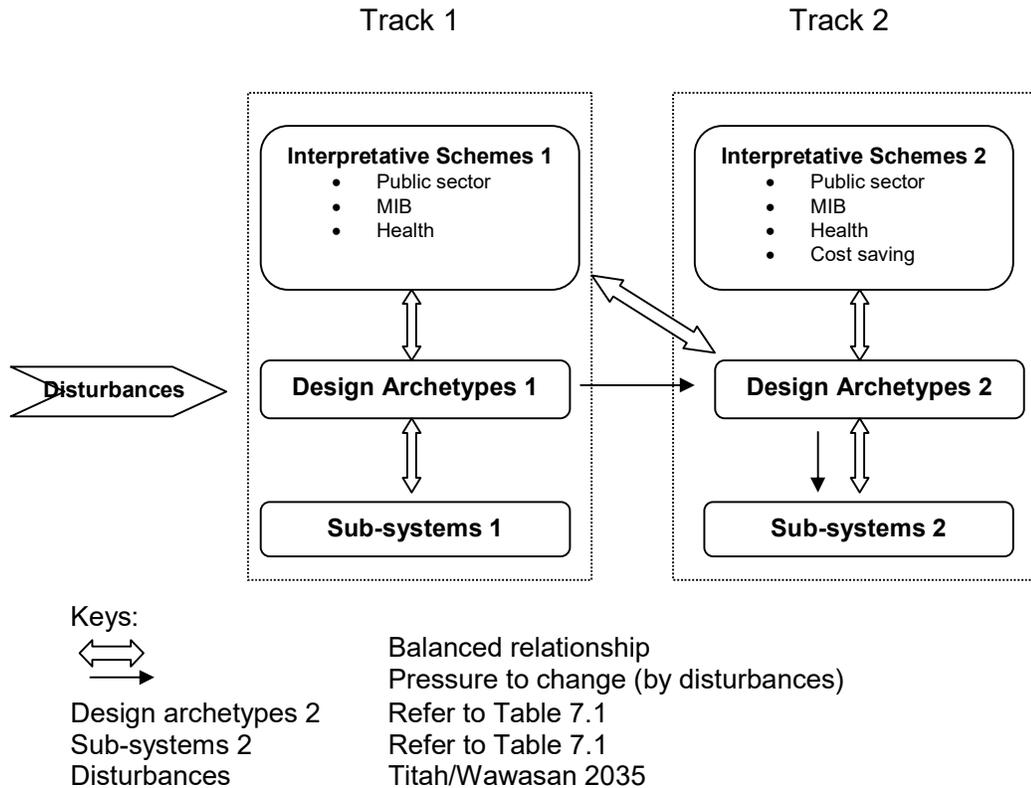
Invariably, whilst Broadbent and Laughlin (2013) envisaged that the reorientation and colonisation pathways are clearly defined, this study, on the other hand, highlights the dichotomy between the two is not very clear. Next section will discuss the factors that contribute to this phenomenon.

7.5.2.1 **The Significance of Interpretative Schemes: Cultural and Organisational Values**

Fundamentally, this empirical case alludes to the significance of the interpretative schemes in Broadbent and Laughlin's (2013) framework in influencing the MCSs and its use. Laughlin (1991:212–213) discussed the different levels of abstraction with respect to the interpretative schemes which

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can influence the organisational responses which range from culture, beliefs, values and norms of the society (highest level), organisational mission to paradigm (lowest level). However, he has not developed further the implications of these different interpretative schemes. Nevertheless, he acknowledged the complexities in relation to the real practices.

The evidence from this study showed that there are different levels of interpretative schemes in play as envisaged by Laughlin (1991) that render the organisational responses to be complex. Figure 7.2shows these different levels of interpretative schemes of the MOH. There are two ways in which these impact on organisational responses.

Figure 7.2 Interpretative Schemes of the MOH

Level 1
MIB (Islamic beliefs, Cultural values)

Level 2
Public sector, Health and NPM
(Mission/Purpose)

Level 3: Metarules
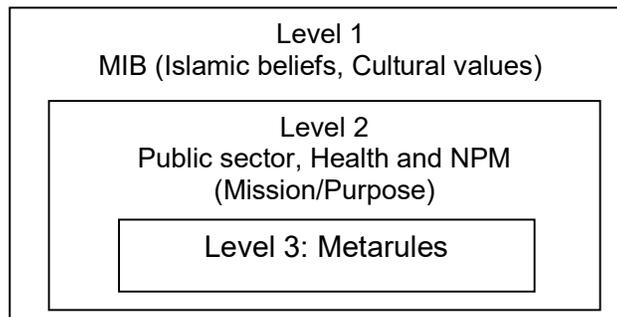
Firstly, the reorientation response in this study suggests that the organisational interpretative schemes (level 2: health and public sector) remained unaffected mainly due to the NPM values failing to challenge these organisational values. Whilst the traditional public sector and organisational values remained unchanged, at the same time, there seemed to be a shift in the level 2 interpretative schemes making them more financial and performance-oriented (reflecting the NPM values) (refer to Figure 7.1 and 7.2). This case points to the

difference in the colonisation described by Laughlin (1991). This study did not result in total colonisation in the interpretative schemes throughout the MOH as some interpretative schemes were unaffected. Furthermore, as will be discussed in the next section, colonisation did not result in change of the middle managers within the MOH. Thus, this is suggestive of occurrences of reorientation and colonisation at the same time.

Secondly, whilst this study echoed other studies with regard to recognising the significance of finance and the intended benefits of the MCSs (such as Norhayati and Nabiha, 2009; Agyemang, 2009; Agyemang and Broadbent, 2015; Agrizzi et al, 2016), they were not the main factor for the compliance with the MCS. Instead, the culture of respect for the Sultan, hierarchical authority, seeking authority's approval, fear of being blamed and losing face predominantly influencing the organisational members' compliance to the control systems. This compliance culture is mainly grounded in the MIB philosophy of Brunei which appeared to contribute, to a large extent, to the resultant responses among the members. The MIB is regarded as the highest level of interpretative scheme (level 1) (see Figure 7.2) because it consists of beliefs, values and norms (Laughlin, 1991) that would influence organisational response to regulatory controls deriving from the Sultan. They are 'taken for granted' values and are shared by the societal steering media and organisations. The officers did not conceive the philosophy as undesirable and thereby, the existing norm of respect for traditions and monarchy led to obedience of imposed external change.

The MIB is 'taken for granted' and influences all aspects of life for the Bruneians. Most of the officers did not mention the Sultan's titah during the interviews as it is a 'taken for granted' thing. It is taken for granted that the Sultan's titah is a command that should be acted upon by all public sector organisations. In effect, the organisational culture within the MOH relies on obedience to formal authority and, thereby, seems to highly influence the organisational members' acceptance of the new design archetypes. The new design archetypes wereadopted despite the absence of discursive processes. Furthermore, despite the lack of consultation, most of the officers were not critical of the changes. This suggests that, in Brunei, change is achieved using cultural control (Malmi and Brown, 2008) of traditional values. Change should happen because there is high level of compliance expectation. The hierarchical and obedience cultures are the main factors that put coercive pressure on the MOH, thereby forcing the design archetypes and interpretative schemes of the MOH to change (Laughlin, 1991; Broadbent and Laughlin, 2013).

