What Makes a Difference in Decentralised Local Government?
Empirical Analysis from the Philippines

A thesis submitted to The University of Manchester for the degree of Doctor of Philosophy in the Faculty of Humanities.

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Abbreviations

ACE  Award for Continuing Excellence
ADB  Asian Development Bank
AIM  Asian Institute of Management
AusAID Australian Government Overseas Aid Program
BLGF Bureau of Local Government Finance, Department of Finance, the Republic of the Philippines
BPC  Barangay People’s Council
CLRG  Centre of Local and Regional Governance
COPE  Community Organisers of the Philippines Enterprise
CSC  Civil Service Commission
DAC  Development Assistance Committee
DILG  Department of the Interior and Local Government
DOH  Department of Health
GNI  Gross National Income
GOLD  Governance and Local Democracy (a project of USAID)
GTZ  Deutsche Gesellschaft fur Technische Zusammenarbeit (German Agency of Technical Cooperation)
IRA  Internal Revenue Alotments
HR  Human Resource
HRM  Human Resource Management
ICT  Information and Communication Technology
IMF  International Monetary Fund
JBIC  Japan Bank of International Cooperation
JICA  Japan International Cooperation Agency
LDC  Local Development Council
LGA  Local Government Academy, DILG
LGLA  Local Government Leadership Awards
LGU  Local Government Unit
LHB  Local Health Board
LSB  Local School Board
MbO  Management based Objectives
MOPO  Municipal Office of Planning and Development
NCR  National Capital Region
NCNPC  Naga City NGO – PO Council
NCPC  Naga City People’s Council
NGO  Non Governmental Organisations
NPM  New Public Management
NSCB  National Statistical Coordination Board
NSO  National Statistic Office
NWPC  National Wages and Productivity Commission
OECD  Organisation for Economic Co-operation and Development
P&D  Planning and Development
PBAC  Local pre-qualifications, Bids and Awards Committee
PGS  Public Governance System
PI  Performance Improvement
PIP  Productivity Improvement Program (a program of Naga)
PLEB  People’s Law Enforcement Board
PMS  Performance Management System
POC  Local Peace and Order Council
POs  People’s Organisations
PRP  Performance Related Pay
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>SILAW</td>
<td>Social Integration of the Low and the Weak (a program of Dalaguete)</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UN Habitat</td>
<td>United Nations Human Settlements Programme</td>
</tr>
<tr>
<td>UP</td>
<td>University of the Philippines</td>
</tr>
<tr>
<td>UPAO</td>
<td>Urban Poor Affairs Office</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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Abstract

What Makes a Difference in Decentralised Local Government? Empirical Analysis from the Philippines
Risako ISHII
Date: 18 August, 2011
Degree: PhD, the Faculty of Humanities, the University of Manchester

The purpose of this thesis is to investigate the differences across the decentralised local governments in the Philippines, considering the gaps between them in terms of achievements after two decades of decentralisation practice.

In the first part of the thesis, preceding literatures on decentralisation are carefully reviewed, and arguments with different theoretical roots are covered. Based on the implications obtained from this theoretical review, the thesis defines its own analytical framework. First, it identifies the expected outcomes of decentralisation reform, namely, improvement of service delivery and enhancement of participation, which are commonly recognised as goals by the authors of different theoretical approaches to decentralisation and also intended in the decentralisation reform of the Philippines. Second, this thesis employs perspectives of ‘soft’-oriented organisational change theories, including empowerment theories, given its analysis that much portion of the critical views on decentralisation discusses practical drawbacks of the reform, rather than theoretical ones, particularly ‘mechanistic’ introduction of the reform. Hence, this thesis highlights organic change that is associated with ‘soft’ factors of the government organisation, which have received scant attention in preceding works. More precisely, among so-called ‘soft’ organisational factors, leadership, motivation, and organisational culture and climate are investigated along with other factors, such as distributed autonomies, human resource management system, and external relations. Third, this thesis identifies the advantages of micro-level analysis over the macro-level approaches of the preceding work. This is reflected in the methodologies adopted in the thesis, which consisted of empirical case studies of six local governments across the country.

A comparative analysis led to the following conclusions: all organisational change factors considered in this thesis organically relate with each other. While an ideal model of organisational change – dynamic and ‘soft’-oriented change led by ‘transformational’ leader – is identified, the potential to achieve the expected outcomes exists even where such change has not been experienced, particularly if the staff are allowed to exercise their autonomies. Nevertheless, there is no single success model for ensuring that a local government becomes a good performer. What can be clearly said is that ‘mechanic’ arrangements provided by the national decentralisation reform would not lead to the expected outcomes. Organic change factors of decentralised local government definitely need to be considered to obtain the desired goals.

This thesis contributes not only to the academic discourses on decentralisation, but also to those on the Philippines studies that emphasised continuities of local governments and did not realise impacts of decentralisation by highlighting the changes achieved in all studied local governments. Furthermore, it carries implications for international donors who want to make their future assistances to decentralised local government more effective.
Declaration

I, Risako ISHII, hereby declare that no portion of the work referred to in the thesis has been submitted in support of an application for another degree or qualification of this or any other university or other institute of learning.
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Acknowledgement

I am pleased to finally present this PhD thesis on the topic of decentralised local governments in the Philippines. Decentralisation has been a worldwide trend and has also attracted the attention of reformists in developing countries including the Philippines. Although great efforts have been made to assist decentralisation in these countries, donor agencies know too little about what exactly is happening in decentralised local governments. My experience as a development consultant led to me believe that a micro-level analysis of local governments in a recipient country is necessary to promote a better understanding among the donor agencies on the issue.

This thesis is based on a field survey I conducted in 2009. In this regard, I appreciate the hospitality and assistance provided by the Centre of Local and Regional Governance (CLRG) within the National College of Public Administration and Governance (NCPAG) at the University of the Philippines (UP). It would not be wrong to say that I could not have completed this survey without the support of Prof. Simeon A. Ilago, a former director of the CLRG, and other researchers at the centre, Elly and Del, who assisted me in arranging the interviews and accompanied me to many of these interviews. Daily conversations with them not only deepened my understanding of the country, but also made my stay enjoyable. I also thank all the local governments – Marikina City, City of San Juan, Naga City, Legazpi City, Municipality of Dalaguete, and Municipality of Consolacion – that let me visit and conduct a survey in their government halls.

I have spent nearly five years at the Institute for Development Policy and Management (IDPM), in the University of Manchester, to obtain the MSc in Organisational Change and Development, and to complete the current doctoral study. IDPM is indeed an ideal place for me to continue studying, with interesting lecturers and colleagues from varied backgrounds.

I would like to express my gratitude Dr. Farhad Hossain, who has been supervising my work since 2006. He gave me concise and timely advice from the beginning of my MSc studies and also encouraged me to pursue a doctoral degree. I appreciate his kind consideration of my student life as well as of my future academic career. It was a great opportunity to work alongside him as a co-author and publish two articles during the last few years.

My PhD study in the UK was supported by the World Bank through the Joint Japan/World Bank Graduate Scholarship and by the University of Manchester through their studentships. This thesis owes much to them, and I hope my achievements here in Manchester do not disappoint my sponsors.

I also would like to thank my current employer, the University of Tokyo for providing me with perfect research environments while writing this thesis. Professors and colleagues were always supportive of my completion of the thesis.

Last but not least, I thank my family in Japan who let me study abroad for a considerable duration. My younger sister, Eriko has been understanding and supportive of my doctoral study. She accepted an offer of traineeship as a lawyer in London last year, and it was nice to spend some time with her in the UK at the very end of my study here. My husband, Hiroto Komorizono, has always been encouraging, providing me with clear and precise pieces of advice on my study. Being a graduate of
IDPM and a former colleague at the consultancy, he is the person who has had the best understanding of my academic and practical purists. I cannot thank him enough for his continued love and support.

It is my fervent hope that my work can contribute in some way or the other to all decentralised local governments across the world.

Risako Ishii
18 August, 2011
1 Is Decentralisation a Silver Bullet for Developing Countries?

1.1 Background

Over the past several decades, decentralisation has followed in the footsteps of globalisation (Löffler, 2003). In the Western developed countries, it is promoted as a means to streamline government administration under ever tightening fiscal situations and as a response to a public dissatisfaction with inefficient and unresponsive government bureaucracy (Burns et al., 1994). This effort is also presented as a part of a wider administration reform movement, namely New Public Management (NPM), in which private sector practices are introduced to the public sector (Hughes, 2003).

The trend has spread to other parts of the world, including developing countries. Often these countries are implicitly or explicitly pressured to introduce a decentralisation reform programme similar to those that their counterparts in the developed world have attempted (Litvack et al., 1998). Decentralisation can even be a condition of international borrowing.

Although decentralisation has come to be a widely recognised approach for administrative reform, there is no single explanation about how decentralisation, or how much of it, brings about efficient and effective local governance, which are among its expected results. Indeed, the effects of decentralisation across countries have been mixed. A particular form of decentralisation reform may work in some countries but not in others. More worrisome are the negative impacts of decentralisation, including the unexpected rise of powerful local elites, that have been frequently reported in developing countries (Peters, 2001a, Turner and Hulme, 1997). Similarly, a national decentralisation programme may have different effects on different local governments (Duncan and Goodwin, 1988), as is the case from the Philippines analysed here, where
the outcome of a national decentralisation reform is asymmetry across local governments. It is noteworthy that even the World Bank, one of the most earnest promoters of decentralisation, admits that its causal effects have not been empirically identified (Litvack et al., 1998).

Why then are international donors eager to encourage governments they support to promote decentralisation? What is the point of the massive development efforts aimed at supporting decentralisation reform? Such questions were the starting point of this research.

In this regard, series of academic discussion on the theoretical rationalisation of decentralisation reform have been made, as is shown in this thesis. Along with them, there are various authors who have attempted to seek an optimal balance between central and local power distribution to achieve the suggested values of decentralisation, such as efficiency, effectiveness and equalities (Bird, 1990). While these types of research, and their theoretical and macro perspectives, do make a significant contribution to national planning of decentralisation reform, they might not be helpful in assisting individual local governments where decentralisation has been already implemented.

The development field is encountering increasing demands for solutions to the latter: local government offices often face difficulties in dealing with newly assigned tasks as a result of decentralisation reforms. Nevertheless, only a limited number of academic works have been devoted to analyse practices and efforts of decentralised local governments (Burns et al., 1994). It may reflect the attitudes of international donors that, as Smoke (2003) points out, have focused too much on macro-level system
arrangements of decentralisation without considering micro-level conditions that matter at the implementation stage. Given the situation, this thesis pursues academic and practical contribution through empirical study of decentralised local government in the Philippines.

1.2 Context of the Philippines

The Philippines, a country comprised of islands between the South China Sea and the Pacific Ocean, has been an arena for radical decentralisation reform over the past 20 years. This reform, one of the earliest cases of decentralisation in Asia, was supported by numerous international donors promoting decentralisation. The United States Agency for International Development (USAID) took the lead, launching a more than decade-long project called “Governance and Local Democracy (GOLD)” (USAID, 2005).

This thesis takes the Philippines as a field of case studies for two main reasons. The first is the history of decentralisation in the country. The Philippines has been implementing decentralisation reform since 1991, when the Local Government Code (LGC), which legitimised Local Government Units (LGUs) as primary governmental entities, came into force. Therefore, it is time to analyse the effects of the reform. Secondly, as mentioned above, the reform has attracted intervention from various donors. This point is important for this research, which seeks to identify the implications of decentralisation on development practices.

Despite the positive perspectives of academic arguments on decentralisation reform, academic literature on local government in the Philippines tends to focus on continuities, rather than changes, after the reform (Kawanaka, 2001:47), as is shown in Chapter 3. One reason for this trend seems to be disappointment with the unchanged
line-up of local chiefs after the reform. In addition, recent studies have traced the historical development of decentralisation back to American colonisation, predating ongoing reform by centuries (Hutchcroft, 2000, Hutchcroft and Rocamora, 2003). Based on this historical perspective, researchers may now be suspicious of impacts said to be results of further decentralisation. This thesis questions the existing focus on continuities of local government in the Philippines by considering their changes after the LGC. Empirical observation shows that new types of LGU management, which differ from those of their predecessors, certainly emerged in some LGUs and gradually spread to others.

1.3 Objectives and Research Questions

The main objective of this thesis is to analyse changes within local government under decentralisation reform and to evaluate these changes against their expected outcomes.

In doing so, this research aims to answer the following questions:

1) How much have individual decentralised local governments succeeded in pursuing expected outcomes of decentralisation in the Philippines?

2) What factors that make a difference in local governments under decentralisation in the Philippines in terms of achievement of expected outcomes of decentralisation?

3) What are the implications for donor agencies assisting decentralisation processes in other developing countries?

One complexity of decentralisation discourse is that the reform is supported by proponents of conflicting disciplines: both the political Right and the Left find efficacies in decentralisation reform (Smith, 1998). Thus, before dealing with the above questions,
it is necessary to clarify these arguments, in order to untangle discourse and identify the ‘expected outcomes’ of reform.

Based on the theoretical analysis, case studies were conducted to pursue how individual local governments performed under the national decentralisation program in the Philippines to answer the first question. The second research question is also be addressed in analysing case studies, in which factors that bring different outcomes of decentralisation reform are to be sought within internal dynamics of local government organisations. The analytical framework for this purpose is set in the theoretical analysis section, referring to preceding theories of organisational change management.

Finally, in answering the third question, obtaining practical implications for international donor agencies, as well as making an academic contribution in decentralisation discourse, is the goal of this research.

1.4 Methodology

To answer the research questions, this thesis will employ a case study approach. The main advantage of the case study method is its ability to explain complex causal relations. Though it could be possible to conduct numerical analysis across different local governments, such analysis is likely to lose its way because of the complexities of causal relations between decentralisation reform and its outcome in a local government. Considering that micro-level analysis of decentralised local governments is still limited, what this thesis is trying to pursue may fit the case Eisenhardt (1989:548) raises as particularly appropriate for theory-building from case study research: “the early stages of research on a topic”.
The case study of this thesis describes organisational changes within the case local
governments, paying special attention to the factors identified in the theoretical analysis.
For this purpose, a mixed method of interview survey, inquiry survey, and
documentation research is employed. Such triangulation through multiple data
collection is encouraged as a means to obtain stronger substantiation of constructs by
scholars of academic research methodologies (Eisenhardt, 1989, Bryman, 1989, Yin,
1989). Details of the methodology of this thesis are described later in Chapter 4.

1.5 Academic Contribution

This thesis is expected to make academic contributions in three ways. First, it would
add micro-level empirical research on decentralised local government in developing
countries. As already mentioned, while central-local relations under decentralisation
have been much discussed, limited attention has been paid to efforts made in each
local government to follow national decentralisation programmes (Burns et al., 1994).
The same holds true in the case of the Philippines. As represented in Lim and Nozawa
(1992), one of the earliest works on decentralisation in the Philippines, most work in
this field has focused on macro-level designing of decentralisation reform. Although
these macro-level analyses have contributed to national planning of decentralised
reform, they may not meet the demands of local governments where reform has been
already introduced. Therefore, this thesis tries to fill the gap by accessing individual
local government cases.

Second, it provides novelty in academic works on the topic by investigating factors that
affect local government performance by addressing internal dynamics of local
government organisations. In previous discourse, the uneven outcomes of
decentralisation reform across LGUs in the Philippines are explained mainly by the ‘leadership’ of the chiefs, or resource gaps at best (Blair, 2001, Guevaral, 2004), just as a typical discourse heard in donor communities in any other developing countries. The emphasis of ‘leadership’, however, has not been followed by serious academic examination on the factor so far\(^1\). Even worse, an obsessive belief in leadership has a significant downside in that the capacity of a leader turns out to be the only explanatory factor of a local government's performance regardless of whether it is good or bad. Gains et al. (2009:76) precisely describe this point by noting that “‘leadership is too often the default explanation of organisational success and the knee-jerk response to organisational failure”. While the focus of the preceding arguments were directed to the chiefs of LGUs and their management styles, this thesis goes beyond that by addressing internal dynamics within LGUs through research on LGU officers along with the chiefs and executives.

Thirdly, as mentioned earlier, this thesis addresses preceding arguments on local government in the Philippines. While they emphasise on continuities of local government even after the decentralisation reform, this thesis will question such view by showing changes in decentralised local government through its empirical analysis.

In addition to these academic contributions, it also leads to implications to international donors that are eager to promote decentralisation reform in developing countries through examination of the experiences of the Philippines, which is the response to the

\(^{1}\) One attempt, in this regard, is found in a paper by Javier (2002) that provides an analysis of success factors of decentralised local governments, including leadership, employing the concept of “public entrepreneurship”, but it focuses on policy initiatives of mayors rather than their local government management. More recently, the Centre of Local and Regional Governance (CLRG) at the University of the Philippines (UP) has also conducted studies on local leadership. CLRG serves as the Secretariat of Local Government Leadership Awards (LGLA), which was launched in 2002, as will be mentioned in Chapter 4 (Brillantes, 2003).
third research question. Such implications may interest researchers as well as practitioners who examine on-going decentralisation reform in other countries.

1.6 Limitations of this Thesis

Along with the possible academic contributions, this thesis recognises its limitations. First and foremost, the field of the empirical survey is limited to the Philippines though a comparative survey across several countries might have been possible if time and cost permitted. Duration of survey in selected local governments is also limited, and it may affect the depth of process analysis of local government change. In addition, while information on local government staff can be collected through questionnaires and interview surveys in selected local government offices, access to information of the citizens within their areas is definitive. Despite these limitations, this thesis attempts to withdraw maximum implications from evidence given in the field survey.

1.7 Outline

This thesis constitutes seven chapters including the current one. In the following chapter, preceding analysis on decentralisation reform is reviewed so as to set an analytical framework for this particular research. More precisely, three different theoretical approaches to decentralisation reform are examined as well as discourse on decentralisation in development contexts. Implications obtained in this review are analysed, based on which criteria for assessing achievements of decentralised local government is introduced for addressing the first research question. At the same time, organisational change factors are also identified as the focus of case observation to respond to the second research question. These frameworks are used both in research design and case analysis.
In Chapter 3, contexts of the Philippines and overviews on the decentralisation reform are explained. Then, preceding discourse on local government, specifically in the Philippines, is discussed to clarify how this thesis can contribute to the field. It is followed by Chapter 4, in which methodology taken in this thesis, interview, inquiry and documentation is explained in detail. Selection of six case local governments is also presented.

Chapter 5 provides profiles of the selected case local governments. In Chapter 6 and Chapter 7, evidence observed in the research is illustrated within the framework set in Chapter 2. In Chapter 6, achievements made in the case local governments are addressed, while Chapter 7 presents analysis of organisational changes in each local government office by identified organisational factors. Finally, the conclusion will be given in Chapter 8 by responding to the research questions.
2 Introducing the New Analytical Framework for Decentralisation Reform

In this section, theories of decentralisation elaborated in preceding research are reviewed and analysed. First, the word ‘decentralisation’ used in this thesis is defined, which is followed by an examination of practical and theoretical development of decentralisation in developed countries. Then, three groups of theoretical roots of decentralisation discourse are distinguished and their critiques discussed. Although these theoretical roots claim different logics of decentralisation, which are connected with different political backgrounds, all of them contain more or less similar expectations for decentralisation. Such expected outcomes of decentralisation reform are presented at the end of the section. While the theoretical arguments shown above mainly deal with developed countries, this thesis considers decentralisation reform in developing countries. Thus, decentralisation arguments concerning developed contexts are reviewed in the next section. Finally, the analytical framework of this thesis is introduced based on the analysis of preceding discourse.

2.1 Understanding Decentralisation

The word ‘decentralisation’ contains broad concepts. In the simplest manner, it can be defined as “a transfer of public functions from higher tiers to lower tiers of governance” (Jütting et al., 2005:1), but the extent of power distributed to the lower layer may vary.

The widely accepted categorisation of decentralisation recognises two sub categories of decentralisation in accordance with different extents of power distribution, namely,

Deconcentration is defined as a “transfer of authority over specified decision-making, financial, and management functions by administrative means to different levels under jurisdictional authority of the central government” (Cohen and Peterson, 1999:24). On the other hand, devolution refers to occasions “when authority is transferred by central governments to autonomous local-level governmental units holding corporative status under state legislation” (Cohen and Peterson, 1999:26). A significant difference between deconcentration and devolution is the location of accountability. In deconcentration, accountability remains within the bureaucracy, but in the case of devolution it is transferred to local constituencies that elect governmental units (Turner and Hulme, 1997).

Although the distinction between deconcentration and devolution is controversial and there may be certain combinations of both in reality (Turner and Hulme, 1997), devolution seems to be “the most common understanding of genuine decentralisation” (Sarker, 2003:526-527) in decentralisation discourse. The decentralisation process in the Philippines can also be interpreted as that of devolution, rather than deconcentration, as well as many of the ‘decentralisation reforms’ attempted in other countries (Brillantes, 1998, Reforma, 1998). Therefore, this thesis mainly employs the understanding of ‘decentralisation’ as ‘devolution’, though it will not eliminate more modest forms of decentralisation from its analysis.

2 An analysis by Mawood (1993b) highlights this point by showing that the initial meaning of ‘decentralisation’ was political ‘devolution’, though it came to be used as a general term containing both ‘deconcentration’ and ‘devolution’. 
It should be also noted that there is one other form of decentralisation recognised as ‘delegation’. While devolution refers to a transfer of function to local government units, delegation means a transfer to organisations not under the direct control of the government, such as ‘quangos’ (Rondinelli, 1981, Litvack et al., 1998, Cohen and Peterson, 1999, World Bank, 2005). In the Philippines delegation to quasi governmental organisations has been widely implemented both in the national and local levels throughout the decentralisation reform process. Nevertheless, since the main focus of this thesis will be directed to the change within local government, reform through delegation will not be a direct interest of it, though, again, it may refer to a delegation type of decentralisation when it is relevant.

2.2 Practices and Theoretical Development of Decentralisation in Developed Countries

Decentralisation reform came to be widely advocated among Western developed countries during the past several decades (Löffler, 2003). In the face of severe fiscal conditions after two oil shocks, governments faced strong demand for structural reform. Decentralisation of government functions to lower layers of governments turned to be a popular remedy to get over such crises by rationalising the central governments. It was also an attempt to react to the public dissatisfaction with governmental organisations and the prevailing recognition that public services were “unresponsible, uninformative, inaccessible, poorly co-ordinated, bureaucratic, unwilling to listen, inefficient, unaccountable” (Burns et al., 1994:86).

3 “Privatisation” is also counted as a type of “delegation”.
4 As is shown here, many categorisations of decentralisation exist, and various interpretations can be found for the same terms. Conyers (1990) attempts to clarify the complexities of the concepts by distinguishing different dimensions of decentralisation: (i) types of activities decentralised, (ii) types of power or authority decentralised, (iii) level of decentralisation, (iv) to whom powers are decentralised, and (v) means of transfer.
The spread of decentralisation reform can also be perceived in wider movements of Western societies after the 1970s. Increased economic globalisation, more severe competition among international enterprises, changing industrial structures and the shift from manufacturing to tertiary industries compelled organisations to transform (Senior and Fleming, 2006, Hughes, 2003). That is to say, the bureaucratic and centralised form of traditional organisations, which was ideal for manufacturers of mass-production, started to shift to the more flexible and decentralised forms of organisations. The development of information and communication technology (ICT) is also recognised as a driver of this shift. ICT realised two-way flows of information throughout a decentralised organisation beyond physical distance, which in turn enabled efficient central control and monitoring as well as better coordination of delegated operations (Horton, 2003).

Such innovation in private sector organisations were introduced to the public sector by NPM. The NPM movement emerged in member countries of the Organisation for Economic Co-operation and Development (OECD), in particular “Commonwealth OECD” countries. It was an effort to realize the so-called “three Es” in the public sector, namely “economy, efficiency and effectiveness” (Löffler, 2003), which traditional bureaucracies failed to achieve. Decentralisation reform is often discussed in the context of NPM because downwards delegation of government authorities and functions is the core concept of NPM (Löffler, 2003, Manning, 2001, Hughes, 2003).

It is, however, misleading to make decentralisation a parallel expression of NPM in considering the theoretical and political backgrounds behind them. NPM has its roots in ‘new institutionalism’ and ‘managerialism’. The ‘new institutionalism’ and its associated theories - such as the public choice theory, the transaction cost theory, and the
principal-agent theory (Hood, 1991, Hood, 1994, Hughes, 2003) - are the theoretical base of what is called the New Right movement by the Political Right across Western governments, which is typified by marketisation and/or privatisation of public services. Meanwhile, ‘managerialism’ is a set of ideas which came to be advocated under the influence of ‘international scientific movements’ (Hood, 1991, Hood, 1994). Since both ‘new institutionalism’ and ‘managerialism’ are in favour of decentralisation reform, decentralisation came to be the core concept of NPM. What should be highlighted here is, however, that decentralisation reform was appreciated not only by Political Right and managerialism opponents, but also by the proponents of the Political Left for very different reasons: as a means to democratic participation and to oppose centralised policy control under conservative governments.

In short, the values of decentralisation had “a wide appeal, regardless of ideology or political theory” (Smith, 1985:3). For this reason, simplistic recognition, “[c]entralisation is ‘bad’; decentralisation is ‘good’” (Rohdes et al., 2003:6), prevailed across Western countries, which in turn, exported it to developing countries. At the same time, support from opposing parties holding different approaches and expectations to public sector reform brought confusion about aims and objectives of decentralisation reform (Burns et al., 1994).

Given the situation, the following sections will further analyse underlying theories of decentralisation. Such analysis is important for this thesis not only in clarifying the initial intended outcomes of decentralisation reform, but also in considering its own analytical framework. The different theories to be analysed below are: marketisation, managerialism and local democracy. Although these labels are modelled after the ones
shown in Burns et al. (1994)⁵, analysis of other writers has also referred to similar frameworks. For example, Peters (2001a, 2001b) recognises four modes of government reform with four different sets of ideas: the market, participation, deregulation and flexible government. The first two sets of ideas introduced by Peters are inter-related with marketisation and participation in our categorisation. Through the analysis of these labels, this chapter attempts to obtain clearer pictures of complicated discourse on decentralisation.

2.3 Theoretical Roots of Decentralisation and their Critiques

2.3.1 Marketisation: Views from the Political Right and their Critiques

As mentioned already, our first approach, marketisation, reflects theories advocated in ‘new institutionalism’. For example, the ‘budget-maximising model’ developed by Niskanen (1971) is one of the influential theories in ‘new institutionalism’, describing attempts of bureaucrats in maximising budget allocation to their own departments, considering their own salary increases rather than public interests. The significant implication of the ‘new institutionalism’ theories is, therefore, that government bureaucracy is not capable of providing public services in an efficient and effective manner: large bureaucracy contains transaction costs and it may seek to maximise its own profits against public welfare. Therefore, the approach “seeks to replace public provision with private” (Burns et al., 1994:22) through introducing quasi-market mechanisms into it to solve efficiency and accountability problems.

⁵ Burns et al. (1994:22) recognise three different theoretical bases of public service reform after the 1980s: “extended market”, “new managerialism” and “extended democracy”. This thesis renames these labels “marketisation”, “managerialism” and “participation”, respectively, for convenience.
Ideas of the ‘new institutionalism’ were adopted by the Political Right and implemented by various Western ‘New Right’ governments. The representative example can be found in the policies taken under the Thatcher Administration in the United Kingdom. Thatcherism moved forward with reforms to realise a “small government” by introducing privatisation, delegation to quasi-governmental organisations, and contract out through competitive tendering (Leach et al., 1994). The central government was expected to play a role in setting strategies and in coordinating organisations as an “enabling state”.

Marketisation approach considers decentralisation to be “an important medium for increasing personal welfare” (Smith, 1985:30) by addressing two major problems of traditional bureaucracies. First, decentralization is assumed to reduce the problem of responsiveness in bureaucratic public services as it increases the number of government bodies and, thus, their degree of functional specialization is enhanced. Second, such diversified jurisdiction encourages competition among authorities, and therefore, improves efficiency.

The second point reflects the traditional discourse on local governance of “vote on feet”, advocated by Tiebout (1956) and Oates (1969). The thrust of the claim was that highly decentralised local governments will compete with each other and will improve services they provide to attract citizens that show their preference by moving around territories of these local governments.

As indicated in this claim of “vote on feet”, marketisation approach perceives citizens as “consumers”. Citizens have rights to choose services they want to receive in a quasi-market of decentralised authorities, just as consumers do in the market. Burns et al. (1994) illustrate this point by referring to the “exit model” of Hirshman’s classical
textbook (1970), which highlights the strategies of people facing dissatisfaction. The marketisation approach addresses the “exit model” as it presumes the capacity of citizens to stop receiving service from one provider and to start doing so from another in accordance with their preferences⁶. The thrust of the “exit model” is supported by Buček and Smith (2000:10) in their notion that “[c]itizens can better express views on particular delivery issues, which cannot be precisely expressed during elections”.

Such freedom and rights of the citizens as consumers constructs the idea of “market democracy”, which in turn, may undermine demand for democracy in a political sense. Indeed, in the United Kingdom claims for political participation once gathered steam in the era of political activism, then shrank in the 1980s under the New Right movement (Stoker, 1997a).

Whereas rational ideas of the marketisation view underline much recent public sector reform as well as decentralisation reform, varieties of critical arguments have also been made. Many of these critiques doubt applicability of the market principle to the public sector. The following are frequently referred problems of the marketisation view on decentralisation.

**Availability of Choice**

As explained earlier, advocates of the ‘new institutionalism’ claim that public choice should be made through the quasi-market mechanism to solve efficiency and accountability problems of the traditional bureaucracy. In their model, citizens have

⁶ Hirshman also proposed the “voice model” as an opposing model of the “exit model”. The “voice model” is parallel with the participation approach, as will be discussed later.
rights to choose public services in accordance with their own favours just as customers do in the private sector.

Nevertheless, the critical authors argue that such choice is not always available to the citizens as customers and thus the approach is ill-suited to the public sector context (Clarke and Stewart, 1992:20). Even if the citizens have economic and physical capacities to choose one, free competition of service providers with perfect information is not a reality either.

The marketisation approach to decentralisation, which is underlain by the ‘new institutionalism’, is exposed to the same critiques (Burns et al., 1994, Hambleton, 1996). The logic of “vote on feet” by Tiebout and Oates cannot always be enforced by the citizens. Or rather, they usually do not have resources to physically move themselves into a jurisdiction that delivers the most favourable services. As a result, “many people are trapped in unattractive, brutalising environments because they lack the resources to move out” (Hambleton, 1996:29). Moreover, information to judge various local governments may not be available to the citizens.