Whilst Laughlin (1991) suggested that the interpretative schemes can be clearly divided into level 1 and 2, this empirical case highlights that in a context where monarchical influence is strong and the governmental system is centralised, the dichotomy of the societal and organisational values, beliefs and norms is not sharply divided as may be the case in other settings. The MIB values are influencing the organisational mission and purpose which adds to the complexity of societal steering and how the MOH responded to these steering controls.

Ferreira and Otley (2009) questioned whether changes in the MCSs occur in a proactive or reactive manner in response to environmental changes. This study found that the environmental disturbances led to reactive changes in the design archetypes of the MOH. As the findings indicated, there was compliance to the PPB as it was a directive from the MOF that has a very close link with the Sultan and also because of the positional and economic powers conferred by the Sultan to these steering media. The respect for traditional values and increasing pressure on their financial resources remained prominent rationales for the changes in the internal management processes to ensure continued organisational activities. This is similar to the study conducted by Yapa (2014) on public governance practice in Brunei whereby he suggested that the public sector governance in Brunei is fragmented from the intended international 'good governance' practice due to the absolute power of the Sultan. The compliance culture has led to a reactive rather than proactive mindset and attitude which is envisaged by NPM.

7.5.2.2 Other Rationales for Compliance

In considering the rationales for colonisation, other key factors contributing to the compliance identified in the study include the compulsory and transactional nature of the titah and Wawasan Brunei 2035, the financial impetus, the role of the Minister of Health as strategy champion and the types of tasks performed.

Firstly, as discussed earlier in this chapter, the titah and Wawasan Brunei 2035 were viewed as constitutive in nature and this led to compliance to the societal steering demands. The strength of the disturbances created by the mechanisms

emanating from the main societal steering medium (the Sultan) is perceived as so strong that the MOH is unable to absorb the changes and manage the tensions. A majority of the officers did not perceive that they could and should challenge the requirements of the Sultan, Executive Council, MOF and the Minister of Health, who were considered as powerful interests leading the discussion and debate on change. They have positional, economic and legal powers, therefore the MOH have no choice but to respond to the societal steering mechanisms by accepting the change and, subsequently, changing their design archetypes. Furthermore, the heavy reliance on government funding renders a relative lack of power of the MOH.

Secondly, the Wawasan Brunei 2035 and the development of the standards are premised on the transactional approach of 'something for something' (Broadbent and Laughlin, 2013). The officers understood the Wawasan Brunei 2035 as the primary means of evaluating the performance of the Ministry and upon which their legitimacy as well as financial resources are based on. Failure to achieve the stated targets could lead to reduction in allocated budgets and thus, the MOH was compelled to conform. For example, the attempt by the MOF and the top management within the MOH to influence the setting of KPIs at the organisational services level, is arguably manifestation of attempts to meet the demands to achieve the Wawasan Brunei 2035 goals in order to gain the financial resources. Here the significance of the finance as a steering mechanism (Broadbent and Laughlin, 2009; Broadbent et al, 2010; Broadbent, 2011) is demonstrated given the budget constraints they are facing and on which their performance is based on.

The use of targets as monitoring mechanisms increased the power of the societal steering over the MOH. There were different views as to the effectiveness of the KPIs as the basis of performance measurement. Some views tended to side on the positive effects associated with it. As the idea of evaluating performance, based on achieving KPIs, traditionally was not part of the interpretative schemes under the public administrative culture in Brunei, the officers were of the view that the use of KPIs could lead to more efficient and effective use of resources and thereby, this led to them adopting and accepting it. However, many officers also perceived negative effects on the organisation and individuals from the requirement to use the KPIs. They resented the tendency towards prioritising the short term and financial KPIs, as a result of the changes in how their performance is being measured and its link to the national budget.

Thirdly, in considering the colonisation of the interpretative schemes, the role of the Minister of Health and medical managers are significant. In the existing literature, the clinicians have been recognised as powerful and influential in creating 'occupation imperialism' (Laughlin, 1994:122). Whilst Broadbent's (1992) study demonstrated resistance attempts by clinicians to unwanted changes in General Medical Practices in the UK which showed their powerful influence and, therefore, reflected their strong interpretative schemes, the study of Yapa (1999) on accounting professionals in Brunei showed that they lack control and autonomy. This study showed similar weak influence on the part of the clinicians in Brunei. Arguably, the MOH restructuring through appointing the clinicians as MS working hand in hand with the CEOs seems to show an

attempt to alleviate the role of the profession and make them more involved in the decision-making process. Whilst this initiative was still in its infancy to be able to assess its impact, closer analysis of the evidence showed that these medical managers were keen to show their acceptance on the cost-saving agenda promoted by the Minister of Health. Arguably, this signals their financial interpretative scheme which is essentially against the overall ethos of healthcare organisation and professionals who generally felt accountable towards their patients and professions.

Laughlin (1991) also suggested the possibility of evolution is high if the interpretative schemes are weak. The seemingly weak ideologies of the medical managers would subject the fundamental health ethos to 'manipulation and fundamental change' (Laughlin, 1991:222). Campanale and Cinquini (2015) reported colonisation on the interpretative schemes of clinical top managers in the Italian national healthcare system as a result of strong pressure exerted by the government on organisational actions. In this study, the interpretative schemes of the Minister seem to be colonised as he has high level of decisional power, and direct accountability over results and to the government. Then, when considering the top medical managers, the pressure imposed by the Minister appears to affect them as they reported directly to the Minister. However, the pressure exerted on the middle medical managers seems to miss the target of colonisation because their power is lower than the Minister and top medical managers, and also due to their responsibility limited to their respective departments. Whilst this study sided with Campanale and Cinquini (2015) in terms of the similar managerial accountability pressure exerted by the

government on the MOH, bureaucratic accountability seems to be the main pressure contributing to the possible colonisation of interpretative schemes of the organisational members within the MOH.

7.6 Conclusions

The chapter has analysed the nature of regulatory controls in Brunei, using the theoretical framework mainly as a language to discuss the relationships. It has explained the MOH's responses to the societal steering processes by exploring how the regulations from the Sultan have impacted upon their interpretation of their management control roles. The empirical work revealed a complex set of organisational responses to the societal steering mechanisms emanating from the societal level. The MOH underlying values are concerned on health and well-being of the people but the country's cultural values significantly influenced the organisational interpretive schemes. The empirical work has demonstrated that despite the espoused organisational values, the cultural values can be a strong form of control that impact on the process of change within the organisation. In the next chapter, the final chapter, the main arguments of the thesis are summarised, and overall conclusions drawn.

Chapter 8
CONCLUSIONS

8.1 Introduction

The purpose of this concluding chapter is to review the findings of the thesis and to provide reflections on the theoretical framework. It consists of four sections. The chapter starts with discussing the achievement of the research objectives of the thesis followed by discussion of the theoretical and empirical contributions. The third section provides several limitations of the research and its implication for future research. The final section offers concluding statements.