This point is especially problematic in considering the nature of welfare governments that are supposed to assist vulnerable populations. Smith (1985:34-35) precisely points out this issue in that “to many groups for whom public services are especially important (because they cannot afford the private provision of, say, education and health care, or no private provision exists) the ‘right’ to move to a preferred ‘bundle’ of services and taxes is empty”.

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Inequity

Similarly to the previous point, there are concerns that local governments with the market approach might neglect services for the poor and disadvantaged people in their jurisdictions while improving services to the rich (Burns et al., 1994, Hambleton, 1996). Hambleton (1996:29) argues that such “two tier systems of service” lead to “divided cities”.

Multiple Preferences

Related to the availability of choice problem, marketisation is also criticised for not meeting multiple preferences of the population within local government. As shown above, proponents of marketisation claim democratic elections, which take place once every several years, cannot closely reflect various preferences of the citizens. Nevertheless, the same criticism can be made of the marketisation approach in terms of decentralisation reform. Although the “vote on feet” is the mechanism in which citizens enforce their rights to choose a favourable local government, it is unlikely that a single government fulfils all of the multiple requirements of a citizen (Smith, 1985). The marketisation advocates may dispute this notion by mentioning minimised functions of the government itself. Even after many of public services are contracted out to external agencies, however, dimensions of public policies made by the local government still vary. As a result, “[p]eople will still be left with demands to satisfy through other means once a location is chosen” (Jackson 1975:22-23 cited in Smith 1985:36).

Individualism

The marketisation view is criticised by advocates of participatory democracy in its individualistic approach, which is against the collective nature of democracy. For
example, Burns et al. (1994:6) express concern that “market models are likely to damage local democracy” by promoting selfish behaviours.

A counterargument of such criticism may be illustrated in the notion of “market democracy”. Proponents of marketisation insist their approach provides citizens greater opportunities to enforce their freedom and rights to show their preferences than regular elections, and therefore leads to achieve maximised efficiency in a society as a whole. From their point of view, individual citizens cannot present their multiple preferences through democratic elections. Smith (1985:32) states that “votes have to express in a single choice a multitude of preferences or at least an ‘all-or-nothing’ choice as in a single-issue referendum”.

This argument of “market democracy” is, however, a misconception of democracy for democrat authors. Although proponents of marketisation see democracy as “the maximisation of individual choice or individual freedom”, for democrats, democracy means “the process of collective decision-making” (Beetham, 1996:29).

Accountability

Another associated criticism from the advocates of participatory democracy is that the market mechanism does not let citizens participate in higher policy making, although marketisation may enhance responsiveness of local government and satisfaction of citizens in each delivery issue. In this regard, Clarke and Stewart (1992:21) note that the marketisation approach does not empower citizens as much as participatory democracy does because “the power of the public in relation to the authority remains unchanged”.

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This is echoed by Burns et al. (1994) who describe the dispute as one between “consuming politics” and “producing politics”. In “consuming politics” through the market mechanism, “[t]he danger is that when group or communities choose to participate in representative government, their participation will amount to no more than the ability either to choose between limited options or to reject to options presented to them”, and therefore, the citizens “may very rarely be in a position to create” as in “producing politics” through participatory democracy (Burns et al., 1994:266-267).

This argument illustrates the problem of accountability in the marketisation model. Even though citizens are entitled to choose what they want from multiple suppliers, as their rights can be enforced only through the market mechanism, they are not capable to make delegated service providers and the government accountable to them in a real sense. In other words, in the maekertisation model, accountability only goes downward (Beetham, 1996).

The method of delegation is also a point of argument. Although the central government sets service requirements for local governments and other agencies through contracts, fixed requirements might diminish local innovation (Burns et al., 1994:25). Specification of services in contracts is also said to be technically difficult (Buček and Smith, 2000).

The same may hold true in the relations between citizens, decentralised local governments and the national government. Beetham (1996:36) points out that decentralisation reform based on the marketisation approach contains this accountability problem in that “individual customer of service have no way to influence standards on service delivery set in the national government”. What is worse is that this
may cause one of the key problems of modern decentralised local governments: public apathy. Citizens are unlikely to be interested in public services issues when they are not involved in decision making about them (Burns et al., 1994). Andrew and Goldsmith (1998:112) also argue that “it is difficult to see how consumers can enforce accountability on the many providers of local services”.

*Raison D’être of Local Government*

Finally, since the marketisation logic to rationalise public service provision promotes decentralisation to functional units, in public reform practice, a decentralised local government further delegates its functions to external agencies. However, as Andrew and Goldsmith (1998) argue, the existence of the local government itself might be questioned in such a fragmented system. Accountabilities are scattered to multiple agencies and the competitions with these new agencies may lose the status of elected local governments.

**2.3.2 Managerialism: Views and their Critiques**

The second approach is managerialism, another theoretical bases of NPM along with the ‘new institutionalism’. The basic assumption of managerialism is that managerial techniques can be applied to any type of organisation, whether it is private or public (Pollitt, 1993). In this trend, following practices of private companies, public services are contracted out to various agencies, which are all expected to follow the guidelines set by the central government, so as to achieve national priorities or standards (Stoker, 1996).
In the managerialism approach, which puts an emphasis on functional aspects of organisations, local government is regarded as one of the public service providers (Stoker, 1996). Decentralisation to local government, therefore, is supported for functional rationality in that “[l]ocal managers often know best how to make the most effective use of scarce resources” (Hambleton, 1996:21).

The managerialism approach perceives citizens as “customers” (Burns et al., 1994). They are welcome to give “feedback” to the government as their comments could be the information for self-improvement of the government, just as a customer survey does for a company. In this sense, though the citizens are involved in the government, they are not empowered in a real sense.

The main criticism of managerialism is developed around applicability of the approach in the public sector. The rest of the critiques are, as will be shown below, mainly made by the advocates of participatory democracy, and thus, overlap with those against marketisationism.

_Ignorance of the Political Nature of Local Government_

Although the basic assumption of the managerialism view is general applicability of management theories, such a generic approach causes many critical arguments on managerialism in the context of public sector reform (Pollitt, 1993). The common criticism is that the public sector is different from the private sector where management
theories have been nurtured, and therefore, managerialism's assumptions cannot be applied to public organisations as they are.\(^7\)

In terms with decentralisation reform, critical authors underscore the political nature of local government, while management theories tend to deal with politics "as some kind of regrettably unavoidable extra" (Pollitt, 1993:120). The managerialism view regards local government as a functional unit of service provision, assuming efficiencies and effectiveness of local services will be enhanced, if decentralisation is introduced in a technical manner. Nevertheless, as Burns et al. (Burns et al., 1994:30) assert, issues of local government are "about much more than service delivery". Local government needs to devote itself to improving the quality of government along with the quality of service, as it has a crucial role in protecting local liberties, supporting political diversity and contributing to political education. Hence, the authors confidently claim that the theory of local government should be built on a political theory, not on a management theory.

**Individualism**

The value of managerialism based on the individualistic approach is criticised from the Political Left. In public reform led by proponents of managerialism, efficiency and

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\(^7\) This kind of arguments around applicability of private-based management theories in public organisations is actually not new. Sayre (1953) famously asserted that public and private organisations are "fundamentally alike in all unimportant respects", which was echoed by Allison (1979:472), who denied the effectiveness of the direct transfer of private management practices and skills to the public sector. Given these criticisms, prominent authors of managerialism tried to highlight the similarities, rather than the differences, of private and public organisations (reviewed in Rainey and Bozeman, 2000), which composed the basis of NPM assumptions. More recently, authors such as Bozeman and Bretschneider (1994) and Rainey and Bozeman (2000) also claimed, using empirical survey results, that the gaps between the two types of organisations are neither clear nor huge.

\(^8\) Similarly, Hambleton (1996:41-42) criticises the renowned public management textbook in the NPM era by Osborne and Gaebler for not developing an analysis of modern government as a political entity.
effectiveness are the dominating values and “[o]ther values – for example, fairness, justice, representation, or participation – were either off the agenda or were treated as constraints on the drive for higher productivity” (Pollitt, 1993:138). The latter values, however, are critical to participatory democracy.

**Inequity**

Equity is another missing value in the managerialism view to public reform. Although consideration of disadvantaged populations or areas is at the top of the agenda in local politics, proponents of managerialism are “largely silent on the issue of equal opportunities” (Pollitt, 1993:140).

**Accountability**

The accountability problem is also a focus of criticism. In the managerialism approach, central control is strengthened in parallel with decentralisation as a way to ensure accountabilities of delegated units (Hughes, 2003). In this line, the central government imposes managerial means to decentralised local governments, such as reporting requirements and standardised obligations, so as to make local governments along with national objectives. Hence, critical authors claim that decentralisation reform is implemented in a too much control-focused manner without providing intended autonomies and resources to local governments. Pollitt (1993:118) criticises this as “the official Anglo-American rhetoric of decentralisation”. In the case of the United Kingdom, Burns et al. (1994:261-262) report that the national government stressed how to improve executive actions in local government by specifying contracts to be implemented and monitoring their completion without focusing on how to strengthen representative and participatory democracy at the local level.
2.3.3 Local Democracy: Views from the Political Left and their Critiques

Our third approach, local democracy, is to advocate a “much more democratic model” of local government to replace “the old bureaucratic paternalistic model” (Burns et al., 1994:23).

This approach is often referred as an opposing view to the first two approaches (marketisation and managerialism) because it has been proposed by opponents of New Right policies. Advocates of the participation model highlights the collective interests of the community, while the marketisation model attempts to maximise individualistic profits of citizens (Burns et al., 1994). So-called ‘localists’ also promote the approach as resistance of centralisation, which was promoted in the New Right movement (Stoker, 1996).

Ideas of the participation, however, predate the New Right. As Burns et al. (1994:245) illustrate, the tendency to appreciate participation of civil society is originally found in traditions of socialist thought, especially among libertarians, but it later came to be claimed in contemporary arguments of those who advocate liberal and social democracy.

Decentralisation has been supported by liberals in that it makes a contribution to the nation’s democracy “by offering opportunities for ‘greater personal participation in the actual business of governing’ and by creating ‘a democratic climate of opinion’” (Smith, 1985:20). On top of that, decentralisation is also proposed as a means to improve local democracy by increasing equality, liberty, and responsiveness of local governments (Smith, 1985).
Nevertheless, these liberal arguments on decentralisation may be controversial. Positive impacts on national democracy are questioned in terms of empirical factors in continental European democracies in which states tend to see localities as just one of many particular interests, and therefore, democratic nations are not necessarily in favour of local democracy (Smith, 1985). Improvement of local democracy itself is also criticised by empirical failures of democracy in local government. For example, in the United Kingdom, limited capacities of representative arrangement in local government is shown in: i) low rate of voter turnout, ii) strain on many local councillors, iii) characteristics of local councillors that do not reflect social composition, and iv) lack of a political culture of participation and public indifference (Burns et al., 1994:34).

Here is the reason why ‘participatory democracy’ in decentralised local government is emphasised as a complement of ‘representative democracy’ in recent liberal arguments (Burns et al., 1994, Stoker, 1996, Buček and Smith, 2000). The statement made by Stoker (1996:43) clearly explains the necessity of participatory democracy:

... the electoral process on its own cannot ensure responsive government. The choices that people make at election time are ‘broad brush’ choices between representatives and their policy programmes or tendencies, at a particular moment in time... Systematic and regular consultation is therefore a necessary democratic component to the electoral processes.

Although “the belief that local government should involve the public or ‘get closer to the community’ is hardly new” (Lowndes et al., 2001a:205), participation arrangements
have been put into practice only recently⁹. In the United Kingdom, many local governments started promoting local democratic participation only after “modernisation and improvement” programmes, an extensive public sector reform introduced under the Labour government of the late 1990s.

The most distinguishing form of participation is what is described as ‘direct democracy’ in which every citizen takes part in the formal decision-making process of the government (Peters, 2001a). However, it is practically unrealistic to apply direct democracy for every single policy even in the smallest local government. Thus, local referendum for specific issues is a common form of direct participation. Along with it, more modest forms of participation are also practiced. There are varieties in its level of involvement, which can be attributed to the famous “ladder of participation” of Arnstein (1969), as will be introduced later.

After all, whereas other approaches perceive citizens either as consumers or customers, the participatory approach treats them as citizens. It stresses local government, and all its functions, as a political entity, where citizens are empowered to use their civil rights.

In terms of Hirshman’s (1970) model, contrasting to the “exit model” of the marketisation approach, the participation approach refers to the “voice model”, in which people make complaints or take an action against the organisation when they are

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⁹ Fundamental transformation of political structure is referred to as a background of this new type of local governance (Greasley and Stoker 2009; Haus and Sweeting 2006: Andrew and Goldsmith 1998). That is to say, along with urbanisation and diversification of demands for public services, class-based politics with left-right party separation were replaced by issue-based politics. As a consequence, requests for public services became more individualised and political participation of citizens was strengthened.
dissatisfied with what they are provided. In the local government context, citizens do so by participating in the policy-making or service provision process.

Critiques of the participation approach tend to be made from the empirical or practical points of views rather than from theoretical or philosophical standpoints, as participation itself may not be denied by theorists of decentralisation. The following illustrates the main points of such criticism.

*Tokenistic Participation*

The participatory approach is often criticised for its ‘tokenistic’ realities. That is to say, civil participation, against its idea, does not actually provide any power to participants (Smith, 1998). The scope of participation is often limited and citizens are not allowed to participate in the crucial stages of planning and/or decision making. Even worse participation may impose undue responsibilities and burdens on to participants (Smith, 1998).

Responding to such realities, critical authors are suspicious of the intentions of central and local governments to introduce participatory schemes. They find the main motive of the officials to prefer participation is in that participatory mechanisms can legitimate government decisions which have been already made (Stoker, 1997a, Smith, 1998, Hickey and Mohan, 2004). In addition, as Lowndes et al. (2001a:211) claim, “tangible benefits of collecting information for better decision makings” also fulfil needs of officials. Meanwhile, participation accompanying actual shifts of power is out range (Stoker, 1997a).
This argument blends with the critiques of managerialism discussed previously, which point to the “rhetorical” implementation of decentralisation reform. Buček and Smith (2000:14) describe the regrettable situation in the local level: “[f]or too long participation in local affairs has been tokenistic, involving little more than consultation with public opinion in ways which produce results that can easily be ignored by those in formal positions of local authority”.

Public Engagement

The problem exists in the participants’ side as well. Even if the government sets up participatory schemes, public engagement is not necessarily promised, as the citizens are only interested in “what these structures do and what they provide for them” (Fenwick and Elcock, 2004:535). In this regard, Game (2003) provides an empirical observation on local referendum as a governance system in the United Kingdom to show citizens did not engage in a high-level consultation process. Gains (2005) echoes this by arguing that the public perception of responsiveness of the government does matter.

This empirical situation is associated with “the old clash between ‘representativeness’ and ‘viability’” discussed by Mawhood (1993:10): While “[t]he local authority must be sufficiently close for them to feel that it represents their interests, yet it must be able to raise sufficient resources in buildings, equipment, and staff to run an efficient service”. Nevertheless, being sufficiently close to the people and providing sufficient resources may be hard to achieve simultaneously, especially in rural areas where people are scattered.
It should be noted, however, while such a situation is considered as a limitation of participatory democracy, Burns et al. (1994:272-273) stress the significance of opening a channel for citizens to be involved in governmental issues:

People participate in public life primarily on the basis of their immediate interests and experiences – what is happening on my estate, in my neighbourhood, in my school, in my local library or sports centre. It is only from this basis – of immediate need or interest – that involvement in wider issues concerning the common interest can be built. On the whole, it is only through engaging locally that people begin to think globally – the movement is almost always from the particular to the general, from the individual or group to the collectivity.

**Diversity of Communities**

Regardless to what extent the public is allowed to participate, representativeness of participants may be doubted unless direct participation of entire populations is achieved. It might be the most common objection to participatory democracy, as Burns et al. (1994:223) describe: participants are “often quite unrepresentative of those they support to speak for and may also be dominated by sectional interests”. In particular, for Marxists critiques, participatory schemes within a community only reproduce “the system of domination represented by the state itself” (Smith, 1985:184), because “power differences between groups within civil society and the way in which the amplification of some voices may lead to the muting of the others” (Burns et al., 1994:250).

What makes the issue more complicated is the multiple nature of personal identity. In participatory democracy, participants of the schemes are supposed to represent a particular community they belong to. Nevertheless, “the idea that a community can be defined as commonality of all interests must be questioned”, since “people can be considered as a community for one purpose but not for other purposes” (Barnett and Growther, 1998:429). This leads to reveal a limitation of decentralisation’s assumption
that people in the same locality share needs and interests which are easily understood by local government officials. Furthermore, although local government often delegates consultative or decreptive functions to ‘neighbourhood' communities as a means of participation, “‘neighbourhood’ is just one of many sources of identity” for citizens (Burns et al., 1994:228).

Modernisation is another force to making representativeness of participatory democracy problematic. Burns et al. (1994:223) note that continuing ‘community participation' may be difficult in the current society where “civil society becomes progressively less homogeneous”. The point is echoed by Stoker (1996) who questions the viability of geographically defined political space in societies considering highly developed mass-communication and enhanced mobility. But then, what is the viable form of participation in such societies?

Inefficiency

Finally, from the perspective of proponents of marketisation and/or managerialism, the participation approach seems to disturb the efficiency of government. Drawbacks of participation are identified in i) raising unrealistic expectations, ii) slowing down the decision-making process, iii) losing coherence and inter-relationships of decisions, and iv) imposing additional administrative burdens to the government (Lowndes et al. 2001a; Leach et al. 2003 cited in Fenwick and Elcock 2004). In terms of local referendum, the most extreme form of public participation, Buček and Smith (2000:8) argue that referendum items should be limited to particular ones because such a form of participation might result in the “tyranny of the majority” when it occurs too often.
2.4 Expected Outcomes of Decentralisation

It can be concluded of 2.3 that three different approaches have more or less similar expectations of the benefits of decentralisation. These expectations may be summarised in two points: improved service delivery and enhanced participation.

First, decentralisation is desired to enhance efficiency and quality of public services by providing for local needs (Smith, 1985). As was shown above, different pathways to reach this outcome seem to be assumed in each approach. While the marketisation approach attempts to enhance efficiency and effectiveness of service delivery through privatisation, managerialists claim devolved authority leads to the same achievements through closer contact with the public as customers of services. For the participation approach, the quality of service is the matter of concern which can be improved by active public participation in policy making. Assuming decentralised local governments attempt to provide services that are responsive to their own constituencies, their approaches would naturally be more diversified and be more creative. As Burns et al. (1994:104) note, “devolved control should imply an acceptance that different neighbourhoods will do different things”, although “public service traditionalists find hard to accept” such a concept.

Second, decentralisation is assumed to enhance public participation. While this is the main thrust of the participation approach, the marketisation approach also proposes the idea of ‘market democracy’ in which liberty, equity and welfare of the citizens are supposed to be promoted. Buček & Smith (2000:4) rightly mention that “leftist and rightest political theorists, despite differences in argument, both recommend balancing dominant local representative democracy by various forms of participatory democracy”. Meanwhile, involving the public in local governance also fits the thrust of managerialists’
view which considers functional rationality of delegation to the people with local knowledge.

Such conclusion reminds us of the traditional discourse on local government made by John Stewart Mill in the 19th century. The thrusts of Mill’s arguments were: i) local administration with local interest and knowledge is likely to make service provision effective, and ii) local government is an essential element in a democratic system, as it widens opportunities for public participation, which would have an educative effect on the citizens in practicing democratic politics (Mill, 1911:2357 cited in Stoker, 1996:5; Andrew and Goldsmith, 1998:107-108). Both of these two points are parallel to the summarised points of expected outcomes in current decentralisation discourse, and therefore, Mill’s statements are still frequently referred to in modern articles. It is said that his arguments from the 19th century made a great impact on Western normative thought on local government (Stoker, 1996).

It should be noted, however, that which aspect of these expected outcomes is emphasised more than the other may differ across countries. As Andrew and Goldsmith (1998:108) argue, the gap is caused by cultural differences “reflecting different historical experiences – values, beliefs, and expectations about the role and scope of government generally and elected local government in particular”. For example, in the United Kingdom, where local government was traditionally an administrative body for local service provision, the aspect of efficiency was highlighted in decentralisation discourse. Meanwhile, American theorists, appreciating the Jeffersonian idea with pluralist and localist views, normally underpin the democratic aspect of decentralisation. Only recently, when the nature of local government as service provider has been changing and the legitimacy of local government came to be
in danger, the role of local government as democratic government for local citizenship, which may be too obvious to be discussed in the United State, started to be reconsidered in the United Kingdom.

2.5 Arguments on Decentralisation in Developing Countries

Decentralisation came to be a world-wide phenomenon, since decentralisation practices, as well as theories, in Western countries were exported to developing countries. As international donors are earnest to promote decentralisation in their recipient countries, a series of discourses have been made on rationales of such reform in the developing world, although their focus of arguments has been slightly shifted in each era (Cohen and Peterson, 1999, Manor, 1999). This section will deal with decentralisation arguments specific to developing countries to clarify what decentralisation reforms are expected to achieve in developing countries, often supported by development aid.

One feature of decentralisation discourse in developing countries is that it does not have a specific ideological or political base as it does in Western countries (Turner and Hulme, 1997) Therefore, the different approaches discussed above are not identified in these arguments. This seems to complicate arguments. Since decentralisation and its outcomes are discussed without any logical backgrounds, or rather, with a mixture of different theoretical bases, decentralisation reform is treated like a panacea bringing favourable outcomes in a vacuum.

Another feature is found in expected outcomes of decentralisation raised in these discourses. While the points made in Western discourse: improved service delivery and
enhanced local democracy are highlighted, other effects are also desired as a consequence of decentralisation reform. And again, since all of these points are initially attributed to different theoretical bases, such discourse is complicating and occasionally contradictory (Turner and Hulme, 1997). The following are the expected outcomes normally pointed out by donor agencies or other decentralisation proponents.

*Improved Service Delivery*

In comparison with the highly centralised government, decentralised local government is always assumed to make a better service provider as it is closer to the people and thus, is able to provide services which are more relevant to local needs (Litvack et al., 1998, Smoke, 2003). This point is critical in developing country settings, where basic needs are not fulfilled.

*Enhanced Local Democracy*

While discourse on decentralisation in developing countries tends to focus on administrative benefits in its early stage, the democratic aspect of decentralisation came to be a norm in connection with popular arguments for participatory development by the 1990s (Cohen and Peterson, 1999, Charlick, 2001). Locally elected government that have more interactions with people are expected not only to be capable of making policy decisions consistent with local needs, but also to provide people with a sense of solidarity, control, and authority (Smoke, 2003). Such claims are often made as an objection to the top-down, central planning common in developing counties. It is also pointed out that participation is highlighted, especially in formally non-democratic countries (Buček and Smith, 2000). Introducing procedures of direct participation is significant there in considering non-political initiatives of local civil society are not developed in these societies.
Poverty Alleviation

Recent discourse on decentralisation in developing countries has a strong tendency to locate decentralisation reform as a means of poverty alleviation. Decentralised local government is thought to reduce poverty both through efficient service delivery and participation (Buček and Smith, 2000, Smoke, 2003). In particular, those perceiving decentralization as a synonym of democracy and community participation come up with the assumption: “decentralised governments are more responsive to the needs of the poor than central governments and thus are more likely to conceive and implement pro-poor policies” (Crook, 2003).

Equality

Equal distribution to the public is another aspect highlighted in decentralisation discourse in developing countries. Local government is believed to be more capable of allocating public resources equitably to the people compared to the central government (Crook, 2003, Smoke, 2003).

National Unity

Promoting integration of a nation state is also a unique common reason for decentralisation in developing countries. It is noted that decentralisation encourages involvement of various populations beyond different religions or ethnicities, and this, in turn, promotes national unity (Rohdes et al., 2003:5). Indeed, for multi-ethnic countries in Africa, decentralisation has been a political choice to keep various ethnicities within a nation (Litvack et al., 1998).
In addition to those shown above, Ferguson (1996) cynically points out that donor agencies are in favour of decentralisation reform because it is easier for them to provide funds to local government than to the central bureaucracy.

In this way, being “imbued with many positive connotations” (Turner and Hulme, 1997:151), decentralization is expected to bring about a range of desirable outcomes, and therefore, has kept attracting international aid donors over the decades. Under such a situation, it may be more than obvious that this discourse would be challenged from an empirical point of view. For instance, Mawhood (1993:1) illustrates that what we often see in practice is “[e]xperiments with local government that end in chaos and bankruptcy … Too often the word (decentralisation) seems to convey only what the public relations department wants it to mean”. Such “chaos and bankruptcy” are widely reported in critical arguments.

The most controversial aspect of decentralisation reform in developing countries may be the fact that the reform does not automatically result in the enhancement of people’s participation. In this regard, monopolies of local elites have been frequently referred to (Turner and Hulme, 1997, Litvack et al., 1998, Charlick, 2001, Peters, 2001a, Devas and Grant, 2003). Devolved authorities may be controlled by local elites, who are likely to be associated with central politicians, and under such situations, both the central and local governments do not have incentives to transfer their power further down to the community level. As will be discussed later, this is the commonly recognised situation in the Philippines. Social culture may also prohibit people from actively involving themselves in local government matters. Buček and Smith (2000:13), who examined roles of third sector organisations in local governments, note that “a contribution to
local democracy may be difficult to make when authoritarianism is deeply rooted and when political representation is a recent phenomenon”.

Therefore, it is argued that certain conditions are required to achieve people’s participation in local decision making. For example, disciplines of local officials, local leadership, external pressures, matured local associations, accountability mechanisms and availabilities of information are the identified conditions that tend to be missing in developing countries (Charlick, 2001, Peters, 2001a, Crook, 2003, Devas and Grant, 2003).

Even if a participation scheme is introduced to local governance, it is debatable whether it will lead to responsiveness of the government to the needs of poor constituencies. Although Smith (1998:197) showed an optimistic view on this point, stating “in developing countries benefits may be derived from even the weakest forms of participation”, other empirical surveys have already presented counter evidence to it. A comparative study of Crook and Manor (1998) revealed that, although all of their case countries in Asia and Africa experienced improvement in participation after decentralization reforms, none of them reached enhancement of responsiveness of local governments to poor constituencies. Subsequently, Crook and Sverrisson (2001) examined more cases, and reached the conclusion that there is no specific link between participation and pro-poor policy outcomes.

There may be various causal factors between participation and these unsuccessful policy outcomes. As Goetz and Gaventa (2001) clarified, forms of participation are varied, and so are their political impacts. More importantly, who participates in participatory mechanisms also matters (Devas and Grant, 2003). In some cases,
participating bodies are uneven and exclude the vulnerable with the corollary that genuine aims of participation cannot be achieved.

In this regard, Crook (2003) reached the conclusion that the ideology of central governments is crucial to make a decentralization reform pro-poor; therefore, the expected outcomes of decentralization are hard to be attained in Africa, where the reforms are usually linked with ethno-regionalism rather than poverty reduction. In these cases, even though the impoverished groups may attempt to participate in local governance through democratic decentralization, it would not result in pro-poor policy decisions, because of the lack of accountability mechanisms (Crook, 2003). As a consequence, the popular concept of participation remains “manipulative against its initial intention” (Cooke and Kothari, 2001, Hickey and Mohan, 2004).

In this way, decentralisation, supported by a mixture of theoretical bases, might have been overrated in developing countries. As argued above, however, decentralisation reform should not be considered as a panacea or a unique reform that can be applied everywhere since “one size does not fit all” (Jütting et al., 2005:5). Despite some efforts made to identify prerequisites of decentralisation, Smoke (2001) recommends to see such prerequisites as “basic elements for implementing decentralisation policies” rather than as sufficient conditions of it. It was also echoed by Kulipossa (2004), discussing such a “line of thought” of decentralisation should require empirical scrutiny. Indeed, along with other kinds of reform, decentralisation practice needs to be contextual, so as to be relevant to the settings of the country or the local government and to address its initial objectives.
2.6 Analytical Framework of this Thesis

2.6.1 Findings from the Theoretical Review

Significant findings were obtained from the theoretical review of 2.3, 2.4 and 2.5, which have implications for this thesis. First, different approaches have developed around decentralisation discourse, obtaining support from different political perspectives. Nevertheless, the expectations for decentralisation reform are more or less similar across these approaches, even though assumed pathways vary. More precisely, improved service delivery and enhanced participation are the commonly expected outcomes of decentralisation reform.

It should be noted, however, that decentralisation discourse is more complicated in developing countries, where different approaches are mixed without recognising their theoretical backgrounds. As a result, the word ‘decentralisation’ is “imbued with many positive connotations” (Turner and Hulme, 1997:151), including the two targets indicated above, and excessive expectations are held for the outcomes of decentralisation reform. ‘Poverty alleviation’, which is a critical issue in the contemporary world and may possibly be achieved through various complicated factors, is one of the most frequently mentioned outcomes of decentralisation. Nevertheless, the efficacy of decentralisation against this goal is, as might be obvious, not empirically supported (Crook and Manor, 1998).

Second, while a range of critical discourse circles decentralisation, one common concern expressed across different approaches is the feasibility of decentralisation reform. As shown in the Table 2-1, critiques of the three approaches are composed of philosophical and practical aspects. Philosophical critiques are mainly developed as discourses between NPM principles and participatory democracy. NPM principles
taken in marketisation and managerialism approaches are criticized for their missing concern of collectivity, equality and accountability, all of which should be considered by local government as a public entity. For marketisation and managerialism theorists, on the other hand, the approach suggested by participatory democratists seems to be too burdensome and disruptive of the efficiency of local government. These arguments may well support the mixture of different approaches in actual reforms.