8.2 Summary of Main Findings

The introductory chapter explained that the purpose of the thesis was to explore how new public management is experienced in a complex environment of a traditional monarchical system and how this impact on accountability and management control systems within the Ministry of Health in Brunei. Based on this aim, two research questions were identified: first, to evaluate the nature of regulatory control systems in Brunei; and second, to explore how the demand for improved accountability and performance, in the context of new public management in relation to Wawasan Brunei 2035, impacts on accountability and management control systems within the Ministry of Health in Brunei.

In order to address these research questions, the findings were analysed using Broadbent and Laughlin's (2013) steering framework using the middle-range

thinking methodological approach which gave the thesis a language which allowed the empirical work to speak.

The researcher collected and analysed qualitative data on the perceptions of organisational members in the Ministry of Health, predominantly through documentary analysis and semi-structured interviews. The interviews were conducted with a total of 26 interviewees from various managerial positions over a period of nearly two months. The following sections review the achievements of each of the research questions by discussing the main findings of the study in relation to each of the questions.

8.2.1 Research Objective 1: To evaluate the nature of the regulatory control systems in Brunei

This first objective was achieved through identifying the societal steering mechanisms which the main societal steering medium employ in attempt to influence the behaviour of societal organisations and through understanding the nature of the mechanisms.

Chapter 5 was devoted to the aspect of understanding the nature of regulatory control systems which require an identification of societal steering mechanisms and media (Broadbent and Laughlin, 2013). Interviews and documentary analysis were predominantly employed to understand this aspect and from the analyses, the Sultan is the main societal steering medium in Brunei. The analysis of this study demonstrates that the Sultan is very influential as he has positional and economic power enshrined in the cultural values of Melayu Islam

Beraja (Malay Islamic Monarchy) as being the Head of the State and the Government, thus render him the ultimate authority of Brunei. Whilst there are several regulatory mechanisms in place that attempt to influence the behaviour of organisations, the study argues that in a traditional society such as Brunei, the process of change may depend on more personal edicts emanating from the Sultan. The Sultan's titah is mainly used to direct the public sector organisations in Brunei to conform to the demands of the societal steering media (the Sultan, Prime Minister's Office and Ministry of Finance). The Sultan's titah is regarded as providing guidance and commands and is being quoted in the Ministry of Health's websites, formal speeches and policy documents as the means to legitimise activities within the organisation. However, most interviewees did not directly refer to the titah during the interviews as it is regarded as a 'taken for granted' thing, thus they did not dwell on it. This study suggests that whilst the titah seemingly showed the characteristic of transactional mechanism, the commands contained in the titah are accepted and taken for granted. The titah is perceived as a strong mechanism having been enshrined by the Melayu Islam Beraja philosophy and thereby, it was not viewed as a transactional mechanism but relational as it regulates established behaviour and is shared by both the societal steering media and organisational levels (Broadbent et al, 1991; Broadbent and Laughlin, 1998; Broadbent et al, 2010).

The study shows that the regulatory controls developed by the Sultan contained a multifaceted amalgamation of traditional values, organisational values and modern values that underlie the new public management. The Sultan's titah

established policies and regulatory controls in an attempt to realise the economic and socio-political developments of the country. Analysis of the Sultan's titah delivered during various occasions projected a societal lifeworld that favours centralisation of policy and modern managerialist approaches as well as traditional values of Melayu Islam Beraja to improve the public sector performance in order to realise the economic diversification goal of the country. Various regulatory controls were established by the Sultan through his titah and the significant one is the establishment of Wawasan Brunei 2035 in 2007 with three main areas identified in need of urgent redress[20]. However, there were problems with regard to its implementation that led to persistent poor performance of the public sector organisations and, ultimately, slow progress in achieving the economic diversification goal. To meet these persisting challenges, the Sultan established the Executive Council for Wawasan Brunei 2035 (under the Prime Minister's Office) in 2014. The role of the Council is to ensure the correct implementation of the Wawasan Brunei 2035 and monitor the progress of the public sector organisations in achieving the Wawasan Brunei 2035 goals.

In realising the Wawasan Brunei 2035, the Sultan mandated for the implementation of the 'whole-of-nation' approach to planning within the public sector organisations. Following the appointment of the Executive Council, the Wawasan Brunei 2035 Framework was amended in response to the

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[20]Education, Social and Economy.

requirements of the Sultan for the public sector organisations tostrengthen and align their respective strategic planning with the national priorities, therefore improving their performance and accountability. The 'whole-of-nation' approach is similar to the strategic alignment programme mandated by the Sultan in 1990 but with increased emphasis on performance management and measurement which gave rise to the proliferation of key performance indicators. The Wawasan Brunei2035, arguably, is a form of transactional steering mechanism to direct the Ministry of Health to conform to the Sultan's requirements. It was viewed as mandatory mainly because it was announced by the Sultan and, therefore, needed to be adhered to. Furthermore, there was a strong sense of compulsion as the development of the Wawasan Brunei 2035 standards were not entirely identified through consultative and discursive processes. This approach to establishing the Wawasan Brunei 2035 standards suggests its main purpose is of control.

Fundamentally, the analysis of the empirical work alludes to the significance of traditional values underpinning the Bruneians' living and working ethos. The Melayu Islam Beraja ideology plays a significant role in establishing and reasserting the power, hierarchical and legitimate relationship between the Sultan and the society. Through the ideology, the Sultan exercises supreme executive authority as the Head of State and maintains his power to 'rule by decree' (Roberts and Cook, 2016:101).Furthermore, the ideology underlies and dominates the government's development policies, direction and ethos (Duraman and Hashim, 1998; Yusof, 2015) and, thus, shapes the system of government and political culture of the country (Jamil, 2016; Yusof, 2015). The

Melayu Islam Berajais an example of cultural beliefs and values (Laughlin, 1991:213) which regulate and influence all aspects of life and also as source of motivation for complying with the regulatory control system requirements. Furthermore, and fundamentally, this study shows that the status of the Sultan as an individual who has the ultimate authority in the country with positional and economic power also led to organisational members' compliance with the external regulatory controls.

8.2.2 **Research Objective 2: To explore how the demand for improved accountability and performance in the context of new public management, in relation to Wawasan Brunei 2035, impacts on accountability and management control systems within the Ministry of Health in Brunei.**

The second research objective was achieved by analysing the perceptions of members of the Ministry of Health on the external regulatory controls emanating from the societal steering medium to assess their effectiveness and whether they can lead to organisational change. The findings of this study show,in achieving change in the public sector in Brunei, the Ministry of Health are faced with the challenge of having to manage the tensions between the traditional, organisational and modern values which ultimately impact on their attempt to achieve the required changes.

The findings show that there is some amount of resistance to the societal steering mechanisms. The key factor explaining this is related to the lack of consultative processes with regard to setting the key performance indicators (at

national and organisational levels) and the restructuring decision of the Ministry of Health. The key performance indicators which form the basis of measuring their organisational performance were perceived as unrealistic and inappropriate as they do not reflect the situations (in terms of resources and capabilities) of the Ministry of Health. Moreover, the restructuring decision was also viewed as an imposed change. As a result, these situations led to inertia, a sense of indifference, and a lack of ownership which is suggestive of resistance. However, the resistance is hidden rather than explicit.

Whilst there is some amount of resistance to the societal steering mechanisms, the predominant response is compliance to their requirements. The empirical evidence of this study shows signs of colonisation which mainly derive from coercion and cultural values which led to compliance and changes in the interpretative schemes. There is possible change in the attitudes and belief as a result of the organisational members' compliance culture. The strength of the disturbances created by the mechanisms (titah and its ensued directives, policies and governance structures) emanating from the main societal steering medium (the Sultan) is perceived as so strong that the Ministry of Health is unable to absorb the changes and manage the tensions. A majority of the officers did not perceive that they could and should challenge the requirements and therefore, there is change in both design archetypes and interpretative schemes.

Other key factors explaining this conformance include the financial impetus, the constitutive nature of the titah and Wawasan Brunei 2035 and shared cultural

values of Melayu Islam Beraja. Firstly, the Wawasan 2035 is premised on the transactional approach of 'something for something' (Broadbent and Laughlin, 2013)that in order to be granted financial resources, the Ministry of Health needed to demonstrate performance accountability by meeting the performance targets set at the national level (Wawasan Brunei 2035). Failure to achieve the stated targets could lead to reduction in allocated budgets and thus, the Ministry of Health was compelled to conform. For example, the attempt by the Ministry of Finance and the top management within the Ministry of Health to influence the setting of performance targets at the organisational services level within the Ministry of Health and also the setting of achievable targets arguably reflects the attempt to meet the demands to realise the Wawasan Brunei 2035 goals in order to gain the financial resources. Here the significance of finance as a steering mechanism as in other contexts (Broadbent and Laughlin, 2009; Broadbent et al, 2010; Broadbent, 2011) is also demonstrated.

Secondly, closer analysis of the study shows that the cultural values of Melayu Islam Beraja are very strong interpretative schemes that explain the Ministry of Health's willingness to conform to the external regulatory controls' requirements. This case demonstrated the extent to which the cultural values are important in shaping the responses an organisation makes to regulatory pressure. The ideology serves as a means of promoting unity among the Bruneians and developing a sense of national identity (Hj Abd Aziz, 1992 cited in Low, 2008; Saunders, 2013) that supports the Malay culture, observes Islamic religion and demonstrates undivided loyalty to the monarch(Jamil, 2016; Yapa, 2014). The Melayu Islam Beraja values emphasise the need to comply

and respect hierarchical authority. Therefore, the Ministry of Health were keen in demonstrating that they are seen to be complying with hierarchical authority and demands. In response to the requirement to implement Wawasan Brunei 2035, for instance, the officers were keen to show that the Ministry of Health's strategic planning and priorities resemble the requirements contained in the Sultan's titah and national agenda (for example, exercising prudence in spending, implementing the 'whole-of-nation' approach).

Whilst the Ministry of Health faced conflicting and confused accountabilities as a result of the different values and various stakeholders' expectations, the findings show that the Ministry of Health is faced with the issue of having to balance between public, professional and managerial and bureaucratic accountabilities. Nevertheless, the high level of compliance expectation in this case study seems to suggest that the Ministry of Health privileged the bureaucratic accountability relationship with hierarchical authority. Whilst the new public management seek to improve the managerial accountability through promoting performance-based culture, the finding shows that the bureaucratic accountability drives the Ministry of Health's responses to the societal steering requirements. Where bureaucratic and hierarchical accountability is privileged, the story of performance tends to be one that is concerned with delivering the 'political rather than technical' agenda (as in the example of restructuring perceived by the officers) which means that the organisational decision was not intended to preserve organisational health values. The bureaucratic and hierarchical accountabilities, thereby, substantiated the need to privilege national priorities in responding to societal steering requirements.

The respect and compliance with the hierarchical authority and to rules and regulations as evident in the Ministry of Health have led to the implementation of the management control systems into a game. There appears to be a perception among some of the officers (despite only three officers who were brave enough to discuss the issue) that the Ministry of Health is suffering from this problem and therefore, this gaming impedes on their ability to be proactive and limits organisational potential to improve the internal management control systems which could enable change (Buick et al, 2015). They expressed their concern on the political motive of their Minister that led to his commitment of the Wawasan Brunei 2035 and recognised the restructuring, for example, being subjected as gaming tool that had certain rules designed to ensure political survival of the Minister and his senior management. However, the titah only addresses issues in general and left the Ministries to implement the reform. Amidst the economic austerity faced by the country, the issue of cost-saving has been one of the agendas frequently emphasised by the Sultan in his titah and, accordingly, was quoted by the Ministry of Health as a motive for the decision to restructure, although the cost minimisation policy was not perceived as favourable by the officers because it was against their organisational values. Ultimately, the cost-saving agenda has impacted on the Ministry of Health's capability and capacity to deliver quality services to the public.

The empirical work also suggests that several interpretative schemes may co-exist in an organisation, with some of them resisting the colonisation of their interpretative schemes (Broadbent, 1992) whilst others' values may be colonised. This study shows that colonisation of the interpretative schemes of

the top management (administrative and medical) consisted of replacement of clinical with managerial culture, whilst in the case of the middle managers the colonisation was resisted. This case shows the significant role of the powerful interests, which in this case are the Minister and the top management (administrative and medical). The Minister as the strategy champion is an individual who believes in and shares the new spirit of reforms with others in the organisation (Jacobs, 1995). His role as the strategy champion to some extent contributes to the change in the interpretative schemes of the managers, design archetypes and sub-systems within the Ministry of Health. Furthermore, the findings of the study show the tasks and responsibilities performed by the actors (Minister and managers) facilitated the colonisation. The interpretative schemes of the Minister seem to be colonised as he has the high level of decisional power, and direct accountability over results and to the government. Then, when considering the top medical managers, the pressure imposed by the Minister appears to affect them as they reported directly to the Minister. However, the pressure exerted on the middle medical managers seems to miss the target of colonisation because their power is lower than the Minister and top medical managers, and also due to their responsibility limited to their respective departments.

8.3 The Contribution to Literature

The thesis contributes to the literature in three main ways. Each of these is discussed next.

8.3.1 Theoretical Contribution

This thesis makes two contributions to Broadbent and Laughlin's (2013) steering theory. Firstly, the study contributes to the theory by introducing another societal medium and mechanism. Whilst the Broadbent and Laughlin (2013) model discussed the steering processes by main societal medium as led by government institutions that have positional power as well as a legal duty to steer the organisational systems, it had not highlighted the possibility of the main steering medium in the form of an individual. This study shows that in managing the public sector in a monarchical context, the Sultan, as an individual, is the main societal steering medium heading and steering all government Ministries. The analysis of this study showed that the Sultan is very influential as he has economic and positional power. His positional power is enshrined in the national cultural values of the country, known as Melayu Islam Beraja, which thereby renders him the ultimate authority of Brunei. Therefore, this study draws attention to the possibility of steering based on the power possessed by an individual.