Meanwhile, practical critiques made to three approaches are all associated with a concern for reform feasibility, questioning theoretical assumptions that suggest introduction of decentralisation reform would systematically lead to the expected outcomes. These critiques argue technical adaptation of decentralisation reform does not deliver adequate service options to citizens, ignores the political nature of local government, and encourages tokenistic participatory schemes and public apathy without meeting needs of the citizens with diversity.
Table 2-1 Theories of Decentralisation

<table>
<thead>
<tr>
<th>Advocates</th>
<th>Marketisation</th>
<th>Managerialism</th>
<th>Local Democracy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Backgrounds</td>
<td>‘New institutionalism’</td>
<td>Managerialism movement</td>
<td>Traditionally libertarians, recently opponents of the New Right, localists</td>
</tr>
<tr>
<td>Thrusts of discourses</td>
<td>Making public services more efficient &amp; effective by replacing public providers with private</td>
<td>Managerial techniques can be applied to public organisations</td>
<td>Highlighting collective interests (while Marketisation approach emphasizes individualistic profits)</td>
</tr>
<tr>
<td>Related policies</td>
<td>‘New Right’ gov’t, small state: privatisation, delegation to quasi-gov’t orgs, contracting out, etc.</td>
<td>NPM: contract out under the central guidelines</td>
<td>Direct democracy; local referendum as a practical form (only recently actualised)</td>
</tr>
<tr>
<td>View to the citizens</td>
<td>‘Consumer’</td>
<td>‘Customer’: feedback is encouraged but not empowered in a real sense</td>
<td>‘Citizen’</td>
</tr>
</tbody>
</table>

| Hirshman’s typology | ‘Exit model’ | - | ‘Voice model’ |

<table>
<thead>
<tr>
<th>Rationales for decentralisation</th>
<th>Enhancing responsiveness (effectiveness) through functional specialisation</th>
<th>Enhancing functional rationalisation of local government as a service provider owing to the knowledge of local managers</th>
<th>Libertarians’ view: 1. Contributing national democracy by offering greater opportunities for participation and by creating democratic climates 2. Improving local democracy by increasing equality, liberty and responsiveness*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1. Enhancing efficiency through competition among diversified authorities &gt;‘vote on feet’, ‘market democracy’: citizens have freedom and rights to choose their preferences</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Critiques - Philosophy</th>
<th>Individualism</th>
<th>Inequity</th>
<th>Accountability</th>
<th>Raison d’être of local governments</th>
<th>*Facing practical difficulties, ‘participatory democracy’ came to be emphasised as a complement of ‘representative democracy’ in decentralised local gov’t.</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Feasibility</td>
<td>Individualism</td>
<td>Inequity</td>
<td>Accountability</td>
<td>Ignorance of political nature of local government</td>
<td>Inefficiency</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Tokenic participation</td>
</tr>
</tbody>
</table>

Source: Made by the author.
This point may be particularly distinguished in developing countries, where policymakers and/or international donors are likely to draw simplistic and linear pictures about reform process and its outcomes. It is just as Ferguson’s (1996) cynical argument that donor agencies treat decentralisation as apolitical, technical reform while perceiving government as a ‘machine’ to deliver services and develop economies. Consequently, decentralisation reform can hardly meet the excessive expectations for it.

Finally but not less important, theoretical discourse on decentralisation were not supported or followed by micro-level analysis. Indeed, much attention has been paid to the macro-aspect of decentralisation: the central-local relations or national financial allocation, and efforts made in individual local government have hardly been scrutinised (Burns et al., 1994). Also in development discourse, donors have focused too much on macro-level system arrangements without considering micro-level conditions that matter at the implementation stage (Smoke, 2003). The same situation is recognised in the case of the Philippines as well (Lim and Nozawa, 1992). Hence, when it comes to the second research question -- ‘what differentiates local governments?’ – as have been mentioned in Chapter 1, preceding studies refer to leadership or resource gaps at best (Blair, 2001, Guevaral, 2004).

Based on these implications, this thesis sets its own analytical framework and research approach as described in the following sections.

2.6.2 Analysis against Expected Outcomes of Decentralisation

Based on the first implication of the theoretical analysis, this thesis employs the two basic sets of ideas on decentralisation outcomes, which are established both in developed and developing contexts, as the criteria in addressing the first research
question that considers achievements of decentralised local governments. In other words, ‘improved service delivery’ and ‘enhanced participation’ are examined both in case selection and in case analysis.

In terms of ‘improved service delivery’, four service sectors, namely, regional development, registration, health and social welfare are investigated in the case analysis. The latter two sectors are the service areas that were devolved from the national government to local government in the LGC, while the first two sectors had been dealt with by local government even before the LGC. These four sectors were selected in considering the comparability across all six case governments. Details of this are discussed in Chapter 3.

In analysing services, responsiveness and creativities are considered. As argued in 2.4, decentralised local governments are expected to implement policies that are responsive to the local constituencies, and to do so, their policies may be creative to solve their own problems that are different from their neighborhoods. In this regard, observations of the case pay special attention on the original programs, or what are called “special programs” launched by the local government rather than just seeing if they implement the national minimum requirements.

As for ‘enhancement of participation’, this thesis sets its original framework to be referred in empirical analysis in considering the confusing arguments about the term ‘participation’, so as to reach a clearer understanding of practices10.

The framework is based on Arnstein (1969), which may be the most influential framework of categorising ‘participation’. Arnstein defined ‘participation’ as a “categorical term”, trying to overcome the existing ‘black or white’ descriptions of participation. In his model, as shown in Figure 2-1, eight rungs of participation are based on the extent of delegation to the people. Illustrated in a ladder, the degree of citizens’ control is enhanced with each advancing step. These eight rungs are also classified into three stages: Nonparticipation, Tokenism and Citizen Participation. According to Arnstein, schemes introduced by the government are too often either ritual (Nonparticipation) or at risk of being ritual (Tokenistic).

Figure 2-1 Degree of Participation

Source: Arnstein (1969:217)

While the work of Arnstein was constructed focusing on the HOW MUCH aspect of participation programs, other dimensions of participation should also be considered in its categorisation. WHO participates in the schemes is one such aspect. As Pratchett (1999) distinguished, there are differences between the schemes attracting individual

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11 Arnstein paid attention to WHO and WHAT aspects as well but did not explicitly include them in his model.
participation and those encouraging collective activities. Some schemes may provide opportunities for socially disadvantaged or politically marginalised groups, while others attempt to achieve representative cross-section views. On top of that, there might be a risk that participating bodies are uneven and exclude the vulnerable, and thus the genuine aims of participation cannot be achieved. This point is especially important in the development context where participation schemes are questioned in their involvement of poor constituencies, as was discussed in 2.5.

The content of participation also matters. On some occasions, citizens are involved in developing policies or invited to make a particular policy decision. In others, they may join in implementing public services in partnership with, or on behalf of, the government. Haus and Sweeting (2006) distinguished these types of participation by labeling them “deliberation”, “decision making”, and “implementation”, referring to the preceding argument of Barber (1984). Such differences can be called the WHAT aspect of participation.

Based on these studies, this chapter proposes an original framework shown below in Table 2-2, which considers all three aspects of participation: WHO, WHAT and HOW MUCH. In the framework, the vertical axis is set to show the HOW MUCH aspect of participation. To make the framework simple, four columns are set to categorise from minimum to maximum extent of delegation to the people, namely, Information, Consultation, Partnership and Delegation. In contrast with the one-way flow of Information dissemination, Consultation refers to two-way communication between the government and the people. Partnership means a situation in which the people or their organisations are encouraged to work as an equal partner with local government. At the stage of Delegation, the people assert some authority in local governance.
The horizontal axis distinguishes three types of participation practices focusing on the content, or WHAT aspect of participation, in which the people are involved, that is to say, *Deliberation*, *Decision* and *Implementation*, following the categorisation by Haus and Sweeting (2006). Meanwhile, WHO participates in the practice is referred in a bracket within each cell.

Table 2-2 Analytical Framework of Participation

<table>
<thead>
<tr>
<th>Extent</th>
<th>Deliberation</th>
<th>Decision</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delegation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partnership</td>
<td></td>
<td></td>
<td>Participants</td>
</tr>
<tr>
<td>Consultation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td></td>
<td></td>
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</tbody>
</table>

Source: Made by the author.

2.6.3 Perspectives from Organisational Change Theories

2.6.3.1 Hard-Soft Perspectives of Organisational Change

As indicated in the second finding of the theoretical review, mechanistic and systematic assumption of decentralisation reform is widely criticised across different theoretical approaches to decentralisation. Such simplistic views are claimed not to bring the expected outcomes of the reform in practice.

Indeed, public reform, whatever the aim is, tends to be introduced in a mechanistic manner, where only inputs and outputs are relevant. A good example is shown by Benington (2000:6) in his review of the “modernisation and improvement” programme of the United Kingdom:

The current change strategy depends heavily upon the control and measurement of inputs to and outputs from the organization (for example regulation, guidance, audit and inspection), and runs the risk of neglecting
the need to mobilize processes of organizational and cultural change within the organization.

Echoing Benington, Hartley et al. (2002:391) paraphrase his point that “the dominant set of metaphors” in government policies “are about government as a machine, or as a mechanical device”. As they also refer, such perspective reminds us of the “organisation as a machine” metaphor by Morgan (2006). The machine metaphor, reflecting the classical scientific management theories represented by Taylor (1919), finds rationality as an underlying principle and pursues efficiency as much as possible. It also implies a closed system of organisation, in which the organisation is not affected by its surrounding environments. Under the perspectives of this machine metaphor, organisational change mainly means structural change that is planned or guided, for example through strategic planning, because “[i]mproved performance for a machine comes from applied mechanics (Hartley et al., 2002:392)”.

The wisdom of organisational theories indicates, however, these mechanistic, or ‘hard’ assumptions about organisations is considered to work well when the organisational task is simple and the circumstance is stable (Burns and Stalker, 1961). Thus, the organisational change models based on the ‘hard’ systems assumption are, as Senior and Fleming (2006:334) rightly describe, “less good at” “identifying the political and moral issues surrounding the implementation of radical change of this kind”, which are more likely to fit the cases of public sector reform.
Table 2-3 Hard-Soft Perspectives of Organisation

<table>
<thead>
<tr>
<th>Metaphor</th>
<th>Hard</th>
<th>Soft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational change</td>
<td>structural</td>
<td>dynamic</td>
</tr>
<tr>
<td>External relation</td>
<td>closed</td>
<td>open</td>
</tr>
<tr>
<td>Fitting task</td>
<td>simple</td>
<td>complex</td>
</tr>
<tr>
<td>Fitting circumstances</td>
<td>stable</td>
<td>uncertain</td>
</tr>
</tbody>
</table>

Source: Made by the author.

Amongst organisational management theories, a counter perspective against the mechanistic assumption is presented in the discourse to see organisation as an organic and cultural entity. This organic assumption underscores the factors that may be considered ‘irrational’ in the mechanistic assumption: culture, norm, politics, motivation, and leadership. Such orientation can be traced back to the ‘Hawthorne effect’, which revealed humanistic aspects of organisation do affect performances of the organisation, and have been passed to the theorists, such as those in the school of Organisational Development (OD). OD theorists often put stress on change in norms of an organisation, based on the “normative-reeducatable” assumption of human beings (French and Bell, 1999:95). Other ‘soft’ factors of organisation, including motivation, culture and leadership, are also assumed to be significant drivers of organisational change in the thoughts of OD.

Morgan (2006) provides a range of metaphors to this multi-dimensional perspective: organism, brain, culture, political, psychic prison, flux and transformation. These metaphors imply that boundaries of organisation are open, and thus, organisation and its surrounding circumstances are mutually interacting, which is the perspective associating with the New Institutionalism (Hartley and Allison, 2002).

Under this organic, or ‘soft’ assumption, organisational change means dynamic transformation of the whole organisation, rather than structural change, as it is associated with various factors of organisation. Contrasting to the hard assumption
model, organisational change models based on soft assumption will function in complex and uncertain circumstances (Burns and Stalker, 1961).

More recently, the dichotomy of hard-soft assumption has been diminished, as most theories of organisational management have reached a conclusion that both structural and humanistic factors of organisations should be recognised, which is labelled the ‘socio-technical’ approach (French and Bell, 1999, Senior and Fleming, 2006, Duncombe, 2007), even though the relative importance between soft and hard factors in an organisation may vary depending on the author and the situations of concern.

Given such theoretical development in the field of organisational management, it is more than obvious by now that any kind of public reforms should be associated with more humanistic and organic change than structural change in the targeted public organisation, especially considering complex and uncertain environments surrounding such reform. Hartley et al. (2002:392) precisely argue that “the complexity and volatility of the fast-changing political, economic, social and technological environment suggests limitations to the machine model of organisations and the need for a more flexible, adaptive, varied and complex response from government organizations”. Nevertheless, perspectives employed to the public sector reform through the managerialism trend are only ‘hard’ and ‘systematic’ orientation both in practice and academic arguments. Pollitt (1993) analyses this point and concludes that the ‘soft’ approach is vague in its concepts and thus hard to be put into practice.

In examining the critical discourse on decentralisation reform, theories of empowerment strategy might provide further implication. Although hardly referred in previous discourses, decentralisation reform can be perceived as a parallel idea of empowerment strategy within an organisation because the strategy seeks
enhancement of effectiveness and innovativeness by delegating responsibilities and authorities towards the lower level of the organisation.

Empowerment strategy has initially a soft-orientation background. It is based on the fundamental assumption of behavioural science, that is to say, the more responsibility employees are let to take for their work, the more commitment they will have (Argyris, 1998). This in turn will lead to enhanced effectiveness as well as innovativeness in their work (Lawler III, 1988, Quinn and Spreitzer, 1997, Peters, 2001a, Peters, 2001b). In other words, employees work harder and smarter when they are empowered (Ichnoiowski et al. cited in O’Brien, 2002).

Another rationale of the strategy is that lower-end employees have “a great deal of energy and talent” because they are the people closest to the product or services (Peters, 2001a:51), which is associated with the rationale of decentralisation reform from the managerialism view. Thus, by empowering them, an organisation can obtain better information and improve decision making (Lovell, 1994, Erstad, 1997, Peters, 2001a, Horton, 2003). Furthermore, in service industries, empowerment of front-line employees can not only enhance their responsiveness to customers, but also improve their attitudes towards them, and this will result in higher customer satisfaction (Bowen and LawlerIII, 1992, Bowen and LawlerIII, 1995).

The early implementations of empowerment strategy, however, failed to achieve their initial intentions (Marchington and Wilkinson, 2000). Therefore, a range of critical views have been expressed on the beneficial consequences of the strategy. Most commonly, there is a strong criticism that empowerment is an ‘illusion’ and nothing but manipulative rhetoric of management (Peters, 2001a, Horton, 2003), since “[r]ather than gaining greater power, employees assume higher level of accountability and responsibility, and can be more easily blamed when things go wrong” (Marchington and
Wilkinson, 2000:351). In particular, as power delegation is usually accompanied by accountability for outputs (Walton, 1985:79), employees have increased pressure and stress without obtaining greater satisfaction (Marchington and Wilkinson, 2000). In addition, there is also scepticism about the causality of empowerment and performance, with mixed results from empirical studies (Marchington and Wilkinson, 2000). As easily recognised, all of these criticisms are found in critical discourse on decentralisation reform discussed in 2.2.

Confronting these sceptical views, recent research on empowerment strategy has started to claim significance of ‘psychological’ aspects of empowerment, arguing employees are empowered only when they feel empowered (Conger and Kanungo, 1988, Thomas and Velthouse, 1990, Lovell, 1994, Spreitzer, 1995, Quinn and Spreitzer, 1997, Lee and Koh, 2001). This research identified four cognitive dimensions as determinants of psychological empowerment of employees: meaning, competence, self-determination and impact (Thomas and Velthouse, 1990, Spreitzer, 1995, Quinn and Spreitzer, 1997, Lee and Koh, 2001). In other words, empowerment strategy is not likely to succeed through changes in organisational system unless the people to be empowered can feel empowered within the new arrangement.

Such cognitive theory implies the very reason early implementations of empowerment strategy failed. The previous arguments of empowerment often “assumed that empowerment is the same as delegation or sharing power with subordinates” (Conger and Kanungo, 1988:471), and empowerment initiatives were introduced in systematic, top-down manners despite its soft-orientation background. On the contrary, discourse after cognitive theory has increasingly recognised that failures of these initiatives are likely to be caused by their process, which does not really make employees feel empowered (Quinn and Spreitzer, 1997, Argyris, 1998). For instance, Quinn and Spreitzer (1997) rightly claim that creating risk taking, trustful, and initiative appreciated
organisational culture ('organic' approach) is a key to make people 'choose' to be empowered, and therefore, to make them feel empowered in a real sense. And this 'organic' approach should be considered in parallel with the popular management tactics: delegating authorities, providing information and setting a reward system ('mechanistic' approach), which have been proposed by most precedent authors and echoed by Walton (1985), and Bowen and LawlerIII (1995, 1992).

In conclusion, what organisational management theory and empowerment strategy imply to decentralisation reform is that the reform should consider organic factors of organisation – local government, and should not remain to be just mechanical introduction of structural change. According to the analogy of empowerment strategy, decentralisation reform goes well only when delegation of authority is accompanied by 'soft' factor change, which makes local government and the people there perceive that they are delegated the authority. When local government organisation substantially changes in such manner with overcoming its political constraints to change, it is more likely to bring with its expected outcomes by delivering adequate services to the citizens and involving them into local governance in a real sense.

Hence, this thesis employs perspectives of organisational management theories that are not restricted to the 'hard' assumption, to its analytical framework in the belief of the significance of 'soft' factor change in decentralised local government.

As already mentioned in Chapter 1, organic change of local government has not much discussed in decentralisation discourses in empirical studies as well as theoretical ones. The only 'soft' factor that has been referred in previous researches may be 'leadership'. Even this 'leadership' factor is, however, generally used as an excuse where donor-led decentralisation reform has failed in some local governments or has brought about uneven results across local governments, and thus, has hardly been scrutinised so far.
In addition, discourses around local politics in the Philippines have also tended to over-emphasise the leadership of local chiefs, as is discussed later in Chapter 3 although they show negative perspectives to impact of the decentralisation reform itself. This thesis challenges such situation of preceding studies.

2.6.3.2 Organisational Factors to be Concerned in this Thesis

Given the analysis above, this thesis employs ‘hard’ and ‘soft’ organisational change factors, which are considered to be important in organisational management theories - particularly empowerment strategies, in addressing the second research question that considers the determinants of achievements made by decentralised local governments. Based on theories, organisational factors of concern in this thesis are: Distributed Autonomies, HRM System, Leadership, Motivation, Organisational Culture or Climate, and External Relations.

Distributed Autonomies

As is illustrated in the analogy of empowerment strategy, decentralised local government is expected to experience organisational change which accompanies shift of autonomies down to the lower end of the organisation, so as to perform well as an organisation, utilising knowledge and energies of the line-level staff. Based on these theoretical assumptions, this thesis considers how much autonomies are distributed within local government.

Since the same kinds of autonomies are provided across different local governments in the Philippines, one hypothesis can be formed that well performing ones, in terms of achievements against expected outcomes of the decentralisation reform, have distributed more autonomies to each department and to lower level staff. Hence,
correlation between performance and distributed autonomy is a focus of verification of this thesis.

Furthermore, as shown above, recent studies of empowerment strategy have proposed the cognitive theory that indicates people are empowered only when they recognise they obtain power. Even where authorities are delegated to the lower level of the organisation through ‘hard’ systems, the delegation would not result in positive impacts unless the subordinates perceive that they can actually assert the delegated authorities. Therefore, this thesis considers perceptions of the lower-level staff towards delegated autonomous, as well as institutional arrangements on autonomy delegation.

*HRM System*

System of human resource management (HRM) is considered to be a ‘hard’ organisational factor that has influences on organisational dynamism. It contains staff recruitment, personnel evaluation, compensation, promotion, award and recognition, and human resource development policy, all of which may significantly relate with other factors to be discussed in this thesis. For example, they may not only motivate (or, discourage) the staff, but also enhance the staff’s capacities to be able to deal with the distributed responsibilities.

In the Philippines, HRM system in decentralised local governments is basically defined by ordinances of the Civil Service Commission (CSC). For instances, local government should follow the guidelines indicated by the commission in terms of staff recruitment, evaluation and compensation. In addition, schemes of awarding staff are encouraged to be set up so as to motivate local staff. Nonetheless, local government still has discretion in operating these guidelines. They may add their original test in selecting staff or adjusting the standard personnel evaluation form to fit their convenience.
Therefore, in the empirical case studies, the HRM activities, which individual LGUs conduct as their original operation, are examined.

Leadership

While challenging the preceding emphasis on leadership in local governments, this thesis finds the leadership factor is still an important factor to be examined, considering that clear vision and leadership of the top management are recognised as crucial factors to achieve intended benefits of empowerment strategy (Erstad, 1997, Quinn and Spreitzer, 1997, Argyris, 1998).

In organisational management theories, the necessity of strong, charismatic leadership has been repeatedly argued during the past decades. One of the pioneering arguments is the “transformational leadership” proposed by Burns (1978). According to Burns, while the traditional model of leadership, or rather “transactional management”, focused on maintaining the status quo, “transformational leadership” is characterized as a leadership style that uproots the status quo, and these two management or leadership styles are concerned with matching convergent and divergent contexts, respectively. Although the proposal by Burns dealt with political contexts, Bass elaborates on Burns’ concepts in reference to organisational settings. According to Bass (1990:21-22), a transformational leader has four main characteristics: 1) charisma — being charismatic to followers by providing vision and mission, 2) inspiration — inspiring followers to achieve high expectations, 3) intellectual stimulation — promoting followers’ intelligence and creativity, and 4) individual consideration — meeting the emotional and developmental needs of each follower. In contrast to managers who are engaged in transactional relationships with followers by providing rewards and penalties according to the standard of the followers’ performances, transformational leaders with these features are considered to motivate and lead followers to reach a
superior vision of the organisation that cannot be achieved just with transactional management.

A series of discourses on the transformational type of leadership followed the arguments by Bass, and such a “new paradigm model” (Alimo-Metcalfe and Alban-Metcalfe, 2004:176) of leadership is usually discussed in association with organisational change, unlike traditional models of leadership, which were more situational. For example, Burke (1994:129) referred transformational change means areas “which require entirely new behaviour sets on the part of organisational members”, while transactional change refers the change which “occurs primarily via relatively short-term reciprocity among people and groups”.

Quest for “transformational” leadership was also reflected to the arguments on public organisation. As is shown in the influential NPM textbooks (Osborne and Gaebler, 1992, Osborne and Plastrik, 1997) leaders in public organisations are expected to make a change in organisational culture and encourage people to perform according to the objectives by setting an overall mission for the organisation (Osborne and Gaebler, 1992, Osborne and Plastrik, 1997).

Over emphasis on the advantages of strong leadership has naturally led to concerns. At the practical level, authors warn about the risk that strong charismatic leaders may misuse or even abuse the power they obtain (Conger and Kanungo, 1988, Sankowsky, 1995). The case of Enron is a symbolic example of such a failure. Particularly in public contexts, critical authors identify that an emphasis on an individual leader’s role is

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12 The foci of the “new paradigm model” may be, however, slightly different across different authors. Van Wart (2003) categorized these authors into three sub-schools: the transformational school, charismatic school, and entrepreneurial school. Each school emphasizes a vision of overarching organisational change, inspiration given to followers, and improvement of quality or productivity, respectively.
considered to conflict with the virtue of democracy (deLeon and Denhardt, 2000, John and Cole, 1999). According to these critics, entrepreneurial leaders can be only rule-breakers, rent-seekers, and self-promoters (deLeon and Denhardt, 2000, Terry, 1998). This issue is, as discussed earlier, associated with the problems of bossism in decentralised local government of developing countries.

Furthermore, applicability of the transformational leadership has been questioned in the context of the Philippines. According to Hofstede (1980), Filipino culture is categorized into “high power distance” with a “collectivistic” culture, and in a country with high power distance, transformational leadership is unlikely to function because the subordinates are reluctant to take initiative on their own and leaders are not expected to empower their subordinates in such a culture (Hofstede, 1980). Eldridge & Joaquin (1998), who examined the applicability of learning organisation theory in local Filipino governments, agree with this view, observing that local officers are largely dependent on the mayor as the “big man.” Yet the authors claim some local leaders have started to choose to be leaders of a new era, who try to encourage their followers instead of controlling them.

The approach taken in academic discourses on leadership is also an issue of concern. Leadership studies are criticised as they miss other aspects of organisation because they pay too much attention to leaders. Bryman et al. (1996) argue that, in the recent leadership theories, neither the contexts surrounding the organisation nor the roles of other players within the organisation examined even though organisational performances are all attributed to leadership organisation. Therefore, as Gains et al. (2009:76) describe, “leadership’ is too often the default explanation of organisational success and the knee-jerk response to organisational failure”. In addition, while the mainstream research in the field is composed of biographies, Stone (1995:96) notes that the biographic approach makes the study of leadership ad hoc, and therefore
makes “theoretical development and systematic empirical work difficult.” This point is echoed by Hartley and Allison (2000:36), who warn that the approach can “lionize individuals” as it assumes the leaders have “pre- eminent capacity and power,” and thus “ignores both so-called ‘followers’ and also organisational and community constraints.”

This thesis shares awareness of the issues with these critical authors in that it considers factors other than leadership in analysing local government organisations. Such an approach challenges the preceding discourses on decentralisation reform as well as local politics in the Philippines.

Motivation
Motivation can be defined as “the factors that push us or pull us to behave in certain ways” (Arnold et al., 1998:245) and is one of the most important factors considered in ‘soft’ theories of organisational management. Without exception, empowerment strategy tries to motivate lower-level staff by delegating authority, based on the assumption that the more responsibility employees are allowed to take for their work, the more commitment they will have (Argyris, 1998). In other words, motivation and commitment of lower-level staff is a crucial element in the utilisation of their knowledge and capacities in organisational management. Therefore, this thesis investigates motivation of officers in decentralised local governments in association with other factors, such as HRM system, leadership and organisational atmosphere/culture, all of which may influence staff motivation.

In the public sector context, motivation has not been discussed fully and “an explicit or consistent model of an individual’s commitment to and engagement with their work” is

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13 Not to be argued, a range of managerial tools, such as job enrichment, management based objectives (MbO), performance related pay (PRP), performance management system (PMS), have been developed or supported by motivational studies (Mabey et al. 1998).
missing (Pollitt, 1993:113). In this sense, this thesis might make an academic contribution by approaching the motivation of local officers in the Philippines.

Organisational Culture or Climate

Organisational Culture may be a controversial factor in organisational change models. Although many authors would agree that cultural change is necessary in organisational change, there are strong cautions that changing culture “can be an extremely difficult and lengthy process” (Senior and Fleming, 2006:183). It is also the point of argument that comes first, either change of culture or change of structure of organisation. For example, Schein (2004) illustrates that cultural change driven by leadership leads to the whole organisational change and his argument is echoed by empirical studies on local government reform in the UK and Australia (Leach et al., 1994, Martin, 1999). In contrast, the popular discourse on public sector reform by Osborne and Plastrik (1997) claims that structural change should lead the way for cultural change, based on the argument by Beer et al. (1990), who argue that the system of an organisation is the very reason why we define the behaviours of people within the organisation.

Nonetheless, significance of organisational culture cannot be emphasised more, especially in ‘soft’ approach to organisational management. In cognitive theories of empowerment strategy, as already discussed, creating risk taking, trustful, and initiative appreciated organisational culture is defined as a key to make people “choose” to be empowered (Quinn and Spreitzer, 1997). Thus, this thesis attempts to address organisational culture in the case of LGUs.

Having said this, it also recognizes the difficulty in grasping ‘culture’ of a whole organisation and admits that what will be analysed in the case study may contain ‘ organisational climate’ rather than ‘organisational culture’. ‘Organisational climate’ is an idea that precedes ‘organisational culture’ in academic discourses (Litwin and
Stringer Jr., 1968), and refers to atmosphere in smaller units of organisation, as ‘organisational culture’ does to organisation. Burke and Litwin (1992:532) define these two concepts as follows:

- Organisational climate is the collective current impressions, expectations, and feeling that members of local work units have that, in turn, affect their relations with their boss, with one another, and with other units.
- Organisational culture is “the way we do things around here.” It is the collection of overt and covert rules, values, and principles that guide organisational behaviour and that have been strongly influenced by history, custom, and practice.

In other words, while organisational climate is “more in the foreground of organisational’ members’ perceptions”, organisational culture is “more backgrounds and defined by beliefs and values” (Burke and Litwin, 1992:526). In accordance with such recognition, this thesis considers perceptions of local officers towards their organisation by trying to address their overall beliefs and values.

**External Relations**

Finally, this thesis considers the external relation of decentralised local government based on the ‘open-system’ principle of organisational theory. In the ‘open-system’ model, mutual interactions between members of organisations and external parties are assumed.

In this regard, Hartley and Allison (2002) propose a networking model of local governments’ learning, where local officers have active interactions with those of other local government offices in developing their policies. Such a perspective fits the recent arguments on public leadership in which representing the authority in the external world is found as an important role of public leaders because the function of them is not limited to “the internal policy-making and administration of their authorities but also in relation to the wider community” (Elcock, 1995:561). Particularly, in the context of decentralisation, the local government authority is expected to encourage participation
of external actors to fulfill a variety of service demands. In reference to such a contemporary role of local political leaders to coordinate with external actors, researchers argue that “distributed” leadership (Heifetz, 1996) or “facilitative” leadership (Gains et al., 2009), rather than top-down command, is the ideal style of local political leaders.

In the case of this thesis, relations with other LGUs, international donor agencies, citizens’ organisations and the local assembly may be the external relations to be concerned. Whether or not these relations have an influence on the individual local governments and their policy making is also examined.

2.6.4 Analytical Level of this Thesis

As pointed out in the third implication of the theoretical analysis, preceding studies provided limited perspectives on ‘what makes differences in local government’ question – the main research topic of this thesis. In contrast, this thesis will utilise micro-level analysis to address this question. It follows the claim by Burnes et al. (1994:4) that examining efforts of pioneering local governments is “potentially very significant for the future of local government”. Such scrutiny proposes possible solutions to local governments, even where changes through the reform appear to be “imposed on local government from above” (Andrew and Goldsmith, 1998:105).

This thesis assumes that, in the face of decentralisation reform, local governments have been struggling to achieve expected outcomes and have actually been successful despite their limitation of material conditions. In this sense, it challenges the resource dependency perception towards performance gap across local governments14. The

14 In this sense, this thesis follows the argument by Werlin (2003).
micro-level approach of the thesis can address the positive achievements, in contrast
with the preceding literatures on local government in the Philippines, which are
pessimistic about achievements brought after the reform, as will be described later in
Chapter 3.