Whilst previous literature (Broadbent and Laughlin, 2013; Broadbent et al, 2010; Broadbent, 1992; Agyemang and Ryan, 2013)has suggested that transactional steering may achieve its societal goals through force of law, funding and power, this study argues, in the context of a monarchical system, the process of change may be achieved through steering mechanism in the form of a personal edict emanating from the Sultan. The Sultan, as the main societal steering medium in Brunei, relies on the use of his titah to trigger change. Whilst the law

and funding were also employed to control public sector organisations, the force of titah is more dominant. The empirical findings show that the Sultan's titah has the ability to create compliance and establish direction as well structures. Organisational activities within the public sector organisations in Brunei are legitimised through the force of titah. It is 'taken for granted' that the Sultan's titah must be complied with and, subsequently, operationalised and implemented. Invariably, this suggests that the titah uses both traditional values and political force to trigger change within the public sector organisations.

Furthermore, this thesis suggests that, whilst the Sultan's titah seemingly reflects a transactional mechanism, as it is perceived as a directive and command that needs to be respected, it is taken as a relational process, although it is not developed upon negotiation. The commands contained in the titah are accepted and taken for granted. The titah is perceived as a strong mechanism having been enshrined by the Melayu Islam Beraja philosophy and thereby, it was not viewed as a 'transactional' mechanism but relational as it regulates established behaviour and is shared by both the societal and organisational steering levels (Broadbent et al, 1991; Broadbent and Laughlin, 1998; Broadbent et al, 2010). Hence, within the Broadbent and Laughlin (2013) model, the titah does not seem to fit clearly into the dichotomy of transactional or relational steering.

The second theoretical contribution is by highlighting the significance of interpretative schemes and analysing the implications of these on organisational responses. Whilst Laughlin (1991) discussed the different levels of abstraction

of interpretative schemes, he had not discussed the implications of these on organisational responses. The empirical findings show that the nature of the regulatory control systems in a monarchical context has created tensions between different interpretative schemes and, thereby, impacts on how the Ministry of Health responded to the societal steering controls. The complexities in responding to the external regulatory controls were demonstrated by how the government values (modern and traditional) and the Ministry of Health values (health and public sector) intervene in the attempt of the latter to respond to the regulatory controls emanating from the Sultan. As a result, the responses of the Ministry of Health reflected both reorientation and colonisation with the latter more evident from the empirical findings. However, unlike colonisation envisaged by Laughlin(1991), the pathway of colonisation highlighted by this study was mainly derived from the mechanism of titah.

Fundamentally, this thesis draws attention to the importance of contextual factors in influencing how the Ministry of Health responded to the societal steering mechanisms, which in this study are the cultural values. The Melayu Islam Beraja is strong shared values which influence the political and bureaucratic environment in Brunei's public sector. The ideology emphasises strongly the need to support and be loyal to the monarch which then led to organisational compliance to his titah.

8.3.2 Contribution to Literature

This study contributes to new public management and accountability literature. Smith (1991) noted that whilst all governments will have the accountability

mechanisms in place in dealing with managerial accountability of public sector organisations, other forms of accountability would emerge depending largely on the nature of the political processes within each country. Smith (1991) and Sinclair (2005) identified several accountability mechanisms and relationships respectively that exist in democratic countries; this case study identifies other types of control mechanisms and relationships that exist to ensure accountability of public sector organisations in non-democratic and monarchic settings such as Brunei. This study found similar accountability relationships as suggested by Sinclair (2005), however, in a complex environment of non-democratic and traditional monarchical system, bureaucratic accountability being privileged by officers within Ministry of Health.

Furthermore, whilst Smith (1991) noted that the External/Formal controls such as the parliament, ombudsman and the Internal/Informal such as personal ethics, professionalism; this study, on the other hand, additionally identifies the 'External/Formal' type in the form of the Sultan's titah and the 'Internal/Informal' control mechanism is the state ideology of MIB to ensure accountability of public sector organisations in Brunei. This study reveals that whilst the Internal/Formal, Internal/Informal and External/Formal (such as Governance for Wawasan 2035, Prime Minister's Office, and Ministry of Finance) bureaucratic accountability mechanisms are being emphasised by the Sultan, the External/Informal (public comments, media scrutiny) instruments are less influential and to some extent curtailed. Citizens fear criticising the government and its policies, and the media is controlled with regard to any criticism of government.

8.3.3 **Empirical Contribution**

This thesis also makes an empirical contribution to the literature of new public management, management control and accountability by developing our understanding of the impacts of structures, contextual factors and interpretative schemes on control processes. This thesis contributes to the empirical contribution in three main ways.

This study demonstrates that the Brunei context is important to provide further understanding on the implementation of new public management. Firstly, there have been few researches about the viability of adopting the new public management ideas in Brunei government. Most notably Al Athmay (2008) and Said (2013) provided analyses of the impacts of institutional pressure of Wawasan Brunei 2035 on the Audit Department and the Ministry of Defence respectively. This current research on the other hand informs existing research into the new public management and management control systems literature by identifying the Sultan and his mechanism of the titah as the main institutional pressure influencing and shaping organisational behaviours. There is also a study by Sutheewasinnon et al (2015) who focused on Thailand's public sector, known for its strong centralised government and monarchy system, and that the government also employed the King's speech to allure changes; however, the speech was used after several attempts have been implemented to trigger change. Therefore, appeal to the Sultan is a contextual insight provides by this current study that suggests for the public sector reform to succeed in a

developing context with very influential monarchical system, the role of the Sultan is very significant.

Secondly, the current research has shown how the socio-cultural settings of a country has influenced and shaped the implementation of the management control systems within the Ministry of Health. The influence of an existing cultural device is significant in inducing cooperation of public sector organisations to accept the required changes. This study shows how the management control systems of the Ministry of Health were subjected to compliance culture underlying the Melayu Islam Beraja ideology practised by the country. Whilst there are also other studies on Brunei's government (Adhair, 2005; Al Athmay, 2008; Said, 2013; Yapa, 1999, 2014; Hamdan and Low, 2013), they were mostly based on secondary data and the use of qualitative analysis as primary methods are still very limited and based on different research settings. This current study is the first to investigate the implementation of new public management and its impacts on management control systems and accountability in this crucial sector –the public healthcare sector in Brunei. The critical nature of the healthcare processes and outcomes, as discussed in earlier chapters, as well as the high costs of healthcare, reinforce the necessity for examining and assessing the effectiveness of their management control systems. Furthermore, whilst most of the other studies employed an institutional theory lens (Said, 2013; Yapa, 2014) to conduct their study on new public management practices in Brunei, this study extended existing understanding on these issues by providing in-depth qualitative

analysis on the Ministry of Health using the critical theory of Broadbent and Laughlin (2013).

Third, this study illustrates how the political context of Brunei impacts on the accountability of the Ministry of Health. Extant literature has shown that the extent to which new public management could lead to accountability remained unclear (Broadbent and Guthrie, 1992; Sinclair, 1995; Mulgan, 2000b; Messner, 2009; Salminen and Lehto, 2012; Dubnick and Frederickson, 2011; Ball et al, 2014). Therefore, it has been argued that assessments need to be made on circumstances under which the new public management is likely to work (Broadbent and Guthrie, 1992; Gendron et al, 2001). The requirement to meet customer accountability in the context of the new public management in other political settings has shown how the public sector organisations are grappling to show mainly managerial, political and public accountability (Romzek and Dubnick, 1987; Sinclair, 1995; Mulgan, 2003; Ranson, 2003; Koliba et al, 2011). This case illustrates how, in the process of being required to meet the various accountability demands, the Ministry of Health have to balance between the bureaucratic and managerial accountability demands from the government as well as managing their own organisational values. This study illustrates how conforming to Sultan's titah and hierarchical instructions are influencing the management control within Ministry of Health and thus, suggesting that bureaucratic accountability is being privileged. Therefore, this study develops our understanding on the concept of bureaucratic accountability within the context of a strong monarchy system with influential socio-cultural values and a centralised governmental system.

This study shows that the Sultan draws on political forces, traditional values, organisational values and Western ideology of being modern to reform the public sector. Whilst reforming the public sector in other countries showed there are inherent tensions between organisational and government values, this study illustrates tensions between traditional cultural, modern and organisational values. The modern rationality seems to be in conflict with Brunei's culture that led to complexities in the organisational responses.

It has been argued that the new public management principles (as applied in the UK and other Western countries), the transfer of private sector principles into the public sector that has brought about changes in the public sector management (Shaw, 1997 cited in Sozen and Shaw, 2000).Although this study shows that the public sector organisations can learn from the private sector, at present the transfer of private sector managers into the public sector is very limited. This is because the role of the public sector over the society is dominant and the private sector is very much dependent on the relationship with the government to survive. Thus, questions have been raised as to the feasibility of managing the Brunei public sector according to private sector techniques.

The implementation of the new public management in democratic context with monarchy system such as Malaysia and Thailand (Siti-Nabiha and Scapens, 2005; Norhayati and Siti-Nabiha, 2009; Othman et al, 2006; Sutheewasinnon et al, 2015), the Prime Minister and the monarch are held by two different people - with the Prime Minister plays the main role in administration of the country and the monarch as merely holding ceremonial role. In Brunei, on the other hand,

the Sultan is the monarch as well as the Head of government which serves to complicate the accountability relationships between the Sultan and the Ministry of Health. The indirect steering of the Sultan and the presence of several levels of steering appeared to increase rather than reduce bureaucratic accountability and caused confusions in accountability of the Ministry of Health and tensions between the Ministry of Health, the Prime Minister's Office and the Ministry of Finance, and also between societal steering, and organisational and cultural values. Accordingly, this complex governmental structure impacts upon the responses the Ministry of Health made to the requirements of the Sultan, Prime Minister's Office and Ministry of Finance.

The Brunei context illustrates that there is no democratic discursive process (as it is a monarchy system) through which to enable the public sector organisations to find out what are the concerned of the public and the expectations are being privileged which could serves as basis to make the Ministry of Health accountable to the public and evaluate their performance. In other democratic countries, the Prime Minister could be voted out by the public in the case of not performing according to the expectations of the public through the democratic process. The Minister of Health was appointed by the Sultan and therefore, arguably justified his main accountability thrust towards the Sultan rather than the public. Although Brunei has the Legislative Council as an avenue to make the Cabinet Ministers more accountable and transparent in their dealings, the meeting only serves as a medium to discuss the national budget.

Furthermore, this study illustrates that high dependence on oil and gas revenues to finance development of a country and highly subsidised system raised the issue of financial sustainability of healthcare in the long term. Whilst in other countries the government earns revenues from taxpayers and payments from various provision of services, in Brunei the citizens do not pay tax and most of the basic public services such as health and education are heavily subsidised by the government. As a result of such arrangements, there is inherent pressure on the Ministry of Health to improve performance within the budget constraint according to the priorities set by the Sultan, Prime Minister's Office and Ministry of Finance instead of based on the public needs.

8.4 **Implications for Policies and Practices**

The findings of this study carry several implications for the public management reforms and management control practices in Brunei. First, the study illustrates discrepancies between policies and practices. The benefits from implementing the new public management ideas cannot be taken for granted. Despite its promises, much of the success of public sector reforms depends on the extent to which the government and public sector organisations adequately consider and evaluate the likely consequences of implementing the management control systems. This study shows that at policy level, the government fails to adequately assess the potential consequences of establishing the Wawasan Brunei 2035 Framework in accordance to the private sector strategic management model. Whilst the Wawasan Brunei 2035 was supposedly designed to promote high quality goals, closer analysis shows that the

Wawasan Brunei 2035 has been perceived as mainly achieving economic diversification and cost-effectiveness. As such, the WawasanBrunei 2035 has the potential to distort the outcomes for health as demonstrated in its effects on the Ministry of Health. As a result, conflicting accountabilities is evident between the policy makers and the Ministry of Health, and also within the Ministry of Health (Ministry and Organisational level). Therefore, at policy level, within the Prime the Minister's Office and Ministry of Finance, there is a need to understand more about Wawasan Brunei 2035 as a control system in the context of societal expectations generally and specifically in the healthcare sector.

At practice level within the Ministry of Health, there was a lack of clarity as to how to operationalise the Wawasan Brunei 2035. There was lack of understanding, knowledge and support at various levels with regard to implementing the performance-programme budgeting and in setting and using the key performance indicators. This study shows that whilst lack of capacity and skills and inadequate training contributes to the lack of satisfactory implementation of the management control systems, lack of open communication of the management's objectives and collaboration between departments appears more dominant in explaining the lack of capability in implementing the control systems. Encouraging open discussion and empowerment of staff would create ownership towards management control systems (Radnor and McGuire, 2004; Conrad andUslu, 2012; Agrizzi et al, 2016). However, it is also important to note that in encouraging open discussion, it requires a cultural shift in terms of the public sector ethos and the

social cultural values which, as this study demonstrates, has proven to be difficult given the political and administrative context remained unchanged. Therefore, it may be useful to consider more qualitative measures that foster cultural change and work practices to provide support towards changes envisaged by new public management.

Second, the study demonstrates that the lack of strong and dedicated leadership impacts on the success of reform initiatives. This is in line with other studies of public sector reform in Brunei and other Asian countries (Norhayati and Siti-Nabiha, 2009; Said, 2013; Koike, 2013). This study shows that the management control systems were influenced by authoritarian management style and subjected to political gaming. There was a lack of innovation as the management control systems were subjected to command and control. This explains why there were difficulties faced by managers in trying to persuade their staff to embrace change. This study shows that strong and dedicated top leadership with a clear vision of health within the Ministry of Health would help in promoting and realising health outcomes and the ideas of empowerment and result-based management. Strong and dedicated leadership with a clear health vision is also needed at the middle management levels as they are close to the services level and able to cascade down information and relate to organisational objectives and ensure continuous monitoring and assessment of management control systems.

8.5 Limitations and Implications for Future Research

The focus of this study was on management control and accountability between the government and the Ministry of Health. This focus construed as limitations of the thesis. Firstly, only two objectives were set to guide the development of the thesis. These two objectives were tightly framed around the societal steering relationship between the government and Ministry of Health (at Ministry level). As such, the scope of study on management control and accountability is limited to mainly societal steering level. Whilst the study provides, to some extent, management control and accountability issues within the Ministry of Health (that is between Ministry level and health organisational level), the analysis is still at surface level. Therefore, future research could consider the relationship between societal steering and organisational systems.