Another belief of this thesis in taking the micro-level approach is that there is not ‘a
single’ success model of decentralised local governments and the change process
within local government is not linear as tends to be assumed by reform initiators or
international donors. For example, in the United Kingdom, although an obvious
tendency is recognised that the focus of local government strategies has shifted from
marketisation to participation, closer analysis of individual local government reveals
values held in locality clearly differentiate approaches taken by decentralised local
governments (Burns et al., 1994). A similar finding is also found in an article of the
current author that provides a comparative study of two contrasting reform strategies
taken in local governments in the Philippines (Ishii et al., 2007). It is just as what is
argued on national decentralisation reform: decentralisation is not a panacea and a
unique form of the reform cannot fit in every country (Jütting et al., 2005).

These beliefs are reflected on the research design of the comparative analysis of
micro-level case study, the details of which are explained in Chapter 4.

Based on the analytical framework of this thesis led by the theoretical review of
preceding literatures, the implied working hypothesis can be illustrated as follows:
‘Delegation of authorities to the lower-level staff, the staff’s recognition of the delegated
authorities, enhanced motivation of the staff to their job, transformed organisational
culture, which are all associated with the Local Chief Executive’s leadership, would
lead to better performances of LGU as a whole’.
3 Decentralisation Reform in the Philippines

This chapter aims to illustrate contexts of the case LGUs, as well as backgrounds of the Philippines and its decentralisation reform.

3.1 Contexts of the Country

In this section, the country profile of the Philippines is briefly reviewed, which will be followed by an explanation of the national decentralisation reform in the country. All of these contexts are assumed to provide backgrounds of the changes that occurred in the case LGUs.

3.1.1 Country Profile

The Philippines is an island nation consisting of more than 7,000 islands situated between the South China Sea and the Pacific Ocean. The country attained independence in 1946, after periodic colonisation by Spain, Japan and the United States. It is a Republic with a two-chamber system of government.

Categorised as a “Low & Middle Income Country” in OECD/ Development Assistance Committee (DAC) criteria, the Philippines receives foreign development aid from Japan, the United States, Germany and international agencies such as the International Monetary Fund (IMF) and the Asian Development Bank (ADB) (Japan, 2000). Gross National Income (GNI) per capita was US$1,890 in 2008, compared with US$ 2,631 in the entire East Asia and Pacific region (World Bank, 2009).
According to the national census of 2007, the population of the country was 88,574,614 (NSC, 2007), over 13% of which lived in Metro Manila, the capital of the country.

3.1.2 Decentralisation Reform in the Country

3.1.2.1 Local Government Code

It is generally agreed that the Philippines has a tradition of centralised government since the era of colonisation (Brillantes, 1998). Although some attempts at decentralisation were made since the 1950s, much of the focus was on “deconcentration”, a transfer of administrative functions, rather than “devolution”, which is accompanied by a transfer of political power (Brillantes, 1998, Reforma, 1998).

It was when the Local Government Code (LGC) was enacted in 1991 that the decentralisation process went into full swing in the country. The LGC was implemented under the administration of Cory Aquino (president 1986-1992), who emerged from the so-called “EDSA Revolution”, or the “Peoples’ Power Movement”, after the downfall of the autocratic regime of Ferdinand Marcos (president 1966-1986). In fact, decentralisation was on Aquino’s political agenda from the start. The Constitution, which was established in 1987\(^{15}\), included provisions for local autonomy. In the course of formulating the LGC, it is said that international donors such as USAID, played an influential role (Akizuki, 2001).

The LGC provided broad transfers of responsibilities for basic service delivery and of associated regulatory powers to local governments for the first time in Filipino history. Because of this rapid and transformative change, LGUs seemed to cause an “administrative shock” at the time (Brillantes, 1998:44).

\(^{15}\) Constitution of the Republic of the Philippines of 1987, Article X.
3.1.2.2 Administrative Structure

As defined in the LGC, the country has three tiers of LGUs: barangay, municipality or city, and province, which are shown in Figure 3-1\textsuperscript{16}. In the LGC, minimum requirements based on population, income and land area are set for each unit\textsuperscript{17}. Barangay is the basic political unit and directly provides basic public services to the people. Municipalities are composed of several barangays. A component city becomes a highly urbanised city if it exceeds the required population and income and is excluded from the administrative supervision of the province. But the powers it maintains are basically the same as those of a component city (Cabo, 1998:154). Some cities are also independent of the province in accordance with their charters, which are called independent component cities, or chartered cities\textsuperscript{18}. Provinces are the highest local units under the national government, except in the Metro Manila and the Autonomous Region of Muslim Mindanao, which fall under a special higher level (Cabo, 1998). At the end of June 2009, the Philippines had 80 provinces, 120 cities, 1,511 municipalities and 42,008 barangays (NSCB, 2009).

\begin{figure}
\centering
\includegraphics[width=\textwidth]{Administrative_Structure.png}
\caption{Administrative Structure in the Philippines}
\end{figure}

Source: Made by the author in reference to LGC.

\footnotesize
\textsuperscript{16} There is a classification of ‘region’ above province, but it is a geographical category without governments.
\textsuperscript{17} LGC, Book III.
\textsuperscript{18} LGC, Sec. 451, 452.
Local elected officials in the provincial and municipality/city levels included ‘governor’ (province) or ‘mayor’ (municipality/city), ‘vice governor’ or ‘vice mayor’ and regular council members of the respective local councils. These councils are called ‘Sangguniang Panlalawigan’ in provinces, ‘Sangguniang Panlungsod’ in cities and ‘Sangguniang Bayan’ in municipalities. Every barangay has a ‘barangay captain’ and members of the barangay council. All of the elected officials are elected directly by the citizens. Their term of service is three years, and the maximum tenure is restricted to three terms.

The basic services devolved under the LGC comprise health, social services, environment and natural resources and agriculture. These devolutions were accompanied with transfers of relevant personnel and assets from the national government. In addition, authority of local governments was also enhanced to undertake income-generating function as well as development functions that had not been engaged.

As mentioned in Chapter 2, this thesis will focus on four service sectors: regional development, registration, health and social welfare in its case analysis. These four sectors were selected because they are the major service provision sectors that are mandatory for all LGUs so that comparative analysis can be made across the cases. They are balanced in terms of impacts of the LGC, as the latter two are the sectors devolved to local government for the first time, while the first two had been implemented by local government even before the LGC.

19 LGC, Book III.
20 LGC, Sec.43. If an official has at least one term interval after serving three terms, he or she can return to the post.
21 Responsibilities of barangays, municipalities and provinces for basic service provision are listed in LGC, Sec.17.
The basic organisational structures of LGU offices were as illustrated in Figure 3-2. Regional development is undertaken by the Planning and Development Office and the Engineering Office, two of which may be merged into the same Office. Registration, health and social welfare are the responsibilities of the Civil Registry Office, the Health Office, and the Social Welfare Office, respectively.

Figure 3-2 Basic Organisational Structure of a City Hall

Source: Made by the author in reference to Tapales et al. (1998).

3.1.2.3 Fiscal Structure

The LGC enlarged the financial resources available for LGUs to meet the increased tasks at local level. LGUs obtained the capacity to generate their own revenues as well as greater taxation powers through local fees and charges\(^\text{22}\). Some national wealth raised from natural resources, such as mining, fishery and forestry charges, was shared with the respective LGUs in the area. In addition, a share of the national taxes,

\(^{22}\text{LGC, Book II.}\)
distributed to LGUs as Internal Revenue Allotments (IRA)\textsuperscript{23}, was also increased from 11% to 40\%\textsuperscript{24}. The LGC regulated 20% of IRA was allocated to development related projects in the local government. As far as project funds from international donors are concerned, cost-sharing schemes were developed in accordance with financial classes of LGUs described in Table 3-1 (JBIC, 2003).

### Table 3-1 Classifications of LGU Grade

<table>
<thead>
<tr>
<th>Type</th>
<th>Grade</th>
<th>Average Annual Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provinces</td>
<td>1\textsuperscript{st}</td>
<td>P450 million or more</td>
</tr>
<tr>
<td></td>
<td>2\textsuperscript{nd}</td>
<td>P360 million - &lt;P450 million</td>
</tr>
<tr>
<td></td>
<td>3\textsuperscript{rd}</td>
<td>P270 million - &lt;P360 million</td>
</tr>
<tr>
<td></td>
<td>4\textsuperscript{th}</td>
<td>P180 million - &lt;P270 million</td>
</tr>
<tr>
<td></td>
<td>5\textsuperscript{th}</td>
<td>P90 million - &lt;P180 million</td>
</tr>
<tr>
<td></td>
<td>6\textsuperscript{th}</td>
<td>&lt;P90 million</td>
</tr>
<tr>
<td>Cities</td>
<td>Special Class*</td>
<td>Manila, Quezon City</td>
</tr>
<tr>
<td></td>
<td>1\textsuperscript{st}</td>
<td>P400 million or more</td>
</tr>
<tr>
<td></td>
<td>2\textsuperscript{nd}</td>
<td>P320 million - &lt;P400 million</td>
</tr>
<tr>
<td></td>
<td>3\textsuperscript{rd}</td>
<td>P240 million - &lt;P320 million</td>
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<tr>
<td></td>
<td>4\textsuperscript{th}</td>
<td>P160 million - &lt;P240 million</td>
</tr>
<tr>
<td></td>
<td>5\textsuperscript{th}</td>
<td>P80 million - &lt;P160 million</td>
</tr>
<tr>
<td></td>
<td>6\textsuperscript{th}</td>
<td>&lt;P80 million</td>
</tr>
<tr>
<td>Municipalities</td>
<td>1\textsuperscript{st}</td>
<td>P55 million or more</td>
</tr>
<tr>
<td></td>
<td>2\textsuperscript{nd}</td>
<td>P45 million - &lt;P55 million</td>
</tr>
<tr>
<td></td>
<td>3\textsuperscript{rd}</td>
<td>P35 million - &lt;P45 million</td>
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<tr>
<td></td>
<td>4\textsuperscript{th}</td>
<td>P25 million - &lt;P35 million</td>
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<tr>
<td></td>
<td>5\textsuperscript{th}</td>
<td>P15 million - &lt;P25 million</td>
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<tr>
<td></td>
<td>6\textsuperscript{th}</td>
<td>&lt;P15 million</td>
</tr>
</tbody>
</table>


Source: Made by the author in reference to the Department of Finance Order No. 23-08 Effective July 29, 2008.

3.1.2.4 Expectations for the Decentralisation Reform

It is assumed that the policy intention of the LGC was mainly to enhance ‘democracy’, which was the political focus of Aquino’s revolution. Decentralisation as a means to promote democracy was also aligned with the policy direction of international aid agencies that had put emphasis on ‘good governance’, or promoting democracy in

\textsuperscript{23} IRA is distributed to LGUs in two steps; (i) a certain amount of national tax is divided between provinces, cities, municipalities and barangay at the ratio of 23: 23: 34: 20, (ii) at the level of each LGU category, the funds are further distributed among LGUs based on populations and land areas (LGC, Sec.285).

\textsuperscript{24} LGC, Sec. 284.
development aid of the post cold war era. USAID was one such agency that was especially earnest in supporting the decentralisation reform process in the Philippines. The Agency launched the GOLD project in 1989, which intervened in wide aspects of the administration of decentralised local governments, and the project was continued up to 2002 (JICA, 2001, USAID, 2005).

One of the specific features of the LGC was that it allowed and encouraged the people to have direct involvement in local governance. More precisely, provisions of the LGC institutionalised participation of Non Governmental Organisations (NGOs), People’s Organisations (POs) and the private sector in various aspects of decision making were made in the LGUs through consultations and local special bodies (Table 3-2), including the Local Development Council (LDC).

<table>
<thead>
<tr>
<th>Table 3-2 Local Special Bodies Defined Under the LGC of 1991</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Local Development Council (LDC)</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Local pre-qualifications, Bids and Awards Committee (PBAC)</strong></td>
</tr>
<tr>
<td><strong>Local Health Board (LHB)</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Local School Board (LSB)</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Local Peace and Order Council (POC)</strong></td>
</tr>
<tr>
<td><strong>People’s Law Enforcement Board (PLEB)</strong></td>
</tr>
</tbody>
</table>

Source: Adopted from Co (2002).
LDCs are established in each level of LGUs for the purposes of (i) assisting respective local councils in preparing development plans, and (ii) coordinating development efforts made within the jurisdiction. It is composed of councillors, representatives of composing lower-level LGUs and NGOs, which should account for at least 25% of all members in accordance with the LGC requirements. Since all of the development projects are approved by the LDCs, it can be said that civil society has obtained rights to influence the local planning process through this provision.

Admitting the democracy focus of decentralisation reform of the country, the effects on service delivery as a result of decentralisation was also the main issue of the government’s agenda. In the first section of the LGC, the national policy of decentralisation is declared as follows:

It is hereby declared the policy of the State that the territorial and political subdivisions of the State shall enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals.

This section showed that the authority of the national government devolved so that LGUs could oversee their own development and would contribute to national development as “effective partners” of the national government. Under this policy direction, LGUs were allowed and actually encouraged to set out innovative initiatives of their own “to attain their fullest development as self-reliant communities”. Hence, LGUs can now implement their own regional development programs that meet local needs. In addition, in the newly devolved service sectors, LGUs conduct their original programs, what are often called “special programs”, as well as the programs suggested by the national government departments to ensure fulfilment of national minimum standards.

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25 LGC, Book I, Title Six.
26 LGC Book I, Chapter 1, SEC.2.
service standards, which can also be modified or expanded by LGUs in accordance with local situations.

Therefore, it’s fair to say that the two main expected outcomes for decentralisation reforms discussed in the theoretical review — improvement of public services and enhancement of people’s participation — are also the targets of reforms in the Philippines after the LGC, although democratic concerns might focus on the initial incentive of introducing the reforms\(^\text{27}\).

3.1.2.5 General Evaluation of the Decentralisation Reform

Although 20 years have already passed since the enactment of the LGC, not so many LGUs are performing effectively in terms of proactive policy making. As a consequence, one thing often criticised is the fiscal dependency of LGUs; most LGUs are still reliant on the IRA, the subsidiary from the National Government, which is shown in Figure 3-3. Table 3-3 presents average IRA dependency ratio by type of LGU and by region that includes case LGUs of this research. Priority Development Assistance Fund, so-called ‘Pork Barrel’, is the fund politically distributed by legislators and another significant financial source LGUs may rely on, though the details of its flow is undisclosed.

\(^{27}\) Unlike many other developing countries, the decentralisation reform was not initiated to avoid ethnic conflicts, although the country had also minority ethnic issues such as in Mindanao region.
Source: Made by the Author based on the data of BLGF (2008).

Table 3-3 IRA Dependency Ratio (2008)

<table>
<thead>
<tr>
<th>Province</th>
<th>IRA Dependency Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
<td>42.15%</td>
</tr>
<tr>
<td>NCR</td>
<td>19.52%</td>
</tr>
<tr>
<td>Region V</td>
<td>72.90%</td>
</tr>
<tr>
<td>Municipality</td>
<td>77.33%</td>
</tr>
<tr>
<td>Cebu Province</td>
<td>78.10%</td>
</tr>
</tbody>
</table>

Source: Made by the Author based on the data of BLGF (2008).

It is also pointed out that not all LGUs necessarily comply with the provisions of the LGC. For example, many LGUs do not hold the LDC as required, or even if they did, membership of NGOs is either limited nor just a ritual (JICA, 2006). Regarding internal management of LGUs, provisions related to HRM, such as those on salary and welfare, are not followed rigidly either. In terms of service delivery, it is also witnessed that most of the local governments have not reached the stage to design and implement their original “special programs”28.

One frequently mentioned problem for current LGUs is the three-year tenure of local officials. As they say, “mayors need to get used to their job during the first year; they

28 According to an informal interview with the Local Government Academy (LGA).
start thinking about original policies in their second year; from the latter half of their second year, however, they are busy preparing for the next election”. Even worse, if a mayor is not re-elected in the next term, the new mayor from an opposition party would abolish every legacy of the previous administration. Under this situation, the sustainability of local initiatives is very fragile.

Despite of these general recognitions, positive changes have surely come up in some LGUs. For example, local discourses appreciate favourable changes towards “innovativeness” within LGUs (Brillantes, 2003). This thesis supports such positive perspective on the contrary to pessimistic views of existing literatures on local governments in the country, which is illustrated in the following sections.

3.2 Preceding Studies on Local Government in the Philippines

3.2.1 Brief Review of Preceding Studies

In this section, preceding studies on local government specific to the Philippines are briefly reviewed to understand the potential contribution of this thesis to the Philippine studies.

In Chapter 2, monopoly of local elites is one of the undesirable outcomes of decentralisation in developing countries. The Philippines is considered to be a typical case that faces such unfortunate results of decentralisation. As shown above, the country launched a full-swing decentralisation reform in the early 90s under the administration of Aquino, who was elected through the ‘People’s Power’ movement after the period of coercive rule by Marcos. Decentralisation was a flagship mission of Aquino’s campaign pledge. However, in contrast with some expectations for changes,

29 Local government has been a popular topic of research in the Philippines though there was an interval during the era of Marcos (Kawanaka, 2001).
traditionally dominant local leaders did not give much away to new leaders after LGC (Kawanaka, 2001:47). Such disappointment led to criticism towards Filipino democracy, which was, and still is, controlled by despotic political clans, often referred to as ‘cacique’, ‘warlord’, ‘trapo’ (dishrag in Tagalog), ‘mafia’, ‘boss’ and so on.

In scholarly arguments, two approaches can be distinguished to understand the situation. The first one is to associate it with the social contexts of the country. The discourse of “Strong Societies and Weak States” by Joel Migdal (1988) is the frequently referred literature in explaining infested control of local “strongmen” in the Philippines, though Migdal’s discourse is not specifically developed in the Philippines, but in developing countries in general. In his discourse, Migdal stresses that the web-like structure of society in developing countries fragments social control that obstructs the efficiency of the states. Since such “weak states” let state organisations and resources be captured by local strongmen, those local strongmen can control the local population by delivering components of “strategies of survival”.

Migdalian way of understanding is actually parallel with the traditional argument of ‘patron-client’ relations that “dominated Philippine studies in the 1960s and that today remains largely unchallenged as a framework for understanding the dynamics of local politics in the archipelago” (Sidel, 1999:7). Represented by Landé, authors so-called ‘clientelists’, often influenced by ‘Political Culture’ theories, explain paternalistic relations between local elites and the population, referring to as the Filipino culture, such as ‘utang na loób’, a debt of gratitude and ‘compadrazgo’, ritual kinship with charismatic local leaders. Locally composed clientele, in turn, constitute a vote bank of national politics and may provide money and/or resources to local politicians, or patrons (Hutchcroft and Rocamora, 2003).
Contested to this traditional interpretation, recent authors have started to redefine the roles of the states, much influenced by the academic mode of the New Institutionalism. While the ‘clientelists’ authors made society and culture of a country explanatory factors of its political situations, ‘statists’ or ‘institutionalists’ authors explain the same situations with structure or institution of the states. Sidel (1999:4) argues that “emergence and entrenchment of local strongmen” were facilitated by “the decisive role of state structures” and “coercive forms of control over local populations”, using a term of “bossism”. In his empirical analysis of three provincial governments, bosses are illustrated, unlike paternalistic leaders described in patron-client theories, as coercive and violent figures. He claims such bosses emerged owing to the state structure, in which legislators are left to dominate access to and ownership of the state’s resources, rather than to the cultural bases. Such a state-centred approach explains the political situation from the supply-side — the interests of political dynasties — while the socio-cultural approach attempts to see it from demand-side perspective. For Sidel, views from clientism are too arrogant in emphasizing cultural differences across countries. He criticises analysis from patron-client theories as “essentialist, even racist” (1998:28) because “such accounts reaffirm a smug sense of the superiority of the “civic cultures” in the industrial democracies of Western Europe and North America” (1999:1).

This critical attitude towards arguments being in favour of Western democracies may not coincide with the fact that Sidel recognises that the current state structure of the Philippines, which encourages the emergence of bosses, was constructed under the American colonial rule. Based on the sophisticated historical review, Sidel argues that the introduction of American inspired state structures, such as the bicameral legislature with the House of Representative as a single representative from a single district body and a strong presidency, at the phase of “primitive accumulation” of capitalist development, paved the way for the foundation of bossism in the country. Local strongmen, who had discretionary powers in the Spanish era, sustained and even
expanded their private control over “the instruments of coercion and taxation” (1999:18) as local and national elected officials in the “hastily constructed” (1999:16) democratic system. The situation was underscored by the development stage of the Philippines, in which “considerable economic resources and prerogatives remain in the “public” domain and secure (private) property rights have not been firmly established by the state” (1999:18). Coercive bosses entrenched in different levels of state power enjoyed access to public resources. This structure let the bosses intervene in the distribution of ‘Pork Barrel’ windfalls and appointments at the local level, whilst at the national level, they influenced contracts, appointments, and even loan allocations of the Philippine National Bank.

Sidel’s historical comprehension is in line with Hutchcroft, another contemporary author influenced by institutionalism. Hutchcroft (2000:302) reviewed American policies during the era of President William Howard Taft (1857-1930) in the early 1900s and concluded the current central-local structure of the Philippines has its roots in the self-government project under the American colonial rule:

Having defeated the Philippine struggle for national independence, the Americans effectively diverted the quest for self-government toward a simultaneous quest for increased local autonomy, expanded national legislative authority, and more extensive opportunities for patronage.  

The authors argue that the Philippines’ situation was exceptional among other Southeast Asian countries, where centralisation and bureaucratisation was ongoing at the time and the “the instruments of coercion and taxation” was absorbed by the bureaucracy or unified to the armed forces without being left under private control.

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30 Though this analysis, Hutchcroft refutes the preceding studies, most of which assume that the colonial rule promoted centralization of the Philippines. Although the current author agrees with the view of Hutchcroft, details are not to be discussed here as it gets off the track of this thesis.
Despite their different approaches, both ‘clientists’ and ‘institutionalists’ focus on continuities rather than changes of local governments in the Philippines, given the unchanged political situation shown above. Indeed, these authors are quite hesitant to recognise the decentralisation reform under the Aquino administration as a trigger to make distinguishable differences in local government, although it commanded fresh attention to local government in the country and also attracted external assistance. In this regard, Hutchcroft (2000:300) critically argues proponents of the decentralisation reform that “commonly begin by asserting the longstanding centralized character of the Philippine polity, and proceed to push decentralization as a means of resolving past ills”, but it is, “of course, a highly problematic analysis, not only for its historical interpretation but also for its failure to acknowledge the continuing importance of local power in Philippine politics”.

It is also true, however, that some signs for changes have been witnessed in local government after the LGC, as is alleged by the local scholar (Brillantes, 2003). A question raised here is how preceding authors of Filipino local politics have reacted to such signs. To state it simply, most of them have not paid much attention to changes observed in LGUs. In other words, they have emphasised ‘continuities’ rather than ‘changes’ of LGUs after the LGC.

In this regard, Landé, representing ‘clientists’, argues the traditional type of local government has not changed at all even though there may be differences across local government to some extent (Landé, 2001). For Landé, if any kind of changes can be

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31 According to Riggs (1998), the presidency system combined with strong bureaucracy tends to lead to autocratic rules of civilians and armies, because in the presidency system, the power is distributed between the president and the assembly and thus bureaucracy becomes too strong to be controlled. Riggs disputes that the United States is an exceptional case as it avoided such situations by keeping bureaucrats weak with adopting short-term assignment to the officials and so on. The Philippines followed the American model in this regard.
observed, it is not caused by changes of local government but by changes of the civil society: its capacity and reaction to the government.

Meanwhile, among the ‘institutionalists’, Sidel (1998:32) recognises some sort of changes are happening in the local level but claims such changes are caused “not by changes in voters’ attitudes or by the institutional reforms enacted in the Local Government Code, but by the gradual process of capitalist development and concomitant shifts in the political economy of local bossism”. According to Sidel, the recent emergence of local officials who have reputations for ‘good governance’, ‘professionalism’, and ‘performance’, illustrates the fact that more local officials realise they can obtain greater profits than ever by attracting Manila-based and/or foreign investors. As the new way of governance is just a tactic to introduce investments, Sidel claims, the ruthless and venal nature of bossism has not changed at all in this regard. Hutchcroft and Rocamora (2003:281) also argue “the logic of patronage remains central to understanding Philippine politics”, and claim institutionalisation of political parties is a promising way to overcome this situation.

In this way, researchers have underscored the unchanged nature of local government even after decentralisation reforms. It is noteworthy in this regard that some Japanese researchers show positive views towards the changes of local government in the Philippines. Kawanaka (2002:17) points out the “new breed” of local politicians, referring the Mayor of Naga City: one of the case studies of this thesis, as an representative example:

Although they are from established political families, they show a certain idealism and concern with good governance and morality. There are other examples of local politicians who are known to collaborate with nongovernmental organisations, or who have managerial skills acquired from their experience in business.

He argues, however, that “good governance and morality” is not competing with the machine politics, which has been the basic factor of the institutionalists’ arguments on
local politics in the country. Or rather, as local citizens have been diversified under urbanisation, the “new breed” of politicians have managed to construct a strong political machine by being accountable to the local grass-roots populations. Kawanaka points out that it is the politician who chooses this new type of political machine, or the institution.

Katayama (2000) echoes Kawanaka’s view, recognising changes in local government. He takes the effects brought by LGC in that it changed the “rules of the game” that local leaders can choose from their political options. In particular, he emphasises the fact local chief executives were authorised to deal directly with foreign investors after LGC. He claims the rules of local politics have been changed and politicians can no longer neglect ‘good governance’, ‘professionalism’ and ‘performance’ to get re-elected. Under such circumstances, attracting investments and promoting regional development is the most important “card” that politicians can use in the “game”. The arguments of Kawanaka and Katayama challenge existing discourses that have underlined the unchanged natures of local government in the Philippines.

3.2.2 Contribution of this Thesis to Local Government Studies in the Philippines

As shown above, many of the preceding local government studies in the Philippines have underlined continuities of local government even after the decentralisation reforms of 1991. Here is the point where this thesis may contribute to the academic discourses of local government in the Philippines.

Whereas this thesis recognises changes occurring in local government or, in other words, the emergence of new types of local government management, neither patron-client nor institutionalism arguments can explain such a situation, even though some of the studies approach individual local government cases as is this thesis in contrast with
the preceding studies on decentralisation reform in the country. Landé underestimates the realities of arguing that there are not many differences across local governments and they are essentially based on patron-client relations. Nevertheless, some local government units are clearly different from traditional types of local government. On the other hand, Sidel’s view — that bosses pretend to be conscious just to obtain greater profits through attracting investments and the nature of bossism has not been changed — may sound plausible. Such a view is also consistent with the critical arguments on decentralisation reform in developing countries that concern local bosses after decentralisation. However, if local politicians concentrate on the pursuit of profits, how can we explain the attempts of local governments to involve citizens in local governance from service delivery to policy making? These attempts are too burdensome just for the purpose of obtaining reputations. In addition, though observing different local government cases with some variation in local bossism, he does not further investigate the source of the variation across the cases.

Even Kawanaka and Katayama, who attempt to challenge preceding emphasis on continuity, have not achieved this sufficiently. Although Kawanaka considers urbanisation as a key explanatory factor of the change, urbanised cities are not necessarily earnest to promote ‘good governance’. The current author agrees with Katayama’s view on changing rules of the “game”, but he does not examine further what differentiates local governments’ decisions on choosing the new “card” of the “game”, even though he introduced provincial case studies.

This thesis could provide new interpretations on local government studies in the Philippines, as well as studies on decentralisation reform in general, in that it illustrates the emergence of new types of local government management through approaching

32 Sidel (2004) mentions that the sub-national variation in local bossism reflects the “society” in Migdal’s term, but does not argue the point in depth
individual LGU cases. The discipline to be used in it is, however, not politics as in the most preceding literatures, but public administration and organisational development. Some may assume the difference of interpretation might come from the difference of disciplinary approaches. Indeed, students of politics may not recognise the impacts of the LGC because the polity had not been ‘over centralised’ anyway and local politicians influence on national politics just as they had been doing before the LGC. On the other hand, students of administration find local governments turned to play much more administrative functions after the LGC than the former administrative system of the country, where “even minor matters required permission from Manila” (Hutchcroft, 2000:299). Nevertheless, this thesis will argue that changes of local government are not limited in the administrative realm. We can find the ideal shape of political devolution – not the one nurturing bossism – gradually taking place after the LGC in increasing evidences of improved service delivery in the sectors other than economic development and people’s participation in local governance, though it may be still a minor symptom.

Having stressing the change aspect, however, the institutional change brought by the LGC is not necessarily followed by substantial change of related organisations. This is the very point of the interest of this thesis: what makes differences between local governments that experience substantial changes and those that do not reach changes. By taking micro-level analysis, this thesis will also address such risk of institutional reform.
4 Selecting Case Local Governments and Methodological Approaches

The empirical analysis of this thesis employs case study approach so as to answer the research questions set at the beginning. This chapter is to discuss the details of methodology to be used in the empirical analysis part. First, case study approach as an academic methodology is to be explained. Then, the case LGUs of this thesis will be introduced with the rationales of the case selection. It will be followed by explanation of data source for the case study. Here, three different methods of data collection will be employed for the purpose of triangulation of data. Finally, methods of data analysis to be used in this thesis are to be presented.

4.1 Case Study Approach

Case study research has often been confused with techniques of data collection (Cosley and Lury, 1987 cited in Blaikie, 2000:215) and thus, regarded as a synonym of qualitative research. It is, however, recognised in recent methodological discourses as an approach to research design, rather than just a technique, which employs various methods including quantitative research (Hamel et al., 1993, Blaikie, 2000).

Significant features of case study research include the point that “it refers to a social unit, a ‘real’ individual, social event or group of people” with treating “the individual, group or event as a whole” (Blaikie, 2000:215). This holistic approach contrasts with survey research which deals with anonymous individuals.

Case study research is also characteristic in its ability to investigate contexts, while other approaches either separate the phenomenon to be analysed from contexts, or
address the contexts only to a limited extent (Mitchell, 1983, Yin, 1989, Blaikie, 2000). Therefore, as indicated in Yin’s definition of case study, the approach is suitable for investigation of a phenomenon when “boundaries between phenomenon and context are not clearly evident” (Yin, 1989:23).

This thesis will take case study research because these features of the approach serve the purpose of the thesis. As already discussed, this thesis will try to investigate organisational change within a local government organisation as a whole: from the top to the line-level staff. Case study research fits this aim of the thesis since it deals with an organisation as a whole unit. In addition, since the thesis assumes that reform cannot achieve its aims in a systematic manner, organisational change process in local governments is considered to be complex with interactions of multiple factors including contextual ones. Such phenomenon is expected to be well analysed by case study research.

On contrary to its advantages, case study research is frequently criticised for its capacity of generalisation. Mitchell (1983) and Yin (1989) both argued that such criticism is based on the logic of statistical inference which is applied to sample survey researches. On the other hand, case study is claimed to employ ‘replication logic’, which tests whether the theory fits other cases (Yin, 1989). Bryman (1989:172-173) summarised the point by referring to Mitchell and Yin in that “case study should be evaluated in terms of the adequacy of the theoretical inferences that are generated. The aim is not to infer the findings from a sample to a population, but to endanger patterns and linkages of theoretical importance”. Considering these arguments, this thesis, as will be shown below, will refer to ‘replication logic’ in selecting case LGUs.

Finally, whilst some authors locate case study research as a complementary or preliminary approach of statistical sampling research, and claim it is effective only
when it is coupled with quantitative research, the author takes a position of proponents of case study research in belief that the approach can serve to develop a theory (Eisenhardt, 1989, Blaikie, 2000). Hence, this thesis will attempt to construct a sense of theory, even though not a grounded one, through examining selected cases.

4.2 Case Selection

While case study research can be constructed either by a single case or by multiple cases (Yin, 1989, Blaikie, 2000), in this thesis, multiple cases will be analysed. Although multiple case analysis is said to have an advantage in enhancing the ability to generalise research, just like multiple experiments are conducted to develop a theory in scientific research (Bryman, 1989), it has been claimed that the number of the cases should not be considered against population. As mentioned above, whilst sample research assumes the greater number of samples provides the greater confidence in the theory, case study analysis does not refer to sample size. Instead, it concerns the ‘replication logic’ in case selection. Thus, the adequate number of cases may differ in accordance with the complexity and conditions of the phenomenon to be analysed (Blaikie, 2000). In this thesis, six case local governments will be analysed in total, which are chosen in considering theoretical significance.

Among the three layers of LGUs in the local system of the Philippines shown in Chapter 3, the focus of this thesis will be directed to the second layer of LGUs: municipalities or cities, rather than the first and third layers: province and barangay. Although barangays are technically the basic political units, their scope of autonomy and responsibilities is too limited, as can be told by the massive number of barangays all over the country\(^\text{33}\). In this sense, municipalities and cities can make better cases.

\(^{33}\) As of June 30, 2009, there were 42,008 barangays in the Philippines, in comparison with 80 provinces, 120 cities and 1,511 municipalities (NSCB, 2009).
to be evaluated against the expected outcomes of decentralisation, because they are supposed to be the basic local governments with providing public services and having day to day contacts with the local citizens. On the other hand, province was eliminated from the cases, as it seems to be unfeasible to conduct survey of organisational change in provincial offices because of its size. Functions of province in service sectors as supervisor and supporter rather than as provider is another reason to eliminate it. Furthermore, distance from the citizens was also a criterion factor of not choosing province.

Case LGUs were selected in such manner as shown below. First, three out of six were intentionally selected from the cities and municipalities, which keep good reputations in achieving the expected outcomes of decentralisation reform - improvement of service delivery and enhancement of participation, so as to make comparative analysis of cases in terms of their performances effective. Candidates of these three LGUs were listed up in reference of official award winners such as the Galing Pook Award and the Local Government Leadership Award (LGLA). Among these candidates, three LGUs were selected in consideration of a regional balance as well as financial status of LGUs for the purpose of challenging the resource dependency theory. These criteria were, in turn, associated with rural/ urban distribution of the LGUs.

The Galing Pook Award
The Galing Pook award was set up in 1993 as a joint programme of Ministry of Interior and Local Government, the Ford Foundation and other individual local governance advocates from the academe, civil society, and government (Galing Pook Foundation n.d.). Though initially operated by the Asian Institute of Management (AIM), the newly established Galing Pook Foundation took over this role in 1998. In this scheme, successful and innovative LGU programmes are recognised annually, and in addition, the Award for Continuing Excellence (ACE) is given to LGUs that have received more than three awards for their programmes and have continued to improve.
Second, the rest of three LGUs were selected randomly but only with the conditions that they were in the categories of the three already chosen LGUs in terms of status, area and urban/rural distribution, so that, again, comparative analysis would be more effective. Attribution of selected LGUs is as shown in Table 4-1 and their location is illustrated in Appendix 2. In selecting all six cases, safety, accessibility and the attitudes of LGUs towards accepting the researcher were also taken into consideration. The last element was important, because it was obvious that the researcher would need assistance of the LGU staff in setting meetings and collecting data in their offices. In this regard, however, the all cases may be biased in their performance compared with the national average, since LGUs might be reluctant to accept a researcher who studies decentralisation reform if they realise their performance is miserable and is not meeting demands of LGC. Nonetheless, effectiveness of the comparative analysis is still ensured with the distribution of selected cases.

The Local Government Leadership Awards (LGLA)

LGLA was launched in 2002 to recognise local officials who have demonstrated innovativeness and exemplary performance in their localities and to inspire other leaders (Brillantes, 2003). The Centre of Local and Regional Governance (CLRG) of the University of the Philippines (UP) has been serving as a secretariat of the award.

<table>
<thead>
<tr>
<th>LGUs</th>
<th>Type</th>
<th>Fiscal Class</th>
<th>Urban/Rural</th>
<th>Area</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>Highly Urbanised City</td>
<td>I</td>
<td>Urban</td>
<td>Metro Manila</td>
<td>Multiple award winner (urban policy)</td>
</tr>
<tr>
<td>San Juan</td>
<td>Highly Urbanised City</td>
<td>I</td>
<td>Urban</td>
<td>Metro Manila</td>
<td>Not particular award</td>
</tr>
<tr>
<td>Naga</td>
<td>Independent Component City</td>
<td>II</td>
<td>Urban/Rural</td>
<td>Bichol</td>
<td>Multiple award winner (participation)</td>
</tr>
<tr>
<td>Legazpi</td>
<td>Component City/ Municipality</td>
<td>I</td>
<td>Urban/Rural</td>
<td>Bichol</td>
<td>Not particular award</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>Municipality</td>
<td>IV</td>
<td>Rural</td>
<td>Central Visayas</td>
<td>LGLA Winner</td>
</tr>
<tr>
<td>Consolacion</td>
<td>Municipality</td>
<td>I</td>
<td>Rural/Urban</td>
<td>Central Visayas</td>
<td>Not particular award</td>
</tr>
</tbody>
</table>

Source: Made by the author in reference to LGC.
4.3 Data Source

Data for the empirical case study was collected during the field survey conducted from 13 April to 23 May in 2009. The survey was assisted by the Centre of Local and Regional Governance (CLRG) in the University of the Philippines (UP), the top national university in the country. CLRG has various experiences in academic research in Filipino local government, as well as in training provision to local executives.

Selected departments were visited in all case LGUs. The offices are: Planning & Development, Civil Registry, Health, Social Welfare, Budget, and Office of Administrator. The first four offices are those in charge of the four service sectors selected above. Planning and Development department deals with regional developmental projects, such as roads, public markets and transportation. As mentioned in Chapter 3, Engineering Office may be combined with it. It is also the host department of the annual LDC meetings, and is in charge of compiling plans of all departments into a unified plan of the city or municipality. Civil Registry department provides front-line services of registration, including birth and death notifications, as well as business permissions. Since data collected through registration are used for national statistics, this department reports directly to the National Statistics Office. Health and Social welfare are the two social service sectors which were drastically devolved after 1991. Health department at the city or municipality level is responsible for primary health care, whilst secondary and tertiary health care is taken care of at the provincial or national level. Social Welfare Office of city or municipality conducts both mandatory service programs directed by the central line ministry and additional programs of its own to address particular problems in the LGU. The Office of Administrator was visited because it is the key department overseeing the city or municipal government. Often doubling as Office of the Mayor, it takes care of the special programs which are directly managed by the mayor. Meanwhile, Budget office
is in charge of budget-compiling process of the whole government and supports the mayor in assessing budget proposals submitted from other offices with its capacity of being a core member of Financial Committee. It was visited to hear about budget allocation process in the LGU and to obtain financial documents. In addition to these six offices, HR Office was also visited to interview on the HRM issues, where the LGU has it.

While case study research can employ several different methods including both qualitative and quantitative ones (Bryman, 1989, Yin, 1989, Blaikie, 2000), in this thesis data were collected through the multiple methods, including interviews, inquiry survey and documentation. Academically speaking, such triangulation by using multiple methods is usually recommended so as to obtain stronger substantiation of constructs (Bryman, 1989, Eisenhardt, 1989, Yin, 1989).

**Interviews**

Semi-structured interviews were conducted individually with all department heads of the selected offices shown above and the mayor and the vice mayor wherever permitted. Objectives of individual interviews were, first of all, to collect information about the current performance of the LGU in service delivery in the four selected sectors, as well as in peoples’ participation in local governance. It must be meaningful to investigate perceptions of the executive staff as key informants with deeper insights through individual interviews. The second aim was to ask about the organisational change momentum they recognised in the LGU throughout their careers. This question is effective in two-folds. In terms of the interviewees who had been serving for long, their answers confirmed impacts of the LGC on their organisation. At the same time, it could identify organisational dynamics of the LGU which associate with the organisational change factors in the analytical framework set in Chapter 2. Third, it was to hear directly about the identified organisational change factors. Some of the factors
which were not covered by the inquiry: ‘HRM system’ and ‘external relation’ of the LGU were also heard in the interviews.

Along with these executive interviews, focus group interviews with five to eight line officers were conducted as well. The main aim of this focus group interviews was to hear about the organisational change momentum, just like in the individual interviews, and to obtain deeper insights of the questionnaires on organisational change factors in the inquiry survey that will be explained below. At the same time, the officers, who have been residents of the case LGUs, were asked about their perceptions as residents, rather than as LGU staff, towards services and participatory schemes provided by the LGU. It was actually a good idea to talk with the staff in groups in considering their humble tendencies. Although activeness of their contribution to the meeting was very much varied across LGUs, in some LGUs, important remarks could be obtained from interactions between the participants.

Basic questions asked in the interviews were described in Appendix 3. Average lengths of interviews were from 45 to 70 minutes depending on availability of the interviewees. Some of the mayors could spend only 10 minutes in this regard.

**Inquiry Survey**

Inquiry survey was conducted on local line staff in the case LGUs to investigate determining organisational factors that differentiate LGUs, and to see their perceptions towards achievements made in the LGUs. The questionnaires are composed of both selective questions with scale and qualitative questions as shown in Appendix 4. The first part of the questionnaires is to check the status of the respondent. Then, questionnaires to see perceptions of the respondents towards their job and organisational culture in the office follow. This part was designed based on the analytical framework presented in Chapter 2 and the organisational change factors
identified within the framework. The factors addressed in the inquiry are: perceived ‘delegated authorities’, ‘leadership’, ‘motivation’, and ‘organisational culture’. In the last part of the questionnaires, recognition of the respondents on the current performance of their LGU both in service delivery and in public participation is examined. In terms of participation, how they understand objectives of participatory schemes are also investigated to see substances of the schemes in the LGU.

Questionnaires were made only in English, but the wording was adjusted by a native Filipino so as to make them easy to be understood by the respondents\textsuperscript{34}. This arrangement aligns with Iarossi (2006) who suggests questionnaires should be expressed in simple, direct and familiar words for the respondents.

\textit{Documentation}

Documentation survey was conducted to ensure the current performance of the case LGU as well as the contexts around which it has dealt with decentralisation reform. Documentations to be referred include: national statistics; public reports of LGUs including annual reports and soio-economic reports; published reports by international donors where it is relevant.

\textsuperscript{34} Although the author was going to translate them into the local language, Tagalog, Filipino counterparts in UP advised her to keep them in English because English is used even in the official survey questionnaires in the country.
As a whole, data sources and information to be collected from each source can be summarised in Table 4-2. As it illustrates, main items of interview and inquiry were directed to answer the first and second research questions of this thesis: ‘How much have individual decentralised local governments succeeded in pursuing expected outcomes of decentralisation in the Philippines?’ and ‘What factors that make a difference in local governments under decentralisation in the Philippines in terms of achievement of expected outcomes of decentralisation?’.

<table>
<thead>
<tr>
<th>Data Source</th>
<th>Information</th>
<th>Main Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Interview | Managerial staff (individual) | RQ1 | ✓ How has the office been making efforts in improving public services?  
✓ How has the office been making efforts in enhancing public participation in policy making?  
RQ2  
(a) ✓ What was the momentum of change of the office after decentralisation?  
✓ How much autonomies are provided to the department and yourself to conduct the job efficiently?  
✓ What is your main motive to the job?  
✓ How do you describe the organisational culture/atmosphere of the department and the office as a whole?  
✓ Do you have occasions to communicate with other LGUs or donor agencies? |
| | Line staff (focus group) | RQ2 | Same as (a) [those serving more than ten years]  
✓ What was the momentum of change of the office after decentralisation?  
✓ How did the change affect on your job and responsibilities? |
| | Line staff as residents (focus group) | RQ2 | ✓ As a resident, how do you find the qualities of current services provided by the local office?  
✓ Are you well informed of the decisions made by the local office?  
✓ How do you find the given opportunities to participate in local policy making? |
| Inquiry | Line staff | RQ1 | ✓ Do you think the services provided by the government meets local needs?  
✓ Do you think the local office provide enough opportunities of public participation to the citizens?  
RQ2 | Same as (a) |

*RQ=research question
Source: Made by the author in reference to LGC.
Volume of data collected during the fieldwork is summarized in Table 4-3.

<table>
<thead>
<tr>
<th>LGUs</th>
<th>No. Interviews</th>
<th>No. Focus Group</th>
<th>No. Questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>10</td>
<td>2</td>
<td>89</td>
</tr>
<tr>
<td>San Juan</td>
<td>9</td>
<td>2</td>
<td>52</td>
</tr>
<tr>
<td>Naga</td>
<td>7</td>
<td>1</td>
<td>56</td>
</tr>
<tr>
<td>Legazpi</td>
<td>9</td>
<td>1</td>
<td>81</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>9</td>
<td>2</td>
<td>37</td>
</tr>
<tr>
<td>Consolacion</td>
<td>8</td>
<td>2</td>
<td>24</td>
</tr>
<tr>
<td>TOTAL</td>
<td>52</td>
<td>10</td>
<td>339</td>
</tr>
</tbody>
</table>

Source: Made by the author in reference to LGC.

One limitation in such data source is recognised in that it did not include direct access to perceptions of the citizens who are the targeted beneficiaries of decentralisation reform. In this connection, Lowndes et al. (2001a, 2001b) conducted research involving the citizens in their study on British local governments under decentralisation. However, such an elaborate survey was unrealistic in the Philippines. In addition, the level of achievements of LGUs in service delivery and public participation can be assessed to a certain extent by observing empirical facts of 'special programs' and participatory schemes with the analytical framework proposed in the in Chapter 2. It is because, as was described in Chapter 3, achievements in most of the LGUs are considered to be quite moderate – original programs are hardly initiated and legal obligation for public participation may not even be met. Hence, existence of 'special programs' and participatory schemes itself tells a lot. Therefore, effects of change in the citizen side were addressed only through the focus group interviews with the residential officers and several informal hearings from the citizens visiting the city or municipal offices just for reference. Citizens’ surveys conducted by the LGU were searched but were available only in Marikina city, and thus, they was not included in the data source for the comparative study of this thesis.
4.4 Data Analysis Method

Data collected in the fieldwork were analysed with computer based tools: MAX QDA and Microsoft Excel. MAX QDA is an academic software program for analysing qualitative data. It is effective in making qualitative text data coded and easier to analyse in a scientific manner. While analysis of interview survey and observation often failed to be subjective, MAX QDA assists to keep it objective. In the fieldwork, all executive and focus group interviews were recorded with the permission of the respondents. The whole transcripts of these interviews, along with the notes taken by the author during the interviews, were analysed with MAX QDA 10. Coding of the transcripts was mainly based on the organisational factors to be concerned in this thesis, which were identified in Chapter 2. Descriptions of the LGUs’ performance were also coded. Meanwhile, data collected from the inquiry survey were processed with Microsoft Excel 2007, using its pivot table function. Responses to each questionnaire were counted and analysed by LGU and by department. Results of the analysis will be illustrated by each case LGU in the next chapter.

After all, methodologies of this thesis can be summarised as follows in Table 4-4:

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Approach</th>
<th>Data Sources</th>
<th>Analysis Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 1</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Chapter 2</td>
<td>Literature review</td>
<td>Literatures</td>
<td>-</td>
</tr>
<tr>
<td>Chapter 3</td>
<td>Literature review</td>
<td>Literatures</td>
<td>-</td>
</tr>
<tr>
<td>Chapter 4</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Chapter 5</td>
<td>Case study</td>
<td>Interview</td>
<td>MAX QDA 10 (qualitative data analysis)</td>
</tr>
<tr>
<td>Chapter 6</td>
<td>Documentation</td>
<td>-</td>
<td>Excel 2007 (numerical data analysis)</td>
</tr>
<tr>
<td>Chapter 7</td>
<td>Analysis of case study</td>
<td>Framwork analysis</td>
<td></td>
</tr>
<tr>
<td>Chapter 8</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Made by the author in reference to LGC.
5 Profiles of Six Case Local Governments

In this chapter, profiles of the six selected LGUs indicated in Chapter 4 are illustrated including the social and economic profiles of the local government, organisational structure of the government office and the overview of the field survey conducted for this thesis.

5.1 Marikina

Marikina City is one of the 17 LGUs in Metro Manila, the National Capital Region (NCR), and is composed of two districts with 16 barangays. Having obtained chartered city status in 1996, Marikina is currently classified as a highly urbanised city. It has a population of 479,394 as of 2007 in a 2,150 ha land area, which is the ninth biggest jurisdiction in the NCR (Marikina City, 2007). The city functions as a commuter town for the populations working in central Manila, which is shown in Table 5-1, indicating that the largest portion of its land is used as a residential area.

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Area</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>813.06</td>
<td>37.82</td>
</tr>
<tr>
<td>Commercial</td>
<td>132.82</td>
<td>6.17</td>
</tr>
<tr>
<td>Industrial</td>
<td>280.57</td>
<td>13.05</td>
</tr>
<tr>
<td>Institutional</td>
<td>72.6</td>
<td>3.38</td>
</tr>
<tr>
<td>Parks/Open Spaces/Recreation</td>
<td>61.91</td>
<td>2.88</td>
</tr>
<tr>
<td>Mixed Use Zone</td>
<td>155.22</td>
<td>7.22</td>
</tr>
<tr>
<td>Cemeteries</td>
<td>37.89</td>
<td>1.76</td>
</tr>
<tr>
<td>Cultural Heritage</td>
<td>0.25</td>
<td>0.01</td>
</tr>
<tr>
<td>Area For Priority Development</td>
<td>179.02</td>
<td>8.33</td>
</tr>
<tr>
<td>Socialized Housing</td>
<td>40.96</td>
<td>1.9</td>
</tr>
<tr>
<td>Agricultural</td>
<td>1.90</td>
<td>0.09</td>
</tr>
<tr>
<td>Roads</td>
<td>373.8</td>
<td>17.39</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>2,150.00</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Excerpt from Marikina City (2007:49).
Although Marikina used to be the largest productive centre of shoes in the country, as reflected in its nickname, “the Shoe Capital of the Philippines”, the number of shoe manufacturers has been decreasing since then (Table 5-2). Instead, the city increasingly hosts investments from large industries, including the Fortune Tobacco Corp. (cigarettes), Pure Foods Corporation (meat processing), Noritake Mariwasa (ceramics), Manila Bay Spinning Mills, Inc. (thread and hosiery), Philippine Cocoa Corp. (confectioners) and Armscor Corp. (fire arms and ammunition) (Marikina City, 2007).

Table 5-2 Number of Manufacturing Firms by Type

<table>
<thead>
<tr>
<th>Manufacturing</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shoe Shop</td>
<td>296</td>
<td>290</td>
<td>267</td>
<td>241</td>
<td>181</td>
</tr>
<tr>
<td>Slipper Shop</td>
<td>23</td>
<td>31</td>
<td>31</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Bag Manufacturing</td>
<td>34</td>
<td>37</td>
<td>50</td>
<td>42</td>
<td>36</td>
</tr>
<tr>
<td>Food/Bakery</td>
<td>191</td>
<td>209</td>
<td>212</td>
<td>203</td>
<td>43</td>
</tr>
<tr>
<td>Handicrafts</td>
<td>18</td>
<td>17</td>
<td>22</td>
<td>22</td>
<td>20</td>
</tr>
<tr>
<td>Garments</td>
<td>34</td>
<td>37</td>
<td>29</td>
<td>38</td>
<td>31</td>
</tr>
<tr>
<td>Furnitures/Woodcraft</td>
<td>17</td>
<td>31</td>
<td>20</td>
<td>10</td>
<td>19</td>
</tr>
<tr>
<td>Cigarettes</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Iron/Motor Works</td>
<td>36</td>
<td>24</td>
<td>31</td>
<td>33</td>
<td>40</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>184</td>
<td>174</td>
<td>181</td>
<td>210</td>
<td>178</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>836</strong></td>
<td><strong>854</strong></td>
<td><strong>847</strong></td>
<td><strong>828</strong></td>
<td><strong>575</strong></td>
</tr>
</tbody>
</table>


In terms of financial status, Marikina City is ranked as the highest income LGU and the financial performance of the city government after decentralisation is as illustrated in Figure 5-1. Based on the official data announced by the Bureau of Local Government Finance (BLGF), the IRA dependency rate of the city was 24.4% in FY 2008, compared with the national average among cities of 42.1% (BLGF, 2008) \(^{35}\).

---

\(^{35}\) Figure 5-1 was created based on fiscal data provided by Marikina City, although these figures and the IRA dependency rate are slightly different from those announced by BLGF, given the limited availability of chronological data by BLGF.
Figure 5-1 Income of Marikina City

The city mayor at the time of this research was Ma. Lourses C. Fernando, who had been serving for eight years and it was her last term as a mayor. She took over the administration after her husband, Bayani Fernando (B.F.), who served from 1992 to 2001, ended his role.

The structure of the city office is shown in Figure 5-2. At the end of February 2009, 2,593 staff in total was working for the city government, although regular employees were limited to 558 out of 2,593, and the majority were casual workers, contractors or project-based employees (Marikina City, 2009).
The research was conducted in Marikina City from 20 April 2009 to 24 April 2009. Ten people were individually interviewed, including the mayor and department heads in the selected departments. In the Administrator’s Office, two senior officers corresponded as the administrator was not available. Focus group interviews were conducted twice during the visit in cooperation with 20 staff from various departments across the city office, including those that were not visited this time (Table 5-3). Questionnaires were distributed in seven departments and 86 responses were obtained, attributes of which are shown in Table 5-4.

*Offices visited during the survey are highlighted.

Source: Made by the author based on Marikina City (2007, 2008).
Table 5-3 Attributes of Interviewees – Marikina City

<table>
<thead>
<tr>
<th>Attributes</th>
<th>1. Clerk</th>
<th>2. Officer</th>
<th>3. Chief of Division</th>
<th>N/A</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Administrator</td>
<td>7</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>2. Registry</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>3. Budget</td>
<td>3</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>4. HR</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>2</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>10</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>7. Health</td>
<td>7</td>
<td>9</td>
<td>4</td>
<td>9</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>36</strong></td>
<td><strong>35</strong></td>
<td><strong>5</strong></td>
<td><strong>10</strong></td>
<td><strong>86</strong></td>
</tr>
</tbody>
</table>

Source: Made by the author.

Table 5-4 Attributes of Respondents to the Inquiry Survey – Marikina City

<table>
<thead>
<tr>
<th>Individual Interview</th>
<th>Mayor</th>
<th>Vice Mayor</th>
<th>Department Head</th>
<th>Other Officer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Vice Mayor</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>1. Administrator</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>2. Registry</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3. Budget</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>4. HR</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>7. Health</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total (Individual)</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
<td><strong>6</strong></td>
<td><strong>2</strong></td>
<td><strong>10</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Focus Group Interview</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 1</td>
<td>10</td>
</tr>
<tr>
<td>Group 2</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total (Focus group)</strong></td>
<td><strong>20</strong></td>
</tr>
<tr>
<td><strong>Total no. of interviewees</strong></td>
<td><strong>30</strong></td>
</tr>
</tbody>
</table>

Source: Made by the author.

5.2 San Juan

San Juan City is also one of the LGUs in Metro Manila, the NCR, composed of 21 barangays. It turned to be a highly urbanised city just in 2007. The population of the city is 125,338 as of 2007 and its land area accounts 594 ha, which is the smallest among the 16 cities in the NCR (City of San Juan, n.d. a). The majority of its land is a residential area, as is shown in Table 5-5, among which commercial establishments are scattered. Because of its central location within the NCR, the city had attracted migrants from other regions.
Table 5-5 Land Use of San Juan City

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Area</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>377.4836</td>
<td>63.542025</td>
</tr>
<tr>
<td>Commercial</td>
<td>52.7954</td>
<td>8.8870791</td>
</tr>
<tr>
<td>Industrial</td>
<td>28.8097</td>
<td>4.8495529</td>
</tr>
<tr>
<td>Institutional</td>
<td>40.4569</td>
<td>6.8101326</td>
</tr>
<tr>
<td>Road Network</td>
<td>94.5236</td>
<td>15.91121</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>594.0692</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Adopted from City of San Juan (n.d. c)

The city has been classified as the 1st class city since 2007. Financial statements were not available in the city, but the IRA dependency rate is just 20.9% in F/Y2008 according to the official data by BLGF (2008). This is lower than the 24.4% of Marikina City and the national average of 42.1% among cities.

When the jurisdiction was still a municipality, Joseph Estrada, the 13th President of the country, served as a mayor from 1969 to 1986. Mayor at the time of this research was Joseph Victor Ejercito ('Mayor J.V.'), a son of Estrada, who succeeded the administration from his half-brother in 2001. It was his last year of his tenure when the city hall was visited for this research.

The structure of the city office is shown in Figure 5-3. At the end of December 2008, the city had 1171 staff in total, including 453 permanent staff (City of San Juan, 2008).
The research was conducted in the City of San Juan from 18 May, 2009 to 22 May, 2009. The number of personnel individually interviewed was 11, including the mayor and department heads (Table 5-6). In the Planning and Development Office and Social Welfare Office, department heads were not available during the visit, but they left letters to respond to the interview items, which were sent to them in advance. An assistant staff member in the Social Welfare Office responded to a short interview to follow up the letter of her boss. The vice mayor was not available, either, but a staff member in his office corresponded with the researcher. Two focus group interviews were arranged in the city. Though there was some duplication between these two groups, 11 staff participated in total. Questionnaires were distributed in seven departments and 47 responses were obtained, attributes of which are shown in Table 5-7. Responses from the Administrator’s Office were supposed to be sent back by e-mail later, as their staffs were quite busy during the visit, but they did not reach the researcher.
### Table 5-6 Attributes of Interviewees – San Juan City

<table>
<thead>
<tr>
<th>Individual Interview</th>
<th>Mayor</th>
<th>Vice Mayor</th>
<th>Department head</th>
<th>Other officer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Vice Mayor</td>
<td>-</td>
<td>0</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>1. Administrator</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2. Registry</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3. Budget</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>4. HR</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>7. Health</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total (Individual)</strong></td>
<td><strong>1</strong></td>
<td><strong>0</strong></td>
<td><strong>6</strong></td>
<td><strong>2</strong></td>
<td><strong>9</strong></td>
</tr>
</tbody>
</table>

**Focus Group Interview**

<table>
<thead>
<tr>
<th>Group</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 1</td>
<td>N/A</td>
</tr>
<tr>
<td>Group 2</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total (Focus group)</strong></td>
<td><strong>11</strong></td>
</tr>
</tbody>
</table>

**Total no. of interviewees** | **20**

Source: Made by the author.

### Table 5-7 Attributes of Respondents to the Inquiry Survey – San Juan City

<table>
<thead>
<tr>
<th>1.clerk</th>
<th>2.officer</th>
<th>3.chief of division</th>
<th>N/A</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Administrator</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2. Registry</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3. Budget</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4. HR</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>4</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>7. Health</td>
<td>5</td>
<td>9</td>
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<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21</strong></td>
<td><strong>17</strong></td>
<td><strong>0</strong></td>
<td><strong>9</strong></td>
</tr>
</tbody>
</table>

Source: Made by the author.

#### 5.3 Naga

Naga City is situated in the heart of the Bicol Region (Region V), at the southern end of Luzon Island. Though it is in the province of Camarines Sur, the city is classed as an independent component city since it gained independence from the province in 1995 (Kawanaka, 2002:24). The city consists of 27 barangays. It had a population of 137,810 in 2000 within a land area of 8,448 ha (Naga City, n.d.) .

Naga is one of the oldest cities in the country, established by Spain in the late 16th century (Robredo, 2006:2). Since then, it is said to have thrived as a centre of “trade, education and culture” in Bicol (Naga City, n.d.). Nonetheless, the majority of its land is
still used for agriculture, as shown in Table 5-8, apart from the central area of the city centre, where shopping malls, bus terminals and offices have been built.

### Table 5-8 Land Use of Naga City

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Area</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>1,098.62</td>
<td>13.01</td>
</tr>
<tr>
<td>Commercial</td>
<td>161.13</td>
<td>1.91</td>
</tr>
<tr>
<td>Industrial</td>
<td>30.2</td>
<td>0.36</td>
</tr>
<tr>
<td>Agricultural</td>
<td>6,325.28</td>
<td>74.87</td>
</tr>
<tr>
<td>Institutional</td>
<td>150.29</td>
<td>1.78</td>
</tr>
<tr>
<td>Parks</td>
<td>2.49</td>
<td>0.03</td>
</tr>
<tr>
<td>Forest Parks and Reserves</td>
<td>611.14</td>
<td>7.23</td>
</tr>
<tr>
<td>Dumpsite</td>
<td>3.55</td>
<td>0.04</td>
</tr>
<tr>
<td>Cemeteries</td>
<td>17.11</td>
<td>0.20</td>
</tr>
<tr>
<td>Water Bodies</td>
<td>43.72</td>
<td>0.52</td>
</tr>
<tr>
<td>Transportation Utilities</td>
<td>4.47</td>
<td>0.05</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>8,448.00</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Excerpt from Naga City (n.d.).