Secondly, whilst this thesis examines the Wawasan Brunei 2035, it does not examine in detail the management processes involved in realising it. The thesis only focused on steering relationships that underpin the Ministry of Health management control practices. Future research could consider specific management control systems such as programme-performance budgeting, strategic planning, performance measurement and reporting, human resource and financial management to enable assessment of effectiveness of the initiatives.

The third limitation is with regard to the research design adopted. The data of this study was gathered mainly at senior and middle management levels. Healthcare includes various stakeholders such as specialised groups which are

related to their own professional associations, employees, patients and other external stakeholders. However, the current study did not consider the perspectives of health organisations such as professional groups and people lower down the organisational hierarchy. Given the thesis is focusing on impacts of regulatory control systems on the Ministry of Health, the thesis did not obtain organisational views, therefore, impedes on gaining wider views with regards to the effectiveness of the regulatory control systems. An area for potential future research is to consider the impact and responses at the organisational level as they are the service providers and have strong pressure to be more accountable to patients.

In this study, the gathering of data from the Prime Minister's Office and Ministry of Health was not similar. The difficulty in obtaining the internal documents within the Ministry of Health made the gathering of information limited to interviews. The data used to analyse the main societal steering was derived mainly from analysis of documents. Nevertheless, the researcher managed to secure an interview session with the officers at the Permanent Secretariat for Wawasan Brunei 2035 under the Prime Minister's Office with the help of one of the officers in the Ministry of Health. Despite this, there is still a wealth of information gained from the insights provided by the officers and documents shared which enabled analysis of the societal lifeworld, media and mechanisms. However, it is still acknowledged that information from interviews would provide richer analysis on the societal steering such as the development of the Wawasan Brunei 2035 and factors influencing its development.

8.6 Concluding Thoughts

The era of the new public management has brought some significant changes in the meaning of the public sector performance and accountability. However, despite its global prominence, different contexts experienced the results of the new public management differently, therefore considering the contextual factors is imperative. The political, social and political nature of a country may have important consequences for the initiation of management reform. The state ideology of Melayu Islam Beraja dominates all spheres of life in Brunei which seems to some extent in conflict with the new public management values which originated from Western countries. Furthermore, characteristics of Bruneian culture as well as autocratic leadership style and lack of discursive processes and avenues to voice opinions could serve as barriers to emergence of consensus required to demand the delivery of better national public services. This observation contributes to our understanding that even in a monarchical political system with centralised government, it still proves challenging to ram reform through.

The public health sector plays a vital and critical role in improving the quality of life of a nation. As such it is imperative that the governmental regulatory controls, aimed at changing organisational processes through increasing demands for improved performance and accountability, need to take heed of the underlying interpretative schemes of health organisation. As with any management reforms, the possibility of change is highly dependent on the commitment, thinking and practice of the organisational participants. This is because they are the enabler for change and also for inertia.

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Prime Minister's Office Circular 12/1999

APPENDIX 1: FERREIRA AND OTLEY'S (2009) DESIGN OF PERFORMANCE MANAGEMENT SYSTEMS

1. What is the vision and mission of the organization and how is this brought to the attention of managers and employees? What mechanisms, processes and networks are used to convey the organization's overarching purposes and objectives of its member?
2. What are they key factors that are believed to be central to the organization's overall future success and how are they brought to the attention of managers and employees?
3. What is the organization structure and what impact does it have on the design and use of performance management systems (PMSs)? How does it influence and how is it influenced by the strategic management process?
4. What strategies and plans has the organization adopted and what are the processes and activities that it has decided will be required for it to ensure its success? How are strategies and plans adapted, generated and communicated to managers and employees?
5. What are the organization's key performance measures deriving from its objectives, key success factors, and strategies and plans? How these are specified and communicated and what role do they play in performance evaluation? Are they significant to missions?
6. What level of performance does the organization need to achieve for each of its key performance measures (identified in the above question), how does it go about setting appropriate performance targets for them, and how challenging are those performance targets?
7. What processes, if any, does the organization follow for evaluating individual, group and organizational performance? Are performance evaluations primarily objective, subjective or mixed and how important are formal and informal information and controls in these processes?
8. What rewards – financial and/or non-financial – will managers and other employees gain by achieving performance targets or other aspects of performance (or, conversely, what penalties will they suffer by failing to achieve them)?
9. What specific information flows-feedback and feed forward-systems and networks has the organization in place to support operation of its PMSs?
10. What type of use is made of information and of the various control mechanisms in place? Can these uses be characterised in terms of various typologies in the literature? How do controls and their uses differ at different hierarchical levels?
11. How have the PMSs altered in the light of the change of dynamics of the organization and its environment? Have the changes in PMSs design or use been made in a proactive or reactive manner?
12. How strong and coherent are the links between the components of PMSs and the ways in which they are used (as denoted by the above 11)?

MEDICAL AND HEALTH RESEARCH AND ETHICS COMMITTEE

Executive Screening Suite, Baseline Level One, RIPAS Hospital,
Bandar Seri Begawan BA 1710, Brunei Darussalam
Email: mhrecbrunei@gmail.com

CHECKLIST for submission of research protocols

Medical and Health Research & Ethics Committee (MHREC) will require:

No.		Yes	No
1	Six hardcopies of the required documents for every research proposal submitted	Yes	
2	Covering letter addressed to the Chairperson (at the above address)	Yes	
3	Full research protocols including: ● Introduction ● Methodology ● Materials ● Questionnaires: - if not self-designed, letter of permission to use questionnaire - if self-designed, to declare in the proposal ● Data collection form / data entry proforma ● Declaration of funding	Yes	
4	Written consent forms – in English and Malay (if applicable)	Yes	
5	Participant Information Sheet (PIS) – in English and Malay (if applicable)	Yes	
6	Signed and dated Curriculum Vitae (CV) from all investigators (CV template can be obtained from MHREC Office) (if applicable, please submit the CV of supervisor(s)).	Yes	
7	Permission letter(s) from relevant authorities If applicable, e.g MS, CEO, Head of relevant departments	Yes	
8	Ethics approval from other Institution Research Boards, if applicable	Yes	
9	Complaints. For clinical studies involving human subjects, the contact information of the MHREC office i.eMHREC email address shall be included in the participant / patient information sheet for the perusal of subjects to submit complaints pertaining to participation or conduct of the clinical study.		No

Office Use:

Submission date:	
Full Submission:	YES / NO
If no, comments for incomplete submission:	
Applicant's Name and signature:	HajahFarahiyah Haji Kawi
Name of research:	Performance management and accountability in health sector in Brunei Darussalam
Received by:	

PERFORMANCE MANAGEMENT AND ACCOUNTABILITY IN HEALTH CARE SECTOR IN BRUNEI DARUSSALAM

INFORMED CONSENT FORM
(To be completed after Participant Information Sheet has been read)

I confirm that I have read and understand the information sheet for the above study and have had the opportunity to ask questions.

I understand that my participation is voluntary and that I am free to withdraw at any time, without giving reason.

I understand that all the information I provide will be treated with strict confidence and will be kept anonymous and confidential to the researchers.

I agree to take part in the above study.

_____   _____   _____

Name of Participant   **Date**   **Signature**

_____   _____   _____

Name of Researcher   **Date**   **Signature**

Performance Management and Accountability in Healthcare Sector in Brunei Darussalam
Participant Information Sheet

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Introduction

You are being invited to take part in a research study. Before you decide whether or not to take part, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully.