The city was run by Jesse M. Robredo at the time of the research. Robredo was first elected to be the mayor of Naga City in 1988 at the age of 29. Though being with the minority party in the local assembly at that time, he managed to turn it into a majority by his second term. Becoming one of the most distinguished mayors in the country during his first nine-year service, Robredo got back into office in 2001 after a three-year break. It was his last term of his second round when the city was visited by the author in 200936.

As shown in Figure 5-4, the city rapidly enhanced its revenue by accepting an increasing number of investments (Kawanaka, 1998), so that it turned out to be in the 1st class position from its previous 3rd class position by the early 1990s (AIM/LGA, 1995).

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36 After leaving the city hall, Robredo got a position as a secretary of the Department of the Interior and Local Government (DILG).
In FY 2008, the total income was about 505 million php, 47.27% of which was IRA (BLGF 2008). This IRA dependency rate was slightly higher than the national average of cities: 42.5%, but much lower than the regional average of cities in Region V: 72.9%.

According to the interview with the HR Office, the city had 985 staff including 497 permanent, 132 contractors, 322 casuals, 8 consultants and 8 job orders in 2009. The organisational chart of the city hall is as shown in Figure 5-5. The city administrator at the time concurrently served as a head of the Budget Office, and the Administrators’ Office had neither an office nor the staff to carry out duties.
The city was visited from 13 May, 2009 to 14 May, 2009. Meanwhile, 15 people were interviewed including Mayor Robredo, and 53 responses to the inquiry survey were obtained, as shown in Table 5-9 and Table 5-10.

**Table 5-9 Attributes of Interviewees – Naga City**

<table>
<thead>
<tr>
<th>Individual Interview</th>
<th>Mayor</th>
<th>Vice Mayor</th>
<th>Department head</th>
<th>Other officer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Vice Mayor</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1. Administrator</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2. Registry</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3. Budget</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>4. HR</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>7. Health</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total (Individual)</td>
<td>1</td>
<td>0</td>
<td>6</td>
<td>0</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Focus Group Interview</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 1</td>
<td>0</td>
</tr>
<tr>
<td>Total (Focus group)</td>
<td>8</td>
</tr>
<tr>
<td>Total no. of interviewees</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: Made by the author.

**Table 5-10 Attributes of Respondents to the Inquiry Survey – Naga City**
Legazpi is a chartered city as a capital of Albay Province, which is centrally located in the Bicol Region (Region V). The city has a land area of 20,420ha and is composed of 70 barangays. Its population was 188,387 in 2008 (Legazpi City, 2008a:1).

The major industry of the city is agriculture of rice and root crops. As is shown in Table 5-11, half of its land is used as agricultural land. Population wise, however, a number of them are employed in the service and trading sectors around the city area.

Table 5-11 Land Use of Legazpi City

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Area</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>10,411.48</td>
<td>50.99</td>
</tr>
<tr>
<td>Pature/Grassland</td>
<td>4,656.00</td>
<td>22.80</td>
</tr>
<tr>
<td>Built-up</td>
<td>3,287.19</td>
<td>16.10</td>
</tr>
<tr>
<td>Forest</td>
<td>864.70</td>
<td>4.23</td>
</tr>
<tr>
<td>Special Uses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mineral/Quarry</td>
<td>274.31</td>
<td>1.34</td>
</tr>
<tr>
<td>Military Reservation</td>
<td>12.07</td>
<td>0.06</td>
</tr>
<tr>
<td>Airport</td>
<td>56.76</td>
<td>0.28</td>
</tr>
<tr>
<td>National Park</td>
<td>857.90</td>
<td>4.20</td>
</tr>
<tr>
<td>TOTAL</td>
<td>20,420.41</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Excerpt from Legazpi City (2008:2)

The city mayor at the time of this research was Mr. Noel E. Rosal. Rosal is from the political party called Lakas Kampi CMD, which was led by Arroyo, the president of the day, with whom he has a kinship tie.
Financially, the city was classified as the 2\textsuperscript{nd} class city in 2008, having a total income of 452,792,644.61\,php (BLGF, 2008). Since the IRA provided in 2008 was 281,655,497.1\,php, the IRA dependency rate of the city is about 62.2\%. This is much higher than the national average of cities: 42.5\%, but better than the regional average of cities in Region V: 72.9\%.

The structure of the city hall is as indicated in Figure 5-6. The number of plantilla staff in the city is around 550. In addition to that, a large number of job orders work in the city hall, the number of which are not yet determined.

\begin{figure}[ht]
\centering
\includegraphics[width=\textwidth]{organisational_structure.png}
\caption{Organisational Structure - City Office of Legazpi}
\end{figure}

\textit{*Offices visited during the survey are highlighted.}

Source: (Legazpi City, 2008b:31)

The research was conducted from 8 May, 2009 to 12 May, 2009. Meanwhile, nine executive staff, including the mayor and the vice mayor, were interviewed (Table 5-12). The head of the Social Welfare Office was visited twice for a tour to see around their office building which is separated from the city hall. A focus group interview was
conducted once with seven participants. The inquiry survey resulted in 76 responses from all visited departments (Table 5-13).

<table>
<thead>
<tr>
<th>Table 5-12 Attributes of Interviewees - Legazpi City</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual Interview</strong></td>
</tr>
<tr>
<td>Mayor</td>
</tr>
<tr>
<td>Vice Mayor</td>
</tr>
<tr>
<td>1. Administrator</td>
</tr>
<tr>
<td>2. Registry</td>
</tr>
<tr>
<td>3. Budget</td>
</tr>
<tr>
<td>4. HR</td>
</tr>
<tr>
<td>5. P&amp;D</td>
</tr>
<tr>
<td>6. Welfare</td>
</tr>
<tr>
<td>7. Health</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td><strong>Total (Individual)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Focus Group Interview</strong></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 1</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total (Focus group)</strong></td>
<td>7</td>
</tr>
</tbody>
</table>

| **Total no. of interviewees** | 16 |

Source: Made by the author.

<table>
<thead>
<tr>
<th>Table 5-13 Attributes of Respondents to the Inquiry Survey - Legazpi City</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.clerk 2.officer 3.chief of division N/A Total</strong></td>
</tr>
<tr>
<td>1.Mayor's Office</td>
</tr>
<tr>
<td>2.Registry</td>
</tr>
<tr>
<td>3.Budget</td>
</tr>
<tr>
<td>4.HR</td>
</tr>
<tr>
<td>5.P&amp;D</td>
</tr>
<tr>
<td>6.Welfare</td>
</tr>
<tr>
<td>7.Health</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Source: Made by the author.

5.5 Dalaguete

Dalaguete is a municipality in Cebu Island, located 84 km south to Cebu City, the capital of Cebu Province in Central Visayas (Region VII). Composed of 33 barangays, the municipality had a population of 61,405 at the time of the 2007 census (Municipality of Dalaguete, n.d.).

Dalaguete is a rural municipality, having 15,496ha land “with a rugged mountainous terrain” (Municipality of Dalaguete, 2007:1). The area around the municipal hall at the
coast side is a built-up area, which consists of only 264.7ha (Municipality of Dalaguete, n.d.).

The economy of the municipality is “predominantly agriculture based” (Municipality of Dalaguete, n.d.). Known as the “vegetable basket of Central Visayas”, the municipality is a highland vegetable producer, making use of its mountainous landscape. Although less than one-third of the agricultural land is used for vegetable production, almost 85% of the total value of agricultural crop production is from vegetables (Municipality of Dalaguete, 2007:1).

At the time of this research, Andrade H. Alcantara, who served as a vice mayor in the previous administration of Ronald Allan G. Cesante, was in his first term as a mayor of the municipality. Conversely, Cesante, who had served as a mayor for three terms, was a vice mayor at the time. Although Cesante and Alcantara used to be in the same political party and cooperated with each other in the municipal government, they split into different parties after Alcantra set up the new administration and Cesante dominated the majority of the councillors in the local assembly. Such a situation was a source of political tension within the municipality.

Having experienced rapid development during the past decade, the municipality of Dalaguete, classified as the 4th class municipality in 1998, turned into the 1st class one with approx. 75,760,000 php income in FY 2008 (Municipality of Dalaguete, n.d.). Nevertheless, the IRA dependency rate was 83.90% in FY 2008, which is higher than the national average of municipalities: 77.33% and the regional average of municipalities in Cebu Province: 78.1%.
The municipal hall had 119 plantilla staff and 140 job orders in 2009 (Municipality of Dalaguete, 2007:120). The organisational structure of the hall is as shown in Figure 5-7.

Figure 5-7 Organisational Structure – Municipality Office of Dalaguete

*Offices visited during the survey are highlighted.

Source: Municipality od Dalaguete (n.d.)

The municipal hall was visited from 4 May, 2009 to 7 May, 2009. Meanwhile, ten staff members were personally interviewed. As the Municipal Planning and Development Office and Municipal Engineering Office exist as separate departments, both of which are in charge of regional development, department heads of these two departments are counted in the column of Planning and Development (P&D) in Table 5-14. A project development consultant who had been working since 2004 in the municipality was also interviewed to obtain objective information on projects. Focus group interviews were arranged twice with five participants, respectively. The inquiry survey obtained
responses from 32 staff (Table 5-15). None could respond from the Budget Office as it was a one-man office.

Table 5-14 Attributes of Interviewees – Municipality of Dalaguete

<table>
<thead>
<tr>
<th>Individual Interview</th>
<th>Mayor</th>
<th>Vice Mayor</th>
<th>Department head</th>
<th>Other officer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Vice Mayor</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>1. Administrator</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2. Registry</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3. Budget</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>7. Health</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total (Individual)</td>
<td>1</td>
<td>1</td>
<td>7</td>
<td>1</td>
<td>10</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Focus Group Interview</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 1</td>
<td>5</td>
</tr>
<tr>
<td>Group 2</td>
<td>5</td>
</tr>
<tr>
<td>Total (Focus group)</td>
<td>10</td>
</tr>
<tr>
<td>Total no. of interviewees</td>
<td>20</td>
</tr>
</tbody>
</table>

Table 5-15 Attributes of Respondents to the Inquiry Survey – Municipality of Dalaguete

<table>
<thead>
<tr>
<th>1. clerk</th>
<th>2. officer</th>
<th>3. chief of division</th>
<th>N/A</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mayor's Office</td>
<td>5</td>
<td>2</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2. Registry</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3. Budget</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>7</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>1</td>
<td>0</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>7. Health</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>8</td>
<td>1</td>
<td>9</td>
</tr>
</tbody>
</table>

Source: Made by the author.

5.6 Consolacion

The Municipality of Consolacion is a partially urban municipality in Cebu Province, Central Visayas (Region VII), located 13km north of the capital city of Cebu. It was one of the 11 original LGUs that composed the metropolitan Cebu area (Municipality of Consolacion, n.d.:13). The municipality had a population of 62,298 in 2000 (Municipality of Consolacion, n.d.:24) in an area of 3,898ha, consisting of 21 barangays (Municipality of Consolacion, n.d.:8). Although there was no officially published data available, the population in the late 2000s was said to be over 87,000 according to the municipal staff.
Mayor Avelino J. Gungob, Sr. was the mayor at the time of this research. Having taken office in 2001, Mayor Avelino was in his last year of his service at that time.

The municipality changed classification to the 1st class in 2008 and is expected to be a city in the near future. Its IRA dependency rate was 49.76% in FY 2008, which was much lower than the national average of municipalities: 77.33% and the regional average of municipalities in Cebu Province: 78.1% (BLGF, 2008).

The organisational structure of the municipal hall is as shown in Figure 5-8. The hall had 77 plantilla staff, seven of which were vacant positions in 2000 (Municipality of Consolacion, n.d.:130).

*Offices visited during the survey are highlighted.

Source: Excerpt from Municipality of Consolacion (n.d.:131).

The research was conducted from 27 May, 2009 to 29 May, 2009. It was the only case LGU where the mayor did not respond to the request for an interview by the researcher. All interviews were voluntarily arranged by the head of the Municipal Planning and Development Coordinator Office, unlike the other LGUs where a coordinator was
appointed by the mayor. Individual interviews were conducted with seven executive staff, including the head of the Engineering Office, who is counted at the column of P&D in Table 5-16 for convenience shake, though it is a separate office, as was the case in Dalaguete. In the Budget Office, one of the staff accepted a short interview instead of the department head, who was not available. Focus group interviews were held twice, inviting the staff from various offices. The number of respondents to the inquiry survey was just 20 in total (Table 5-17).

Table 5-16 Attributes of Interviewees – Municipality of Consolacion

<table>
<thead>
<tr>
<th>Individual Interview</th>
<th>Mayor</th>
<th>Vice Mayor</th>
<th>Department head</th>
<th>Other officer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor</td>
<td>0</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Vice Mayor</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>1. Administrator</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2. Registry</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>3. Budget</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>7. Health</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total (Individual)</td>
<td>0</td>
<td>1</td>
<td>6</td>
<td>1</td>
<td>8</td>
</tr>
</tbody>
</table>

Focus Group Interview

<table>
<thead>
<tr>
<th>Total</th>
<th>Group 1</th>
<th>Group 2</th>
<th>Total (Focus group)</th>
<th>Total no. of interviewees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3</td>
<td>8</td>
<td>11</td>
<td>19</td>
</tr>
</tbody>
</table>

Source: Made by the author.

Table 5-17 Attributes of Respondents to the Inquiry Survey – Municipality of Consolacion

<table>
<thead>
<tr>
<th>1.clerk</th>
<th>2.officer</th>
<th>3.chief of division</th>
<th>N/A</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mayor's Office</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>2. Registry</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3. Budget</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5. P&amp;D</td>
<td>5</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6. Welfare</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>7. Health</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>11</td>
<td>4</td>
<td>0</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Made by the author.
6 How Much Have the Decentralised Local Governments Achieved the Expected Outcomes?

In Chapter 5 and 6, observations in the six case local governments described above are presented and analysed with comparative perspectives. First of all, in this chapter, achievements against the expected outcomes of decentralisation, namely, improvement of service delivery and enhancement of participation are examined based on the collected documents, information obtained from individual and focus group interviews and responses to the inquiry survey. In the field research of the case LGUs, four service sectors were considered in addressing their achievements in service delivery after devolution: regional development, registration, health, and social welfare. The situation regarding service provision is assessed by looking at their original programmes conducted in these four selected service sectors in reference to the two crucial concepts presented in Chapter 2: responsiveness and creativity. Meanwhile, public participation practices undertaken in the case LGUs are investigated and analysed with utilising the framework to analyse participation practices from dimensions of their extent, participants and contents, which was also introduced in Chapter 2. These analyses address the first research question: “How much have individual decentralised local governments succeeded in pursuing expected outcomes of decentralisation in the Philippines?”

6.1 Improvement of Service Provision

In this section, original programs observed in the four selected sectors in individual case local LGUs are illustrated, and compared and analysed in terms of their responsiveness and creativity.
6.1.1 Service Provision in the Six Local Governments

Marikina

Marikina City has a good reputation in terms of its performance, especially because of its transformation from the declining era of being “a murky, low-profile town” (Galing Pook Foundation, 2003:8), affected by a downturn in the shoe industry under globalisation. It is said to have recovered its momentum during the previous decade to become “the country’s premier business and financial district, where 40% of the top 1,000 corporations in the country are located” (Galing Pook Foundation, 2003).

Behind the city's transformation, a range of original initiatives have been launched by the city hall, nine of which have been honoured by Galing Pook up to 2009 (Galing Pook Foundation, n.d. a). The earliest initiatives among them were the infrastructure programs conducted under the initiatives of the former Mayor B.F. The “Squatter-Free” programme attempted to solve the problem of squatters, commonly held in urbanised areas of the country, by relocating them to resettlement sites and assisting them with a mortgage programme, livelihood provision and employment training programmes. This initiative was implemented in parallel with other activities, such as renovation of a polluted river, around which many squatters were living (“Save the Marikina River” programme) as well as pavementing of all sidewalks in the city (“Red Sidewalk” programme). As a result, Marikina City was a squatter-free city by the late 1990s. These initiatives, in combination with the ordinance to prohibit garbage disposal on roads, enhanced Marikina’s reputation as a safe and clean city, which in turn provided a favourable environment for inward investments in the region.

The challenge for the city, however, has not yet been completed. It is understood that the city hall has continued to launch new programmes even after its distinguished achievements, which made the city one of the two LGUs awarded “the Award for
Continuing Excellence (ACE)" by Galing Pook (Galing Pook Foundation, n.d. b). One example of recent city-wide initiatives was a “Bicycle Friendly City” program. The city encouraged the dwellers to commute by bicycle by constructing bike lanes. Being affordable for the constituencies, the bicycle was a good solution to cope with the soaring gas prices as well as to alleviate traffic jams in an ecological way. A part of the program cost was supported by the World Bank. Another example of an on-going program is the establishment of the “Centre of Excellence” within the city hall as a place for adult learning for the city staff as well as the constituencies. The program has been implemented under the current mayor’s initiative. Mayor Ma. Fernando indicated the purpose of the centre was to enhance creativity of service delivery so as to come up with value-added services which were differentiated from basic ones that had already been provided in the city.

On top of the development programs, efforts to improve services were also witnessed in each line sector department. In the Office of Civil Registry, a teller window system was introduced after 1992, given the increased number of transactions, so as to make each transaction smoother and quicker. In addition, computerisation was also achieved in the early 90s.

In the Health Office, the “Health Passport” was introduced and was utilised as a tool of needs’ assessment. The passport, distributed to each household, records the medical care history of all family members so that they are provided adequate care even at different health facilities. The application form for the passport contains questionnaires on health issues to assess the potential needs of the beneficiaries. While the idea of the passport initially came from the mayor’s benchmarking in another city, it was further developed and implemented by the department. Based on responses to the questionnaires, the department tries to form original programs for different target groups, such as women, the elderly, the youth and the disabled.
As for the health facilities, the city does not have its own hospital, though it has 16 health centres providing primary health care (Table 6-1). Instead, the city financially supports a national hospital located in its territory, so as to let the people receive secondary medical care of high quality.

<table>
<thead>
<tr>
<th>Facilities</th>
<th>Public</th>
<th>Private</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Center</td>
<td>16</td>
<td>-</td>
</tr>
<tr>
<td>Hospital</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Social Hygiene Clinic</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Family Planning Clinic</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>Medical/Maternity Clinic</td>
<td>-</td>
<td>135</td>
</tr>
<tr>
<td>Dental Clinic</td>
<td>-</td>
<td>125</td>
</tr>
<tr>
<td>Optical Clinic</td>
<td>-</td>
<td>29</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>19</strong></td>
<td><strong>299</strong></td>
</tr>
</tbody>
</table>

Source: Marikina City (2007:35)

In the field of social welfare, no outstanding program was found in the city. Nevertheless, improvements have been made for the past three years since the department head who was interviewed assumed the post. First and foremost, she set up an original assessment format for client screening to distinguish precisely what the client really needs. Contrasting with the existing practice of “dollar out”, which means providing the clients with an assistance fund without serious screening, she consults them and refers them to other departments’ programs, such as the one for employment promotion or family planning, whenever they can provide better support for them. She believes such coordination with other offices maximises the efficiency of the city budget. The Social Welfare Office has also implemented a special program for children in conflict for the past three years and plans to hold a Kids’ Olympics in the city.

In terms of the fiscal situation, it has frequently mentioned that autonomous income (non-IRA) increased drastically thanks to the Mayor B.F.’s efforts in pursuing
efficiencies in tax collection. For this purpose, B.F. formed a special team of inspectors within the city hall and visited enterprises for strict inspection. Actually, they believed whatever a tax payer declared without inspection at the time. Meanwhile, many staff considered this increase in tax revenue reflected satisfaction of the constituencies towards the services they were provided with by the city government.

Indeed, most interviewees agreed that public services had been dramatically improved after B.F.’s administration. Particularly, many of them referred to the transformation of the streets. It is precisely reflected in the statement of an interviewee, who had lived in the city since her childhood:

\textit{When I was a teenager, nobody would want to take me home because of the bad streets. Then there is always the stench coming from the garbage, then all of the...I think, if you have been to the river, Marikina river, all of these were lined up with illegal settlers, squatters and it was so dirty, really. But now it’s so different, you can actually walk through the sidewalks, the streets, and it’s clean. Of course it’s not as clean as, perhaps, Singapore or the other cities because they look spick and span, but we’re getting there; we try to be as clean as possible. I see this because when I go to Quezon City, I actually... I feel like, you know, this is so dirty.}

The point is aligned with the responses to the inquiry survey, which show the respondents have strong confidence in their services (Figure 6-1).
“Services provided by the local government meet the public needs.”

![Bar chart showing responses to the inquiry about perceived achievements in service delivery.]

“*My department makes efforts to improve public services so as to meet the public needs.*”

![Bar chart showing responses to the inquiry about the department's efforts to improve public services.]

Source: Made by the author.

**San Juan**

According to the interviews in relevant departments, under Mayor J.V.’s administration, a series of policies had been adopted for attracting business investments in the region.
A grand programme called ‘5Ks’ was launched for this purpose, which is composed of five sectoral programs in the field of green environment, health, peace and order, livelihood and economy and the youth. In the first program of a green environment, a garbage-free environment, clean air and clean rivers are aimed at, and the city came to be the only LGU within Metro Manila that collects garbage every day. The second program of health is to achieve free medicine and medical services. The city started providing health ID cards to the residents in 2001 to let the ID holders enjoy medication and other medical services for free or with minimum expenses. Third, as a means of peace and order, “Task Force Disciplina”, a joint task force of the police and the civilian employees of the city government, was set up to monitor compliance of all laws and ordinances within the city. The significance of this task force is that the city government and the police, under the jurisdiction of the national police system, cooperate to keep peace and order in the territory. The task force patrols the city 24 hours a day and is authorised to issue citations to violators. The forth program of livelihood and economy is about enhancing employability or entrepreneurship of the residents. The city developed its existing training centre called the “Skills and Manpower Centre” into the “Skills and Livelihood Training Centre” and expanded varieties of the training courses provided there. Finally, the fifth program for the youth is to encourage the young generation to participate in local governance. A website of the city government was set up to let the youth easily access the information on socio-cultural activities in the city.

Mayor J.V. himself claimed these programs were designed to construct “trust and confidence in the leadership of a local government unit” among the business sector. Promoting inward investments is significant for the city to establish its fiscal base, which, in turn, would be utilised for the improvement of service delivery. Especially for a small city like San Juan, one of the executives noted, huge efforts of promotion might

37 “K” stands for the initials of each component program in Tagalog words.
be required to compete with larger neighbouring cities, such as Quezon and Makati. Along with “5Ks”, the mayor also pursued cutting the red tape and professionalising bureaucracy, so as to win the confidence of businesses. A computerisation program within the city hall was one of such policies, and all registered documents of the constituencies were input and managed on computers by 2008. It was strong progress because when Mayor J.V. took over the administration, there were no computers, not even in the mayor’s office!

As a result of these initiatives, the city succeeded in attracting investments, and combined with the mayor’s efforts in enforcing strict fiscal disciplines, the revenue of the city increased more than three times since Mayor J.V.’s arrival. Nevertheless, the mayor, being in his last tenure, hated that his administration could not reach the stage of completing his master-plan. There is no guarantee that the new administration would keep working on the master-plan, even though the city development plan had been continued across different administrations in San Juan, unlike the common cases in the country.

Whilst mayor-led initiatives were active, innovative activities were not much observed in individual departments. The Health Office seems to basically conduct the programs that are nationally required under the instruction of the DOH, rather than develop the LGU’s specific programs. Nonetheless, aligning with the 5K initiative of the mayor, the department tries to lessen medical fees of the poorer residents. For example, the department itself provides medical care services, such as minor surgery, instead of hospitals. One other effort of the office was observed in their making a master list of the senior residents. They planned to grasp the status of their recipients and to prioritise them so as to provide adequate services. The existing health facilities in the city are shown in Table 6-2.
Meanwhile, the Social Welfare Office had developed some original programs. They introduced a “Magna Carta for the Disabled” and provide a 20% discount for transportation and non-free medical services to them. Another program is for single parents, which was introduced with financial support from the mayor and the congressmen. Under the program, single-parent families are provided ID cards and have privileged leave and educational support.

In the inquiry survey, although perception towards service delivery of the city was varied across departments, negative responses were at the indispensable level as a whole, as shown in Figure 6-1.

**Naga**

The innovative programs both in service delivery and public participation of Naga City under Mayor Robredo are well known in the country and the number of awards given to the city speaks for itself. In addition to national awards presented to city hall, including Galing Pook, it has been commended by international bodies such as the United Nations Development Programme (UNDP) and the United Nations Human Settlements Programme (UN Habitat) (Robredo, 2006). Furthermore, Asiaweek cited Naga City as “one of four most improved cities in Asia” in 1999 (Robredo, 2006:5).
In terms of improvements in service delivery, it should be noted that Naga was the first LGU to introduce a “Citizen’s Charter” (Naga City, 2004) that presents pledges of service delivery by the city hall across all offices in different sectors. Created during the first term of Robredo, the charter was upgraded by taking perspectives of customer services into account, which the city learned about from programs under the GOLD project by USAID.

As will be explained later, city programs of the service sectors are formed by involving the citizens through the Naga City People’s Council (NCPC). Regional development-related programs recently implemented by the city hall include the development of bus terminals and a shopping mall, both of which used a public–private partnership scheme. Meanwhile, a development plan of golf yards was rejected by the citizens through the NCPC.

In the Registry Office, quality and rapidness of services have been pursued. The office had simplified processes of issuing certificates and rationalised interactions between the staff. The department head showed his confidence in their efficiencies in providing registration services in comparison with neighbouring cities where a much larger number of the staff than Naga deals with the same number of transactions. They are also making efforts in client satisfaction, trying to make the procedure easy to understand for them by putting registration flow charts on the wall of the waiting space. On top of their regulated duties, the mobile mass registration, the mobile passport registration and the mass wedding mobile are also implemented by the office. The mobile mass registration is conducted occasionally under the city’s initiative for unregistered children or adults in rural barangays, while the mobile passporting service is delivered on every fourth Monday to support a program of the Department of Foreign Affairs.
In the health sector, some special programs have been implemented along with the national ones. One of them is a program for the blind and disabled, through which schooling services and medical privileges are provided. Privileges are also given to the poor families by the Social Welfare Office and the families are provided with ID cards. Most of these special programs were initiated by the mayor, while the department head tried to enhance efficiencies of the office by upgrading or laying off the office staff and managing the allocation of funds for free medicine provision. The health facilities of Naga City are listed in Table 6-3.

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Type</th>
<th>Bed Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bicol Medical Centre</td>
<td>Government</td>
<td>673</td>
</tr>
<tr>
<td>2. Naga City Primary Hospital</td>
<td>Government</td>
<td>22</td>
</tr>
<tr>
<td>3. Mother Seton Hospital</td>
<td>Private</td>
<td>100</td>
</tr>
<tr>
<td>4. St. John Hospital</td>
<td>Private</td>
<td>68</td>
</tr>
<tr>
<td>5. Ago Foundation Hospital</td>
<td>Private</td>
<td>60</td>
</tr>
<tr>
<td>6. Dr. Nilo Roa Memorial Foundation</td>
<td>Private</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: Excerpted from Naga (n.d.)

The Social Welfare Office also offers special programs that originate from the city itself. The “Educare Program” is a noteworthy one among them, recognised by multiple awards in the country. The Educare centre was established in the mid-1990s through a discussion between Mayor Robredo, the chairman of education in the city, and the national Department of Social Welfare. What is specific about the centre compared with day care centres found across LGUs under the national program is that the Educare centre provides pre-school training to children in the 3Rs: reading, arithmetic and writing, with the Montessori method so as to make them prepared by the time they reach school entrance age. The service is free but donations from the parents support the management of the centre. “Sanggawagan” is another special program in Naga, which is a localised version of a nationwide project called the “Street and Urban
Working Children Project” funded by the Australian Government Overseas Aid Program (AusAID). It is said that Naga is the only LGU out of 25 supported by AusAID that has maintained assistance for street and urban working children through “expanding the beneficiaries”. Finally, the city also supports abused women and children in difficult circumstances, such as those abused, neglected and abandoned, by setting up temporary centres for them.

Confidence in service delivery presented by the interviewees was supported by the staff inquiry (Figure 6-1). An extremely high percentage of the respondents “strongly agreed” with their services meeting public needs, while none of them responded to the question negatively. Efforts made in their own department to improve services were recognised even more positively.

**Legazpi**

Under Rosal’s administration, infrastructural development of the city had been focused on and many programs were implemented including the construction of roads and the installation of electricity equipment, especially in remote barangays. At the time of the research, the mayor was going ahead with new programs: the construction of a call centre and a training facility, both of which were aimed at reducing the unemployment rate among the urban population in the city.

It was pointed out by interviewees that such programs came about because the mayor could withdraw funding from the national congressmen through his personal tie with Manila. In addition to these external resources, he also made efforts to increase tax
revenue by levying the real property tax\textsuperscript{38} and through massive advertisements. The city hall spent as much as two billion php on advertising programs.

Another improvement made under the administration of Rosal may be the introduction of a mid-term plan of three years with which the annual investment plan is aligned. Owing to the mid-term plan, the city hall can allocate funds with longer perspectives on the city’s development.

The Planning and Development Office of the city actively promotes conduct evaluation. Although the post-evaluation of programs is recommended by the national government, it is said that only a few LGUs actually put this into practice. In Legazpi, the project monitoring board, composed of barangays and several NGOs, that has been trained by a national agency, go through all of the programs implemented by the city.

In the Registry Office, programs on mobile registration and a barangay civil registry system were implemented under instruction by the National Statistic Office (NSO). On top of these programs, the office also focused on information dissemination at the barangay level regarding civil registry laws.

In the health sector, several special programs that originated in the city have been implemented since 2007, after the current department head took over the post. They included: (1) a voluntary blood program, (2) a “Save the Health” program for malnutrition in children in pilot sites, (3) medical dental missions, and (4) construction of a maternity lie-in clinic. The department head highlighted that he initiated these programs so as to follow the policy directions presented by the mayor in his mission

\textsuperscript{38} It was implied in an interview that the mayor could manage to levy the real property tax because of his political background. Usually, it is said to be hard for a mayor to levy on land owners as it would have an effect on his/her next election.
statements by utilising what he learned in seminars and training. For example, the second program for malnutrition in children was proposed because diminishing malnutrition was one of the mayor’s policy targets. He confessed, however, that the selection of pilot sites was also based on the mayor’s intention, which means that selection was based on political priorities that were not necessarily in line with the demands of the community. He spoke further with hesitation: “there are so many policies that I want for this community, but there are things that you have to (consider)”. On the contrary, programs in the social welfare sector seemed to be formed on a community demand basis. Although the major programs were still mandated by the national government, the Social Welfare Office had been “innovative” and “creative” in making programs to fit the situations of the city since devolution. Their special programs included a child-abuse prevention program, which is worked on with the child-abuse prevention intervention unit composed of 15 member agencies in providing interventions for physically or sexually abused children and in preventing such abuses. Another program for rehabilitation of the disabled was also implemented in cooperation with a local NGO working in the field. These programs were planned by the special unit of the Social Welfare Office, which works for original programs, in reference to the minimum basic needs’ survey, conducted in 1990s by the Planning and Development Office, and discussions with barangay councillors as well as local NGOs at the sector meetings of the LDC.

In the inquiry survey, most staff “agreed” with the quality of services provided by the city (Figure 6-1). Their confidence seemed to be a little stronger in regards to efforts made in their own departments.
Dalaguete

In the municipality of Dalaguete, a range of infrastructural programs were actualised during the term of Mayor Cesante (1998–2007). These included construction of roads, electricity and water supply facilities, public markets, early childhood centres, a community college and so on. While some of these programs were covered by IRA and donor funding – including those from the World Bank and ADB, or Pork Barrel from national congressmen – the municipality took out loans from public and private lenders for others. Although the consultant working in the municipal hall showed his concern about the excessive debts of the municipality, Cesante stressed the significance of infrastructure building so as to make the constituencies believe in the government, support the governmental activities and pay taxes:

Situation is so, is so bad, that they even do not believe in themselves. So the problem is attitude... if the people do not have enough money even to feed their family, so how then do you get them help the community, okay? Because they're thinking of themselves, they're thinking of very selfish stuff, okay? So they don't care about community, they don't care what's going on... Really we are very, very far from, say from, Japan and say in the UK but the government has been able to, you know, put in the leadership role, okay? So you see, (in Japan and the UK,) the taxes are so efficient and are so high... but then the people actually happy paying that because they know government will use that for themselves. Here, even if it's only 10 per cent, some will do everything just to (exempt from the taxes)...So I'd like to see a government that should, you know...I tried to help better the lives of the poor. So what we did was improvement programmes. And so I said, number one, make the people believe in their government. Firstly they see infrastructures support programme and they see that their government is doing something for their basic needs, they are doing it.

Indeed, the development of the municipality was followed by a drastic increase in the tax collection rate under Cesante’s administration. Revision of the real property tax gave an additional boost to it.

The infrastructure programs of the municipality were said to be planned based on the “basic needs” of the residents reported by barangay captains rather than on political considerations. Therefore, Cesante was proud that roads had been constructed not like
a “patch-work” job, as is typically found in the country, but that they covered the municipality to connect isolated areas. Particularly, “farm-market” roads are vital for the people in the municipality to transport vegetables harvested in the mountain areas to be sold in the market. Such infrastructural development in the municipality might well be felt by the residents, as was expected by the mayor. One of the interviewees stated:

“I could see that there were lots of big things going on, during the time of Mayor Cesante. There was faster growth in the economy, here in our town, and there were plenty of investors coming in, expansion...expansion business, like this. Before we could not see general investors here in Dalaguete but now there are at least 5 or 6 of them... Then there are banks...there are banks now operating in this town.”

In parallel with the infrastructure building, the municipal government also implemented social programs. The representative one was a cross-sector program called the “Social Integration of the Low and the Weak (SILAW)”. SILAW was composed of four components: (i) livelihood development, (ii) health and sanitation, (iii) education and literacy, and (iv) nutrition and social welfare, with an objective to “empower the poor community of Dalaguete and help them improve their standard of living, thereby making them self-reliant members of society” (Tumanut, 2009:4). The initial idea of SILAW was withdrawn by Cesante when he attended an executive program for local chief executives organised by the CLRG and the Local Government Academy, a national training body for local government staff. Its implementation was led by the Office of Mayor, supported by other offices of concern: the Office of Agriculture, Health and Social Welfare.

Mayor Alcantara took over the administration in 2007. On assuming the post, he organised his own “management team” composed of ten experts in various field invited from outside of the municipal hall. The team is consulted by the mayor in making overall policies for the municipality. Only the chairman of the team serves full-time, while other members serve on a voluntary basis.
Under Alcantara’s management, some of the programs were carried on from the previous administration, such as the construction of “farm-market” roads and support to school teachers, along with the new programs like construction of an eco-tourism park and a transport terminal that were under planning at the time of this research. Consideration of the poor constituencies seemed to be succeeding as well. The mayor highlighted how he frequently visits barangays in mountain areas:

Because by going there to the mountain, you will discover what are their needs. And if you stay mainly in the office, you won’t discover their needs. You go there, walk through the mountains, you will discover their needs.

The municipal administrator also supported the mayor’s attitude:

I think it’s the political will of the leaders; that they really wanted to carry, on their shoulders, the burden of uplifting this municipality so... They won’t compromise the people, that’s the main idea that, that’s why we are improving and improving and improving it’s about political differences.

Meanwhile, other initiatives of the previous administration, including SILAW, were terminated under the new administration. After a pilot period from 1999 to 2001 and a full implementation phase from 2002 to 2004, SILAW was planned to be mainstreamed as a 15-year program starting from 2005. A total of 720 families benefitted from the program by 2007 and relatively good results were observed in social indicators at that point (Tumanut, 2009). Nonetheless, the implementation was not continued after 2008.

SILAW was actually the only special program of origin in the municipality in health and social welfare, although, in both sectors, efforts had been made by the department heads to improve their services since the time of devolution. In the Health Office, for example, the allocation of midwives had been rationalised to get medical support to the whole region. Medicines had also been provided free to children under five and to
expectant mothers. The head of the Health Office recognised health had not been much prioritised in the municipal hall, anyway:

No, it’s not really that prioritised because I have to compete with priorities of the municipal government, I understand that. Why, I think, the priority decisions is focused more and more on infrastructure development.

Therefore, he had been looking for external assistance rather than relying on the municipal fund to implement programs addressing local needs. One of his plans was to set up a maternity mother’s clinic to tackle the high mortality rate of the municipality caused by *hilot*, the traditional practice of birth attendance in Cebu.

In the Office of the Registry, it was mentioned that service to the clients came to be “effective and efficient” with the instruction of Cesante to “consider benefits of the clients”, but a specific program or initiative of the office was not explained.

All respondents of the inquiry survey showed highly positive perspectives towards services provided by the municipality, as is shown in Figure 6-1, even considering the size of parameters.

**Consolacion**

In the municipality of Consolacion, it was said that infrastructural programs – mainly paved-road construction – had been proactively implemented for the past few years under Mayor Avelino. Having a background as an enterprise owner, Avelino promoted these programs by utilising resources, including bank loans, so as to encourage investments coming into the municipality. At the time of the research, a new municipal hall was under construction, which was referred to as a “main” program of the municipality.
Along with infrastructural development following urbanisation of the area, the fiscal situation of the municipality had much improved so that the municipality was classified as the 1st class in 2008. Nonetheless, surprisingly enough, some interviewees professed that their programs did not meet the demands of the constituencies at all:

When we look at it on our own level, **definitely not** (meeting demands of the people) because it just will be a sad impact of these projects. We just be, what must be realised, type of thing. How does it affect the lives of the people. They must go into that analysis. But it’s also hard to interfere because it’s not our department. They (the barangays) fill their budget. The only thing we have, we can do, we can review, we just give a recommendation but after the final execution...

Put simply, programs are planned without detailed assessment of the impacts based on requests from barangay officials. Similarly to the case of Dalaguete, funds for program implementation are partly filled by the barangay of concern. What makes things worse is, in selecting programs from among these requests, priorities are given to those politically significant for the mayor:

You are a barangay captain closer to the mayor, you are my priority. Especially when the election comes, this is the last year... Political arena... it effects on everything.

In the Registry Office, services were provided following guidelines from the National Statistic Office. It was proudly noted that they could issue a birth certificate within five minutes.

The Social Welfare Office of the municipality only implements programs regulated by the National Department of Social Welfare on its own. However, it benefits from the Social Welfare Office of the provincial government of Cebu which organises what can be called special programs. An example was a program called “Sacsac”, which was a financial assistance scheme initiated by the provincial Governor for those affected by the rice crisis in the region. The Social Welfare Office of the municipality implemented the program in cooperation with the Agriculture Office to provide assistance for farm
families in need. They also have occasions to request the provincial office to assist individual constituencies because their budget is "much bigger" than the municipality’s.

The Health Office basically implement nationally instructed programs just like the Social Welfare Office, although they had some original programs around 2002. One was the introduction of anti-smoking law, which was proposed by the mayor in his first term. Another one was TB prevention. For this purpose, the office encouraged industries to distribute health cards to their workers to prove that they were not TB carriers.

As was recognised in the office, the health-sector index of the municipality was far below the level of national requirements. In the Philippines, “one midwife for 5,000 population” and “one doctor for 9,700 population” are set as standards in law, but in Consolacion, they had only nine midwives and one doctor - the department head for over 87,000 people in the municipality. The ratio is obviously worse than that of Dalaguete, as they had two doctors at least for around 60,000 constituencies. To tackle this lack of manpower, the office made efforts in improving the skills of the existing health staff, including midwives, a doctor, sanitary inspectors and nurses, so as to provide a good quality service.

Contrary to the negative statements presented in the interviews, responses to the inquiry survey were positive, as shown in Figure 6-1.

6.1.2 Comparative Analysis

Original or "special programs" identified in the cases during the field research are summarised in
Table 6-4. The programmes shown in the upper column in each cell were implemented by an initiative from the top, while those in the lower column were introduced either by a member of the sector office or by an external agency, such as an international donor. The programs whose initiative was not assured are presented in the middle of the cell. In principle, these programs were either on-going or had an impact on the operations of the LGU at the time of this research. In the case of Dalaguete, the administration of the time was new and had not actualised its plans, so the programs conducted during the previous administration are shown in the column.

As the table illustrates, regional development related activities, mainly related with infrastructure programs, are usually the mayors’ highest priority. All six mayors have experience in the private sector, except Mayor Ma. Fernando, who was formally a housewife married to the previous mayor B.F. With their management background, the mayors emphasised investment promotion and undertook NPM type programs so that the regional economy might be developed with private capital. The content of the programs are more or less similar – improving the investment environment by constructing or upgrading basic infrastructure. They are also often combined with efforts to strengthen tax collection or levy new taxes to enhance the fiscal status of the government hall.
<table>
<thead>
<tr>
<th>LGU</th>
<th>Regional Dev’t</th>
<th>Registration</th>
<th>Health</th>
<th>Social Welfare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>Bike Rd ('00s)</td>
<td>Computerisation ('90s)</td>
<td>Health passport (n.d.)</td>
<td>Revision of assessment form, Council for children in conflict ('02)</td>
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<tr>
<td></td>
<td></td>
<td>Teller system ('96)</td>
<td>Health passport - revised</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Mobile registration, Mobile passport, Service flow chart (n.d.)</td>
<td></td>
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</tr>
<tr>
<td>San Juan</td>
<td>5Ks - as a tool of investment promotion ('00s)</td>
<td>Computerisation ('08)</td>
<td>5Ks- Health ID card, free medicine &amp; affordable medicare ('00s)</td>
<td>Financial support for single parents ('00s)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lists of senior residents (n.d.)</td>
<td>Magna Carta for the disabled (n.d.)</td>
</tr>
<tr>
<td>Naga</td>
<td>Bus station, shopping mall etc. PPP progs ('00s) (&lt;&gt; golf yard)</td>
<td></td>
<td>Privileges for the blind, disabled and the poor families (n.d.)</td>
<td>“Educare” prog ('90s)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mobile registration, Mobile passport, Service flow chart (n.d.)</td>
<td>Free medicine ('90)</td>
<td>Street working children prog('90s-), Support for the abused women and children in difficult circumstances (n.d.)</td>
</tr>
<tr>
<td>Legazpi</td>
<td>Roads &amp; electricity in remote areas, Call centre, Training centre ('00s)</td>
<td>Proc evaluation ('90)</td>
<td></td>
<td>Street working children prog('90s-), Support for the abused women and children in difficult circumstances (n.d.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Barangay registration (n.d.)</td>
<td>Voluntary blood, nutrition, Satellite clinic, Medical dental missions, Maternity tie-in clinic ('08~)</td>
<td>Child abuse prevention, Community base rehabilitation (n.d.)</td>
</tr>
<tr>
<td>Dalguete*</td>
<td>Public markets, farm-market roads, Electricity &amp; water supply facilities ('90s-)</td>
<td></td>
<td>SILAW- Sanitation &amp; nutrition improvement ('90s-'07)</td>
<td>SILAW- Support for the poor families ('90s-'07)</td>
</tr>
<tr>
<td>Consolacion</td>
<td>Roads construction for investment promotion ('00s-)</td>
<td></td>
<td>Anti-smoking, TB prevention ('02)</td>
<td></td>
</tr>
</tbody>
</table>

*Programs of the previous administration are presented in the Dalaguete column as the administration at the time of the research was new and had not yet fully actualised any programs.

Source: Made by the author.

However, with regard to responsiveness, whether or not their programs fit public needs may vary across LGUs. For example, in Naga and Legazpi, the citizens are consulted about formatting the programs. In the case of Naga, as the example of a golf-yard construction plan reveals, the citizens even have the power to veto programs in the NCPC process. On the other hand, in Consolacion, programs are politically distributed
in the region, while in its counterpart municipality, Dalaguete, farm-market road construction seems to benefit the poor constituencies in isolated mountain areas.

In contrast to regional development programs mainly initiated by the mayor, special programs in social sectors, health and social welfare that were transferred to local government after the LGC are often left by the respective departments to add to the national minimum requirements. Especially in Marikina, Naga and Legazpi, special programs were developed with the initiative of departments with original ideas to address local problems. Meanwhile, in San Juan, a 5K program initiated by the mayor addressed social issues. Similarly, a multi-sector program was introduced in Dalaguete through the mayor’s initiative, but it was not sustained because of an administration change. It may be a bottleneck to introduce original social programs in LGUs that do not usually generate revenues, unlike development programs.

Considering responsiveness, programs initiated in Naga and Legazpi might be more responsive than others, especially since they involve the constituencies in planning; however, in the case of Legazpi, political allocation of the program within the region was observed in pilot projects of the health sector. This was also the case in Consolacion, where even the distribution of nationally regulated benefits was influenced by political concerns.

Not many special programs were found in registration as the sector is basically instructed by the national government. In the two cities of NCR that may have had a larger number of transactions, computerisation was implemented to make the registration process precise and smoother, while the local capital cities of Naga and Legazpi implemented the programs suggested by the NSO. In Marikina and Naga, other efforts, including introduction of a taller system and a service flow chart, were
also made to improve their service provision in registration. Meanwhile, no specific program was identified in the municipalities.

Table 6-5 illustrates the level of responsiveness of the case LGU’s service delivery perceived by the LGU staff, which is drawn from the inquiry survey results. To make it easier to compare the multiple responses across LGUs, an indicator calculated from the formula shown below is used here.

\[ f(x) = \Sigma \{(\text{gravity of a selected option}) \times \text{(no. of respondents choosing the option)} / \text{(total no. of responses)}\} \]

Each option of the question is rated from \([-2]\) to \([+2]\), which constitutes gravity of a selected option. Hence, the indicator \(f(x)\) is between \([-2]\) to \([+2]\). The closer the indicator to \([+2]\), the more positive the responses. This formula will be used to compare the inquiry results throughout the sections of this chapter.

As for the quality of the services and efforts made to improve services, not much difference of perceptions could be recognised across the cases, except in the case of San Juan, where the perceived level was quite low for both questions.

<table>
<thead>
<tr>
<th>Table 6-5 Indicators of Perceived Achievements in Service Delivery</th>
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</thead>
<tbody>
<tr>
<td>Marikina</td>
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<tr>
<td>San Juan</td>
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<tr>
<td>Naga</td>
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<tr>
<td>Legazpi</td>
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<tr>
<td>Dalaguete</td>
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<tr>
<td>Consolacion</td>
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</tbody>
</table>

<Responsible Questions of the Inquiry>
16. Do you think the services provided by the local government meet the public needs?
17. Do you think your department makes efforts to improve public services to meet public needs?

<Options>
1. strongly agree (+2)  2. agree (+1)  3. disagree (-1)  4. strongly disagree (-2)

Source: Made by the author.
6.2 Enhancement of Participation

In this section, another expected outcome of decentralization: enhanced participation is investigated through presenting public participation practices undertaken in the case LGUs, and analysing them within the framework set in Chapter 2, which addresses extent, participants and contents of participation practices.

6.2.1 Participation in the Six Local Governments

Marikina

Marikina City has provided a range of channels for participation to the constituencies. The openness of the city hall is symbolised by the glass-walled office, which was renovated during Mayor B.F.’s administration.

As for information dissemination, the government not only established a detailed web site under the “e-gov” initiative, but also set up a radio station within the city hall to broadcast important announcements for the citizens. Small radios were also distributed to each household to ensure the people could access to necessary information.

Feedback from the constituencies is welcome through a suggestion box set at the city hall, as well as e-mails and texts, both of which directly reach the mayor. All suggestions or complaints collected through these channels are forwarded to and considered in a relevant office and replied to when they include a contact address.

Apart from media-based feedback, direct consultation was allowed at the time of Mayor B.F. in the barangay visit, called “Barangayan”. The mayor and executive staff went down to barangay halls or local chapels on Barangayan day – mainly arranged on weekends, talked with local leaders and the people in the barangay, and assessed local needs in terms of the city government’s support. Barangayan was replaced as
“People’s Day” under Mayor Ma. Fernando. Every Thursday was defined as a “People’s Day” and the constituencies were able to visit the mayor’s office to lodge petitions.

The LDC has been conducted twice a year, as mandated in the LGC in Marikina. According to the Planning and Development Office, comments by people with knowledge on engineering and architecture are particularly utilised by the city hall.

Under B.F.’s administration, the city government tried to make the citizens organise themselves, given that civil organisations were not so active in the city. For instance, in the Barangay, potential community leaders were encouraged to gather neighbours and to consolidate their opinions and needs. By the same token, business enterprises were also recommended to formulate an association through formatting the Public Governance System (PGS), a cooperative scheme for local governance, with the main principle of “shared responsibilities” of the private and the public sector (ISA, n.d., Ishii, 2007). Efforts at organising and involving the constituencies under Mayor Ma. Fernando’s administration seemed to be moderate compared with the previous administration. It was left to the people as to whether they participated in local governance or not, while the channels of participation were well established, as the mayor herself stated:

*I think those people who choose to get involved are involved....Those who don’t want to get involved are not involved....It really depends on the people. If the people I think are largely happy with the services they are getting they don’t want to be too involved but if they are unhappy they get more involved....This is we are not trying to force the people to participate. We are open to participation but we don’t force them....Because they are busy going about their daily business so perhaps they are happy with what they are doing but they know that city government is always here to listen to their complaints and when people talk about participation you do not need to have a meeting to participate. People can respond to the city government by texting, emailing or writing a letter or a suggestion box or by coming here to the city to look at the service or to make a suggestion. So we don’t believe that you need a big meeting just to say what you want. You can do it on your own every day just attend.*
Though partnership with the citizens is not that remarkable in Marikina, the Volunteer Management Office can be counted as a form of partnership. It is a unique office set up in the city hall, in which the citizens who want to contribute to the government’s work register themselves. All departments can access the office whenever they need any help so that volunteers are dispatched. They are ‘volunteers’ but are paid 100 php for a half a day.

Some sort of partnership was also observed in the Social Welfare Office, where the department head tried to construct cooperative relationships with local community organisations working in the city to share information with them and to maximise efficiencies of programs conducted by both sides.

In the inquiry survey, the majority of the staff revealed that they thought the city government provided enough opportunities for public participation (Figure 6-2). Nevertheless, for the question as to whether the citizens are well informed in terms of participating in local decision making, 18% of the respondents either “disagreed” or “strongly disagreed”, and the ratio was higher in social-sector departments.

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39 100 PHP was equivalent to 1.5 GBP with the rate of March 2011. As the minimum wage for non-agricultural work in an NCR region at the time was 404 PHP/day, 100 PHP/0.5 day was lower than the minimum wage (NWPC, 2011).
Figure 6-2 Perceived Achievements in Public Participation - Responses to the Inquiry

“The office provides enough opportunities of public participation to the citizens.”

“...”

“The citizens are well informed to participate in local decision-making.”

“...”
As for the main objective of public participation, the staff showed divided opinions. The top response was “to obtain support of the citizens for the decisions which are made by the local government” (No.3), while 30% of all respondents considered the government’s decision making as being based on or referred to public participation schemes (No.1 and No.2). Meanwhile, those that saw public participation schemes being in place just to fulfill legal or public demands accounted for 16% of the respondents.

**San Juan**

In San Juan City, information is disseminated through local radio and a web site of the city government, but the site has not been well structured and its contents are still limited, compared with those of other metropolitan cities.

Feedback from the constituencies can be accepted through the web site, but a more direct arena the city government provides is what is called “Talakayan sa Barangay”, a
regular barangay visit. It is an event Mayor J.V. introduced, in which the mayor and all executive staff of the city go down to a barangay to have direct communication with the residents. It takes place every Thursday, usually from 6 p.m. to 9 p.m. Visiting 21 barangays by rotation; each barangay has two visits every year on an average. During the meeting, participants are distributed a piece of paper on which they can write comments or grievances. Then, what is written on the paper is announced and responded to or offered solutions right there by the mayor or the executive staff from the concerned office. Any solutions to the comments and grievances are said to be taken into action on the following day as far as funding permits. In the latter half of the meeting, participants are also allowed to make comments directly through a microphone. The venue of the meeting is normally set on a public road in order to make it easy for the “shy Filipino” to join. With a casual atmosphere with music in the background, 300 to 500 residents gather every time.

The significance of having this meeting at the barangay level was described by the mayor:

*We hear directly from the people their grievances and their concerns, their proposals because I do not rely only on the barangay officials (whether they) are actually telling me the truth so every week we try to visit one barangay and have a forum, a discussion about the concerns of the barangay which concerns the city.*

Thus, the visit is aimed at investigating local needs without any intervention from barangay officials. At the same time, the visit may function as a source to satisfy local constituencies by demonstrating how much the city government is concerned about issues at barangays and how it is ready to respond to their comments and grievances.

In San Juan, the LDC is also conducted twice a year, as legally mandated, with the attendance of six NGOs in the region.
At the department level, joint implementation of programs was observed in the health sector and social welfare sector. In the Health Office, the department head had been working with NGOs in implementing some of the nationally required programs. He found it effective because “they are local, they come from the community, you see, they are well known within the community. So it’s a lot easier if you help them”. However, their partnership relies heavily on personal contacts of the department head with NGOs. On the other hand, the Social Welfare Office had constructed a good partnership with NGOs working in the field, but their cooperation is basically in referring the clients to each other’s programs.

In the inquiry survey, negative responses in terms of public participation were prominent (Figure 6-2). As for reasons of public participation, the component was similar with that in Marikina. The most popular option was “to obtain support of the citizens to the decisions which are made by the local government” (No.3).

**Naga**

Naga City’s most famous achievement may be the leading-edge initiative for civil participation through the establishment of the NCPC, for which Mayor Jesse M. Robredo was presented with the Ramon Magsaysay Award for Government Service in 2000. Indeed, the experience of the NCPC has frequently been referred to as the best practice of participatory governance (Bercasio 2004; Cariño 2005).

The NCPC, formally institutionalised in 1996, is an official partner of the city government and functions as the LDC of the city. Actually, the idea of the NCPC started at the end of the 1980s, when the city set up the Urban Poor Affairs Office (UPAO) to address the needs of the urban poor (Robredo, 2006). As is the case in other cities, the number of squatters and slum dwellers was increasing in Naga, which
brought with it associated social problems. The UPAO was established to respond with urban poor associations, organised by a local NGO called the Community Organisers of the Philippines Enterprise (COPE) (Robredo, 2006). It is said that COPE, having worked in the field for a long time, was trusted by the urban poor at that time, and therefore, cooperation with COPE made it easier for UPAO to gain the participation of communities. It must have been an epoch-making moment for the community to receive government support, considering the antagonistic reaction COPE got from the previous administration (Kawanaka, 1998). From this point, city hall and civil organisations started to work together as partners, and this prompted the Naga City NGO – PO Council (NCNPC), a loose group to encourage regular dialogue between the citizens and the city government (Robredo, 2006:70). The NCPC was a subsequent landmark to institutionalise this informal partnership as a formal and long-term partnership.

The legal basis of the NCPC is provided in “An Ordinance Initiating a System for Partnership in Local Governance between the City Government and the People of Naga”, also called the “Empowerment Ordinance of Naga City” (City Ordinance No. 95-092), drafted by city councillor James Jacob and approved by the local assembly in 1995 (Bercasio, 2004). Responding to this ordinance, NGOs and POs organised themselves and became the “NCPC” in 1996, so as to make the people’s council, a representative body of the community, defined in the ordinance. Three months later, the local council passed a resolution approving the NCPC as a people’s council pursuant to the “Empowerment Ordinance”.

What is novel about the NCPC is that, firstly, it was formed as a federation of local NGOs and POs, covering over 100 members (Ishii et al., 2007). In addition, in hosting the 27th Barangay People’s Council (BPCs), which are replicable bodies in barangays,
the NCPC represents people further down in the grass-roots level (Bercasio, 2004). It also includes other minority sectors, such as women, senior citizens and disabled people. It is often mentioned that formulation of the NCPC much owes to the social background of the city. As Naga was historically an arena of the Left-wing activism, active civil organisations and their associations had already existed before the NCPC. Therefore, the NCPC could have a number of member organisations soon after its establishment. Secondly, the NCPC is authorised to make policy proposals to the local assembly, and functions as a coordination body to make a consensus of civil opinions before suggestions are forwarded to the city (Bercasio, 2004, Cariño, 2005). For this purpose, the NCPC has a Board of Directors, which deals with consensus building on sensitive issues to ensure collective action from the council. Finally, but most importantly, the NCPC officially sends its representatives as full-fledged members with voting rights to: local special bodies; standing committees of the local assembly; and task forces, councils and boards within the city hall (Bercasio, 2004, Robredo, 2006). Through these representations, the NCPC can influence various aspects of local governance, including policy making, budget allocation, project planning, implementation, monitoring and evaluation. In other words, the NCPC provides multiple channels of direct democracy to civil society, as well as being a community organiser. The actual influence of the NCPC on city governance has been witnessed on occasions when it denied or approved the implementation of policies or projects. One example was, as mentioned already, the construction of a golf course, which was renounced by the NCPC as an environmental concern.

Following the establishment of the NCPC, the city launched other innovative initiatives focusing on civil empowerment, such as “naga.com” and the “Citizens Charter”, which formed the backbone of the “i-Governance” program (Naga City, 2004). The city’s well-established website not only provides opportunities of consultation to the wider
constituencies, but also discloses all the documents of governmental budgets and expenditures as an innovative practice in the country. The charter, which was explained as a service-improvement tool, also has a function as a medium to disseminate information to the constituencies along with the internet, radio and the periodical magazine of the city.

While the NCPC is involved with decision making and deliberation aspects of participation, public participation in service implementation was found in the social welfare sector, in which the office and sector NGOs cooperate closely in delivering services to their clients. On the other hand, in the health sector, NGOs do not provide assistance, though they are active in advocacy through the Naga City Health Board.

The staff perceptions towards public participation opportunities and the level of information of the citizens were highly positive (Figure 6-2). As for the objective of participation schemes, it was unique enough that none of the respondents chose “to fulfil legal and/or public demands for public participation” (No.4), while “to obtain supports of the citizens to the decisions which are made by the local government” (No.3) was chosen by one-fourth of the respondents.

**Legazpi**

The main focus of the city hall of Legazpi in terms of civil participation seems to be information dissemination to the constituencies. In this regard, Mayor Rosal started what is called the “Message to the Public” from his first term as a mayor. This event had been held every March in the central park of the city, where policy plans and programs for the next fiscal year as well as accomplishments made during the past year were presented on large sign boards. As has been mentioned, the city spent two billion php every year for information dissemination. It is important for the
administration to make the constituencies aware of what the city government provides to them so that they support the government and pay taxes. At the same time, the mayor highlighted in the interview that he believes keeping transparency of the government through publishing annual reports and post-project evaluation reports is a key for “good governance”.

Apart from information dissemination, the public-participation scheme of the city mainly relies on the LDC process. The city holds the LDC twice a year complying with the legal mandates. Before reaching the general assembly meetings of the LDC, consultation meetings are also convened and are separated into five sectors: social economy, infrastructure, environment, development administration and community, in which stakeholders including NGOs, POs, barangay officials, congressmen, academicians, churches and national government agencies can sit in wherever they want to participate and comment on the proposed programs.

In the case of social welfare programs, the involvement of citizens starts at an even earlier stage, as the Social Welfare Office prepares proposed annual plans in consultation with civil organisations in the sector. The office is divided into departments that deal with family issues, the elderly, children and the youth and special programs, and each office has regular contact with the organisations working in the respective fields. These organisations may provide data that they collect at barangays where they work to be made use of by the city’s planning department, or may propose their projects to be funded by or integrated into programs run by the city. In other words, the cooperation between the office and the civil organisations ranges from plan making to implementation. On the other hand, public participation in planning and implementing health related programs might be a little more moderate than in the case of social welfare participation levels.
On top of the LDC, Mayor Rosal actually imported the “Peoples’ Council” from Naga City several years before this research was undertaken. However, according to the interviews with the executive staff, it was inactive at that time. One of them indicated that he could not understand the significance of the “Peoples’ Council”, which was set up in parallel with the LDC, and whose membership was also duplicated in the LDC. It did not seem to be understood that the “Peoples’ Council” of Naga was an extended version of the LDC.