What is the purpose of the study?

The aim of the research is to examine the operation of new public management (NPM) initiative in Brunei Darussalam. The idea of NPM is to seek change in the management practices of the public sector and invariably, government worldwide have made the use of accounting such as performance management systems (among others development of strategic plans, key performance measurement, key performance indicators, performance evaluation) as key tenet in attempt to redefine public sector management practices, managing changes and assist in making transparent activities of the public sector. The influence of NPM is evident in also Brunei Darussalam. The Brunei government have used legislation, funding regulation and accounting mechanisms to promote performance

improvement and increased accountability of the public sector.

The research has chosen to explore NPM operation in organizations in Ministry of Health. The healthcare sector is deemed to be very significant due to several reasons. First, it is one of the largest, diverse, differentiated and complex organizations. Unlike other sectors, health care's stakeholders are diverse. Second, it is commonly agreed that health is vital public good or service which should be universally accessible and provided equitably to all. Universally available means that the provision of service as having social benefit rather economic benefit. Third, in most countries including Brunei Darussalam, the public health services expenditure represents major investments portion. Third, unlike other sectors, the health sector is highly dominated by professionals. The professionals derive their power from their ability in determining the norms, values and regulations for delivery of services, the specialist knowledge and tacit relationship with customers that they possess over other employees in. These distinct professional characteristics and ethos are significant towards ensuring efficient and effective delivery of public service towards patients. Hence, for these reasons, the healthcare sector is frequently subjected to extensive government and public scrutiny with constant demand for appropriate management of performance of the services and improved accountability for the effective and efficient use of public resources; and proper diagnosis and treatment of diseases.

Consequently, these external factors create external pressure and need for change in performance management systems within the public sector organizations. The study is concerned with the how healthcare organizations develop their internal management control systems in response to performance improvement agenda set by the government, the Ministry of Health. To achieve the aim, the following research objectives will be examined:
a) How is new public management experienced in public healthcare organizations in Brunei?
b) What and how accountability is experienced in public healthcare organizations in Brunei in the context of new public management?
c) What performance management systems are used to meet the accountability requirements of the new public management and why are these performance management systems considered necessary or not necessary?

Who has reviewed the research?
The research has been approved by the University Research Ethics Committee, Royal Holloway University of London.

Who is doing the research and why?
The research is conducted by the main researcher as named above and will be supervised by two supervisors also named above. This study is conducted as part of PhD student project in Accounting Research in School of Management at Royal Holloway University of London.

What are the advantages of taking part?
Your participation in the study will contribute to significant research on how to

improve to the efficiency and effectiveness of managing performance and enhance accountability in your department specifically and in organization as a whole. You could also contribute significantly to the effectiveness of government's policy and help further our understanding on the issues being researched.

Are there any disadvantages of taking part?
It could be that it will take up your time.

How much of your time will be involved?
The interview is expected to last no longer than one and half hour.

What will you have to do if you agree to take part?
After you have read this information and asked any question you may have, you will be asked to sign a consent form. There will be one to one interview with the main investigator. This is either done face-to-face or using online tools such as Skype. This interview will be audio recorded for transcription purpose.

Once I take part, can I change my mind?
Yes. If you wish to withdraw from the study, please contact the main investigator. You are free to withdraw at any time during the project, for any reason and you will not be asked to explain you reasons for withdrawing.

Will my taking part in this study be kept confidential?
You can be assured that if you take part in the project you will remain anonymous. All responses from the interview will be kept confidential in accordance with Royal Holloway University of London Ethical Guidance policy. The information collected will only be accessible to the main investigator and supervisors of this research.

What will happen to the results of the research study?
The information will be used solely for PhD research project purposes (production of thesis, presentation at conferences and journal publication). When I have completed the study I will produce a summary of the findings which I will be more than happy to send you if you are interested.

I have some more questions who should I contact?
Please do not hesitate to contact the main researcher or any of the supervisory teams as mentioned above if you have any other questions on this study.

Thank you for taking time to read the information sheet.

10th August 2016

APPENDIX 5: SAMPLES OF INTERVIEW GUIDE

Ice Breaking
- Greet and thank you.
- Brief about my research
- Reassure about confidentiality issue
- What is your name and job title?
- What is your role in the department?

Issues to Talk About
- MOH role
- MOH values
- MOH relationship (PMO, MOF, within MOH)
- MOH performance and measures
- Wawasan Brunei 2035 and their understanding of it
- Restructuring
- Budgeting, planning

Interview Guide – Administrative Managers
- Name, role, division, confidentiality issues.
- MOH values
- MOH relationships (PMO, MOF, top management, services level)
- MOH management and making it effective and efficient
- MOH performance and measures
- Management processes – budgeting, planning (eg how they come up with the new sets of strategic vision, missions, values, who were involved? are they involved?)
- Perspectives on restructuring (eg motivation?significant things have changed?How?)
- Perspectives on Wawasan Brunei 2035
- Titah

Interview Guide – Medical Managers
- Name, role, division, confidentiality issues.
- MOH values (organisational objectives)
- MOH relationships (PMO, MOF, top management, services level)
- Relationship with patients, services level staff
- MOH management and making it effective and efficient
- MOH performance and measures
- Management processes and
- – budgeting, planning (eg how they come up with the new sets of strategic vision, missions, values, who were involved? are they involved in the processes)
- Perspectives on restructuring (eg motivation?significant things have changed?How?)
- Perspectives on Wawasan Brunei 2035
- Titah

**APPENDIX 6: THE TWELVE GOVERNMENT MINISTRIES IN BRUNEI**

1. Prime Minister's Office

2. Ministry of Finance

3. Ministry of Defence

4. Ministry of Foreign Affairs and Trade

5. Ministry of Home Affairs

6. Ministry of Education

7. Ministry of Energy (Energy and Manpower) and Industry

8. Ministry of Primary Resources and Tourism

9. Ministry of Development

10. Ministry of Culture, Youth and Sports

11. Ministry of Health

12. Ministry of Religious Affairs

13. Ministry of Communications

APPENDIX 7: WAWASAN BRUNEI 2035 GOAL 2 –QUALITY OF LIFE

Wawasan Brunei 2035 Goal 2: Quality of Life					
National Outcomes	High standard of living	Upholding sovereignty and stability	Sustainable Environment	Resilience and Cohesive Society	World Class Health and Safety in Workplace
Key Areas	• Healthy Nation • Access to high quality of public utilities and infrastructure • High home ownership • High social mobility • Excellence service delivery	• One of the safest countries in the world	• Clean and green environment	• Inclusive and sustainable social security • Population with core values • Social harmony through social cohesion	• Industrial awareness and compliance to workplace health and safety legislation
14 **Key Performance Indicators** linked to 14 **Strategy Champions** **KPI for Health: Life Expectancy at birth to reflect health status of the population (Minister of Health as Strategy Champion)**					

Source: Adapted from Presentation Slides Sekretariat Tetap Wawasan Brunei (2016)

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APPENDIX 8: MOH ORGANISATIONAL STRUCTURE

Source Ministry of Health's Website (2016)