The respondents of the inquiry survey mostly agreed with the opportunities of participation provided to the citizens by the city hall (Figure 6-2). Meanwhile, quite a large portion of the respondents showed negative attitudes towards information disseminated to the citizens to participate in the decision making of the city. As for the objectives of public participation schemes, over half of the respondents chose no.3: “to obtain support of the citizens to the decisions which are made by the local government”, whilst 5% of them chose No.4: “to fulfil legal and/or public demands for public participation”.

**Dalaguete**

In the municipality of Dalaguete, information is usually disseminated through print advertisements such as newspapers and leaflets. Therefore, it can be said that they do not have an interactive communication tool with the constituencies.

Meanwhile, the municipal hall has a consultation scheme for stakeholders of programs. It is a participatory process called “Social Preparation” or the “Information and Education Campaign” organised by the Municipal Office of Planning and Development

---

40 A web site of the municipality was formed after the field survey. (http://www.dalaguete.gov.ph/)
(MOPD), in which the program plan is explained to barangay officials as well as recipients of the target area. This process is gone through at the stage of planning to make sure that the program of concern meets the local needs and will be supported by the recipients. The head of MOPD stressed the significance of this participatory scheme:

...because without their participation and their appreciation of the project, it will not meet the objective. So you have to convince the people that the project is for them, it’s for the betterment of their lives, and they have the sense of ownership.

Such consultation is also crucial when implementing programs as planned in considering that the municipal hall needs to ask for the physical commitment of barangays. An example was given by an interviewee:

...on road building of parish roads: the local government will provide sand and gravel, the provincial government will provide cement and the barangays, they provide the labour.

A bottleneck of consultation, however, may be the attitudes of the residents. It was mentioned in the interviews that the people are not so active in participating in the governmental activities, especially in the mountain area. One of the interviewees explained why they focus on “education” in the planning process:

Here in our municipality the people as so passive they just won’t participate, they just won’t. Maybe because of, maybe because of...they are not aware of what’s going on, what’s the programme... they’re not aware, they’re just concerned with their daily, what’s their daily routine, they’re not aware of what we’re doing here in the government. So that’s what we are driving for, that’s our aim; promoting this education, that’s why.

Another way of consultation is conducted through direct communication with the municipal hall. Mayor Alcantara keeps the Mayor’s Office open every day from seven to eight to let the people walk in and speak directly to the mayor. Precisely, this may not be called a form of consultation, though, because the people usually go to the office, or even to the mayor’s private house, to ask for personal assistance rather than to lobby or to feedback to the government. During this research, it was observed how barangay
captains and residents spent hours in the Mayor’s Office chatting.

The LDC is not held as mandated in the law, although they are aware of the obligations. One of the interviewees confessed that they do not necessarily follow the annual plan, since the municipal hall responds to the occasional requirements from the barangay captains, such as those gathering in the mayor’s office during the research. Based on these requests, they analyse feasibilities, decide a policy direction, make a plan, consider which budget is to be allocated – request funds from the provincial government or national congressmen if necessary – go through the consultation process and implement it. Under such a situation, the development council might not make any sense if it were to be held semi-annually.

Although there are around 18 NGOs accredited in the municipality, partnership activities between the municipal hall and these organisations were not observed. The Social Welfare Office had regular contacts with some of these NGOs but their interaction was limited to the organisations’ feedback for the services being provided by the office.

In the inquiry survey, all respondents supported the extent of participatory schemes provided by the municipal government, while some found the citizens are not informed enough to take part in governmental decision making (Figure 6-2). As for the reason for public participation, as many as 63% of the respondents chose No.3 “to obtain support of the citizens to the decisions which are made by the local government”, which may well reflect the intention behind the “Information and Education Campaign”.

Consolacion

In the municipality of Consolacion, no specific schemes for public participation were identified. Although there are accredited NGOs in the area, the major ones of which are
Christian organisations, contact with these organisations by the municipal staff is "very minimal". The only occasion that the municipal hall tries to associate with the constituencies is when they have an information-dissemination campaign on a new policy. Individual departments do not work much with the civil organisations, either. The only case observed was the cooperation of the Social Welfare Office with a Norwegian Filipino NGO working for special children. The cooperation, however, does not reach the level of consultation or partnership, as the office just refers the NGO to their clients and offers transportation to the clients when they join vocational training implemented by the NGO.

Meanwhile, the LDC is held twice a year as mandated in the law, with attendance of 21 barangay captains and 8 NGOs. Implementation of the LDC is owed to the head of the Planning and Development Office, who is keen on the council meeting:

*If we just leave it nothing would happen but we have been in shape and we sacrifice. I really (think) the plan has to be presented.*

Nevertheless, the NGOs are not active on their own and hardly visit the municipal hall except when the office call them for the LDC’s sub-group meetings.

The respondents of the inquiry survey mostly “agreed” with the opportunities of participation provided to the public and the information level of the citizens to participate in decision making, although they do not have opportunities apart from the LDC (Figure 6-2). It was a specific tendency in the municipality of Consolacion that a certain percentage (20%) of the respondents found that the main objective of participatory schemes was “to fulfil legal and/or public demands for public participation”, while a similar number of them chose contrary options, “to obtain the primary criteria for decision making of the local government” (20%) and “to obtain a reference for decision making of the local government” (25%).
6.2.2 Comparative Analysis

Table 6-6 illustrates the completed framework of participation in the six case LGUs\textsuperscript{41}. It should be noted, however, that this framework is not complete because this thesis focuses on the four service sectors, and there may be other participation practices in a specific social sector, such as agriculture, other than those shown here. In addition, legally required participatory institutions: the LDC and other local special bodies that have the authority to make decisions or are regularly consulted on specific issues, are also omitted from the framework but will be discussed below.

<table>
<thead>
<tr>
<th>Extents</th>
<th>Contents</th>
<th>Deliberation</th>
<th>Decision</th>
<th>Implementation</th>
</tr>
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<tbody>
<tr>
<td>Delegation</td>
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<tr>
<td>Partnership</td>
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<tr>
<td>Consultation</td>
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<tr>
<td>Information</td>
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</table>

**Table 6-6 Participation Practices in Case LGUs based on the Analytical Framework**

**Markinka**

<table>
<thead>
<tr>
<th>Delegation</th>
<th>Participation</th>
<th>Deliberation</th>
<th>Decision</th>
<th>Implementation</th>
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</thead>
<tbody>
<tr>
<td>All citizens - Volunteer office/ Local NGOs - Social welfare Progs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**San Juan**

<table>
<thead>
<tr>
<th>Delegation</th>
<th>Partnership</th>
<th>Deliberation</th>
<th>Decision</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local NGOs - Social welfare Progs</td>
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</table>

**Naga**

<table>
<thead>
<tr>
<th>Delegation</th>
<th>Partnership</th>
<th>Deliberation</th>
<th>Decision</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local NGOs - Social welfare, health Progs</td>
<td></td>
<td></td>
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<td></td>
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</tbody>
</table>

**Legazpi**

<table>
<thead>
<tr>
<th>Delegation</th>
<th>Partnership</th>
<th>Deliberation</th>
<th>Decision</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local NGOs - Social Welfare</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

**Dalaguete**

<table>
<thead>
<tr>
<th>Delegation</th>
<th>Partnership</th>
<th>Deliberation</th>
<th>Decision</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prog recipient (occasional) – &quot;Information &amp; education campaign&quot;</td>
<td></td>
<td></td>
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</tbody>
</table>

**Consolacion**

<table>
<thead>
<tr>
<th>Delegation</th>
<th>Partnership</th>
<th>Deliberation</th>
<th>Decision</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>All citizens - Occasional news adverts</td>
<td></td>
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</tbody>
</table>

Source: Made by the author.
According to Table 6-6, information dissemination, the lowest level of participation in this framework, is employed in all six LGUs, targeting all citizens in their territories. As a modern approach, Marikina and Naga conduct special projects on e-Government to publicise information on various government policies and activities through their websites. In particular, Naga uploads documents of governmental expenses and budgets in their entirety, which is an innovation in the country. Although the approach is certainly effective, it should be questioned whether or not the people have enough access to the Internet and whether or not it is applicable in rural areas when it is applied to other LGUs. In this regard, Legazpi introduces a unique method to make the citizens aware of governmental policies: it holds an annual presentation event called “Message to the public” at the central park, displaying huge panels on which government policies, legislation and programs of the previous year and the coming year are illustrated.

Utilizing traditional media, such as leaflets and periodical magazines, is another way to reach a wider audience. Local radio stations are also set up in Marikina, San Juan and Naga to provide information to wide constituencies. Meanwhile, in the two municipal governments of Dalaguete and Consolacion, information is disseminated occasionally in a relatively traditional manner, limited to already determined decisions and ongoing implementation of public work.

Consultation with the citizens is also attempted in most LGUs. Open access to the government hall is one way to let the citizens make comments on policy issues directly to the mayor or departments in charge, as is practiced in Marikina and Dalaguete. In the case of San Juan, whose area is relatively small in Metro Manila, the mayor and other management staff regularly visit each barangay for “Talakanayan sa Barangay”, a consultation session in which the people can raise issues in their communities without going down to the city hall. The LGUs promoting e-Government in Marikina and
Naga let the people contact the mayor or respective departments by e-mail or text. In Legazpi, public consultation is held on a sector basis to be utilised in development planning.

Practices for *partnership* with the citizens vary across the case LGUs. In Metro Manila, Marikina and San Juan networks with local NGOs are created mainly in the social sector so they can refer their clients to external organisations as well as coordinate with each other to prevent duplication of projects. In Marikina, individuals are also welcome to be partners in implementation through the city’s Volunteer Office.

While the approaches of Marikina and San Juan are limited to policy implementation, two provincial cities, Naga and Legazpi, involve local NGOs in the stage of policy-making. In Naga, the NCPC, which is composed of various civic organisations, has been institutionalised and functions as an LDC. The city hall liaises with semi-annual formal meetings of the council to facilitate dialogue with member organisations to prepare planning or budget proposals. In the case of Legazpi, such partnerships are nurtured on a sectoral basis. It was observed that the Social Welfare Office has constant discussions with local counterparts to obtain input on development plans to fully make use of the LDC process. In both cases, local NGOs work in policy implementation as a partner of the cities. In particular, parts of Legazpi’s social welfare programs are conducted by counterpart organisations that are involved in the planning process to fill the gap between social demands and capacities of the city hall.

On the other hand, municipal LGUs in Dalaguete and Consolacion have not built partnership relations with local civic organisations, though they do on occasion cooperate with international donor NGOs in implementation.
*Delegation* to the people is practiced only in Naga through the NCPC. Although the NCPC functions as the LDC, striking differences exist between the LDC and the NCPC. The NCPC is novel in that it is granted a right to make proposals and to vote in decision-making bodies of the government. A good example of its influence on local governance was shown when the council rejected a development plan for a golf-yard and forced the city to give up the construction plan. It should be noted that the specific background of Naga may have an effect on the success of the NCPC. Since the area of Naga is traditionally a regional trade centre, active civil organisations and their associations had already existed before the NCPC. This factor might have worked as a precondition of a progressive people’s participation in local governance.

In terms of the extent of participation, information dissemination and consultation is widely attempted across case LGUs, though practices of partnership and delegation are still limited. Context-wise, a higher level of people’s involvement tends to be attempted in implementation, especially for the purpose of social sector projects. In such cases, the actors in participation are local NGOs working on social issues. Target participants of participation practices tend to be wider in the lower extent of participation, as easily assumed. While in most cases organisations involved in a higher level of participation are limited, the NCPC is exceptional in this sense as it is composed of a much greater number of civil organisations than the LDC.

As for the LDC, which is excluded from this framework, all case LGUs except Dalaguete were observed to undertake the LDC meetings as mandated in the LDC in one way or another, although the extent of participation differs across LGUs. While some LGUs welcome participation and commitment of various civic organisations, others may pay these systems just ritual attention.
Different types of LGUs have different tendencies in their participation practices. In highly urbanised areas, civil organisations are less represented than those in provincial areas because of the diversity of their inhabitants. In such a situation, it may be feasible as well as efficient to attract a wider variety of individual citizens to participation schemes. On the other hand, the assistance of people’s organisations in provincial city governments like Naga and Legazpi is crucial to provide necessary services to the public owing to their limited resources and capacities. Therefore, it is important for them to involve people’s organisations from the policy-making stage. Meanwhile, participation practices taken in municipalities are conducted on a moderate and occasional basis rather than systematised on a regular basis. This may be because municipal government tends to be authoritarian in the traditional manner of local government. Equally important is that people’s attitudes towards participation are not positive and civil organisations have not been nurtured to be partners.

Despite the diverse levels of participation practices across case LGUs, perceptions of the staff did not present a significant gap in the inquiry, as is shown in Table 6-7. One clear tendency can be found in all cases in which the respondents typically consider citizens have been provided with a relatively good number of participation opportunities, but they are not informed well enough to participate in local decision making. Belief in the citizens’ capacity was notably low in San Juan.
Table 6-7 Indicators of Perceived Achievements in Public Participation

<table>
<thead>
<tr>
<th></th>
<th>Opportunities for public participation</th>
<th>Information disseminated on participation schemes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>1.26</td>
<td>0.76</td>
</tr>
<tr>
<td>San Juan</td>
<td>0.93</td>
<td>0.33</td>
</tr>
<tr>
<td>Naga</td>
<td>1.44</td>
<td>1.32</td>
</tr>
<tr>
<td>Legazpi</td>
<td>1.25</td>
<td>0.8</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>1.4</td>
<td>1.1</td>
</tr>
<tr>
<td>Consolacion</td>
<td>1.25</td>
<td>0.95</td>
</tr>
</tbody>
</table>

<Responsible Questions of the Inquiry>
18. Do you think the office provides enough opportunities for public participation to the citizens?
19. Do you think the citizens are well informed to participate in local decision making?

.Options>
1. strongly agree (+2)  2. agree (+1)  3. disagree (-1)  4. strongly disagree (-2)

Source: Made by the author.

The results of another inquiry item that asked the main objective of the participatory schemes are shown in Table 6-8. The pragmatic approach found in provincial cities may reflect on this inquiry, as even in Naga, nearly half of the respondents think participatory schemes are to obtain support of the citizens, while the other half understand that they are to have input of the constituencies in local decision making to make the policies responsive to local needs. It should also be noted that a certain percentage of the respondents, except those in Naga, reported that participation schemes are just used to fulfill external demands.

Table 6-8 Perceived Objective of Participation Schemes - % of Responses to the Inquiry

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>12%</td>
<td>24%</td>
<td>42%</td>
<td>19%</td>
<td>3%</td>
</tr>
<tr>
<td>San Juan</td>
<td>16%</td>
<td>18%</td>
<td>48%</td>
<td>14%</td>
<td>4%</td>
</tr>
<tr>
<td>Naga</td>
<td>25%</td>
<td>28%</td>
<td>47%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Legazpi</td>
<td>19%</td>
<td>21%</td>
<td>55%</td>
<td>5%</td>
<td>-</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>7%</td>
<td>20%</td>
<td>63%</td>
<td>10%</td>
<td>-</td>
</tr>
<tr>
<td>Consolacion</td>
<td>20%</td>
<td>25%</td>
<td>35%</td>
<td>20%</td>
<td>-</td>
</tr>
</tbody>
</table>

<Responsible Questions of the Inquiry>
20. What do you think is the main objective of public participation schemes?

.Options>
1. to obtain the primary criteria for decision making of the local government
2. to obtain a reference for decision making of the local government
3. to obtain support of the citizens for the decisions which are made by the local government
4. to fulfill legal and/or public demands for public participation
5. none of the above

Source: Made by the author.
7 Dynamism within Local Government Organisations after Decentralisation

In this chapter, organisational change experiences and organisational change factors are illustrated and examined across the case LGUs, based on scripts of individual and focus group interviews, which were all coded and analysed with MAXQDA10 and were based on responses to the inquiry survey. In the Philippines, the LGC was the legislation that introduced decentralisation reform, and could be a significant momentum of organisational change in LGUs. Hence, the impact of the LGC is analysed first of all to consider the mechanistic assumption of decentralisation reforms that the institutional change would be followed by organisational change at local governments. Organisational change momentums other than the LGC are then be examined in analysing factors of organisational change. Organisational change factors presented in the cases were Distributed Autonomies, HRM System, Leadership, Motivation, Organisational Culture or Climate and External Relations, all of which were identified in the theoretical analysis presented in Chapter 2. These factors are compared across the cases and form the basis of the final chapter, where the second and third research questions will be addressed.

7.1 Organisational Change Experience in the Local Government

The organisational change momentum of the government was investigated in the case LGUs, mainly through the interview item inquiring about the organisational change experiences throughout the interviewees’ careers. As explained in Chapter 4, this investigation was aimed at assessing the impacts of the LGC on the LGU organisation, as well as grasping the change momentum associated with organisational change factors examined in this thesis. In this section, observations in each case governments
are presented, which is followed by comparative analysis of organisational change momentum and perceived impact of the LGC.

7.1.1 Observations in the Six Local Governments

Marikina

In Marikina City, it was noteworthy that all interviewees agreed that the city government experienced organisational change when the previous mayor, Mayor B.F., took the administration. All but one of them admitted that was the largest momentum of change they had ever experienced. The last one found computerisation had a greater impact on her job.

On the other hand, the impact of the LGC, which coincided with B.F.’s reform, was not significantly felt by interviewees. Only some in service sectors found the volume of their job was increased because they started to implement original programs in the city.

The experienced transformation after Mayor B.F. was illustrated by the interviews in association with private-sector-like management, result-orientation and hard work:

*The ability of Chairman Fernando as a mayor being a corporate manager, I think it did a lot because he changed what’s called, the style of administration. He introduced some new techniques in managing.*

*It’s very, very, tense and that day; there was a big change in the bureaucracy... your job to be very measurable and also putting meaning.*

In fact, Mayor B.F. managed the city office with strict performance assessment against specific targets set for each sector (Ishii, 2007). Such transformation brought by B.F. was said to have resistance among the staff. One of the department heads said:

*Well the first six months we struggled! [laughs] The first six months we struggled but we became used to it. After six months or seven months we adjusted to the system and it became a way of life [laughs].*
One participant of the focus group interview confessed it was a “traumatic era of fear” because they were afraid that they would be fired, which was supported by a statement from another executive interviewee who remembered that there was a rumour of a recession. Nevertheless, Mayor B.F. did not actually cut any of the personnel. Or rather, the compensation package was improved. Revealed by the facts and observed by the improvements in the city, the staff generally adjusted to B.F.’s style.

San Juan

In response to the question about a momentum of organisational change in individual and focus group interviews, responses were divided into two areas: the start of Mayor J.V.’s administration in 2001 and entitlement of cityhood status of the LGU in 2007.

Mayor J.V.’s administration was mainly referred to by the interviewees in relation to his strict fiscal discipline and his active implementation of programs. One department head confessed that the LGU started to apply nationally enacted fiscal regulations only after J.V.’s administration. He not only enforced the levy of taxes and fines strictly to increase the revenue of the LGU, but also seriously examined its expenditures by referring to accomplishments of the previous year in an annual budget allocation, which had not been cared about by preceding mayors. Meanwhile, the other department heads, who responded to the questionnaires by letter, both highlighted that it was under his administration that projects came to be realised although “there were many projects which were not fully implemented” before.

Whilst many interviewees stressed achievement aspects of the administration rather than the change process of the city hall, the mayor himself and the administrator, both having private-sector backgrounds, emphasised how much effort they made to change the lazy attitudes of the “typical public-sector” staff, so as to make them work professionally and productively. One of the measures the mayor used was the
introduction of a uniform, just like the case of Marikina City, but maybe for a slightly
different reason:

... we started with imposing a uniform for everybody which is a sign of
professionalism. At first the employees didn't like it because of course they
want to get the money instead, instead of spending for uniform they want to
get the uniform allowance... we made sure that they follow because it looks
more professional and at the same time I told them that they will save more
money in effect because if you do not have uniform you have to buy more
clothes, at least if you have uniform you just need two or three. And then I
prevent them from loitering in office hours and we go and randomly check
where they are. Before they used to be out, before by two, three o'clock p.m.
nobody is in their stations anymore, they are all in the mall to spend their
coins. So now that they have the uniforms we can see from a distance if they
are loitering somewhere else!

Indeed, the LGU might have been seriously underperforming before J.V.'s term. A
department head also implied this:

... before, I could just stay in the office, you know? It was full, in here, and now,
now we have to go out to do some surveillance, if there's a problem we have
to go there to deal with that, because the mayor, will ask questions, he asked
me... so the responsibility, the responsibilities rather, have become far greater
than (ever), you know...

Thus, the mayor tried to make the local civil servants work as they were supposed to
and for what they were paid for.

The mayor and the administrator also looked back on their first term by stating how
they came to be “unpopular” in the LGU because of their disciplined attitudes. The
mayor mentioned:

At first they didn't understand what I was trying to achieve and they thought
that I was...they were calling me in fact... a name like my administrator,
because he had a beard, they call him Osama Bin Laden...like Saddam
Hussain so they think that we are dictators but because they realised that it
was what we wanted was for the good of everybody....But it took me about
two terms before probably I gained the respect and the understanding.

The other response was in regards to the change in momentum: the entitlement of the
cityhood was also associated with Mayor J.V.'s administration, considering the radical
increase of autonomous income of the LGU under the administration. Being welcomed
by the staff by enhancing their salaries, the cityhood status, at the same time, might
have nurtured their awareness towards responsibilities a LGU should carry out. Some of the interviewed department heads mentioned:

You know, we can do things, just, you know, not necessarily serious, but you can just for example sit down here and debate about things like that…but once you have become a city, your duties will become, as I said, greater, more responsibilities, and you have to perform more, perform a lot lot better then. We have to become more, with respect to people... more...because, if you are a sheikh already, they, the people expect us to do more for them, so they have to see you, we have to become more, what do you call this, er...Yes, okay, but visibility....you have to become more visible. More visible in doing your job.

It affects us (on our daily job) a little but it gives us the challenge to work harder and achieve the means to make our city the most progressive one in the metropolis.

Apart from these two types of responses, it should be noted that some interviewees did not find much transformation in the LGU. One of the staff who participated in a focus group meeting explained that the LGU has been stable because the mayors have always been from one family. Therefore, although each mayor had a different management style, some projects have succeeded across the administrations.

The LGC was not mentioned as a momentum by any interviewee. The department head of the Budget Office, who started serving the LGU before 1991, referred to the LGC as it allowed LGUs to enforce their original tax levy laws, but any other revenue-and expenditure-related activities were still exposed to nationally defined regulations. An interviewee from the Health Office also mentioned the LGC did not have much impact, because they are under the supervision of the DOH even after the LGC anyway.

**Naga**

In Naga City, a specific momentum of change could not be clearly identified. It may be partly because not so many interviewees knew the city hall before Mayor Robredo’s administration. Many of them actually highlighted that they were experiencing
“continuous changes” in the city hall as they kept having new policies or directions to meet the changing environments of the city. A department head described the transformation of Naga City in his statement:

I think I came in to the service of the city government in 1988 just several months later, after Mayor Robredo started into office. So the city grew and as I have observed the city grew very drastically from a 3rd class city into a 1st class city and up to now the city has retained that category at the national level as a 1st class city...And the business has boomed dramatically and everything.

Impacts of the LGC were positively perceived by the executive staff who had been serving since the early terms of Robredo, as it ensured implementability of the city’s programs. The mayor himself confirmed the point by saying:

I think what we were doing informally we are now allowed formally...Before the local government codes we had some concerns around whether what we were doing was allowed by government. The local government code really paved the way for saying that you can do it. But the other thing is the local government code of course improved our authority but at the same time also [pause] when you give more authority you need to redefine responsibilities.

Meanwhile, reactions by the department heads who were transferred from the national government were contrasting. The head of the Social Welfare Office appreciated the transfer because projects came to be implemented more than ever. The city government of Naga allocated funds to programs “as long as you can make a good proposal for all the process itself”. On the other hand, the head of the Health Office did not find any impact of the transfer on their programs apart from the benefit cut to the health staff, and neither did the head of the Registry Office, whose operations have been under the national law anyway.

Lagazpi

In responding to the question on organisational change experience, many interviewees noted that the effect of the change of the administration on the city hall was pronounced every time. Some of them highlighted the change occurred in the administration of Mayor Rosal, in that the city was developed thanks to the
infrastructure programs. While one executive staff member mentioned the salaries were increased under Mayor Rosal because of the development, another mentioned that in the time of Mayor Roses, who served from 1991, the benefits provided to the staff were improved. Meanwhile, the head of the Registry Office did not recognise any change across the administrations “because the function of the office is primarily ministerial”.

When the interviewer asked about impacts of the LGC, all interviewees who were already working in the city at the time mentioned that public services were improved as a result of devolved autonomies to departments. For example, in the Registry Office, “the registration process came to be easier and be more effective”. The head of the Social Welfare Office explained that they were allowed to form special programs to meet local demands after these processes were transferred to the city government: “we learn to innovate, to be creative, because of devolution”. She assumed that such improvements were also attributed to the enhanced coordination with other departments, which had been operating separately, in addressing cross-sectoral issues.

An increase in the involvement of NGOs in planning and implementation was also indicated as an impact of the LGC by several interviewees. The Social Welfare Office had contact with only one NGO before the LGC. The head confessed it was only after the devolution that they started to cooperate with NGOs and to have more interactions with barangays. The impact of the LGC on the health sector could not be discussed, as none of the interviewees in the sector had been working in the city at the time of devolution.

_Dalaguete_

As an organisational change experience, most of the executive staff interviewed in the research referred to the time when the previous mayor, Cesante, arrived at the office.
Being much younger than his predecessor, Cesante was “dynamic”, “not traditional” and “exciting” for them. Under his management, the employees were required to work harder. At the same time, however, they came to be provided with higher salaries in accordance with the development of the municipal income. Changes in the municipal hall were also mentioned: Cesante renovated the municipal hall by introducing IT facilities and air-conditioners.

On the contrary to such unified recognition among the executive staff, the lower level staff who participated in the focus group interviews did not find many differences across the administrations. Although they were aware of increased workloads and the introduction of computers in the office, these were not recognised by them as direct impacts of the mayor’s management.

As for impacts of the LGC, those transferred from the national government agencies all said the services were improved after they were devolved to the local government. For example, in the health sector, budgets allocated for purchasing medicines were much increased under the municipality of Dalaguete. Meanwhile, the head of the Social Welfare Office remembered how she had a hard time during the first years to make the mayor at the time understand what her office works for because their function was not known by the local government. Nevertheless, once they obtained understanding, the office could perform better than in the time before the devolution.

In exchange for the improvement of budgets and services, those transferred to the local government may have been involved in political deals. Particularly, the department heads needed to lobby to request for an adjustment or increase in their budget and personnel allocation. As one noted, however, the situation had been acceptable in Dalaguete until the recent tension between Alcantra and Cesante:
I have to deal with politicians which I was not used to before, before, that time. I had to learn how to deal with these... A good thing, in Dalaguete, there’s not much political quarrels between locations, only lately, in the past 2 years; there is some kind of political quarrel, sort of.

Consolacion

As for an organisational change experience, many of the interviewees responded that they had not found a remarkable momentum of change in the municipality. Being asked about differences across mayors, their responses were varied. One said their work was “not affected by mayors” although their management styles were different, while others noted that the previous mayor who served from 1992 to 2001 made a difference in the municipal hall by introducing staff uniforms, air-conditioners and computers.

The municipal hall might have been more influenced by the socio-economic change of the region rather than by internal organisational dynamism. Some interviewees, especially those from fiscal offices, mentioned their workload had been increased since 2008, when the municipality became the 1st class rank. It was also pointed out by several interviewees that the security had deteriorated and the needs of the public had come to be diversified with the expanding population for the past several years, which made the municipality much more difficult to manage.

Though not cited as a change momentum, impacts of the LGC were perceived positively by some interviewees in the municipality. Particularly in the offices devolved from the national government, services came to be “definitely good” as they provided directly to the clients. Before devolution, bureaucratic procedures were required and emergent cases could not be addressed promptly.
7.1.2 Comparative Analysis

Table 7-1 presents observations obtained on impact of the LGC and other organizational change momentum in case LGUs. The column “Change Momentum” summarises major responses of the staff to the organisational change experience question, while the right column illustrates the perceptions of the staff on “Impacts of the LGC”.

<table>
<thead>
<tr>
<th>Change Momentum</th>
<th>Impacts of the LGC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina - Mayor B.F. (1992): private-sector like management (result-oriented,</td>
<td>• Coincided and had mutual interaction with B.F.’s reform</td>
</tr>
<tr>
<td>hard working etc.)</td>
<td>• Volume of the job increased in service sectors</td>
</tr>
<tr>
<td>San Juan - Mayor J.V. (2001): fiscal discipline, active program implementation</td>
<td>• Enhanced taxation power</td>
</tr>
<tr>
<td>• Cityhood status (2007): increase of salaries, responsibilities</td>
<td>• Not much recognised in service delivery: tend to keep following the national</td>
</tr>
<tr>
<td>• Enhanced taxation power</td>
<td>instructions (health)</td>
</tr>
<tr>
<td>Naga - “Continuous change” under Mayor Robredo (1988): new policies, directions</td>
<td>• Ensured the programs of Robredo’s administration (except health) were</td>
</tr>
<tr>
<td></td>
<td>implemented</td>
</tr>
<tr>
<td>Legazpi - Every administration change: different focus of policies and programs</td>
<td>• Improved public services in efficiencies and innovativeness, partly because</td>
</tr>
<tr>
<td></td>
<td>of cooperation across offices</td>
</tr>
<tr>
<td></td>
<td>• Increased involvement of NGOs and barangays (social welfare)</td>
</tr>
<tr>
<td>Dalaguete - Mayor Cesante (1998): “new type management” (“dynamic”, “exciting”,</td>
<td>• Improved public services because of budget increase</td>
</tr>
<tr>
<td>hard working), increase of salaries - recognised only by the executive</td>
<td></td>
</tr>
<tr>
<td>staff</td>
<td>• exposed service offices into politics (acceptable level)</td>
</tr>
<tr>
<td>Consolacion - No remarkable change in Minicipal Hall, but socio-economic</td>
<td>• Improved public services in terms of responsiveness and promptness through</td>
</tr>
<tr>
<td>development and deteriorating security in the municipality</td>
<td>direct service provision to clients (social welfare)</td>
</tr>
</tbody>
</table>

Source: Made by the author.

As can be seen in the table, the LGC was not considered the biggest change experience for the interviewees, including those serving in local government for decades. Instead, in all but Consolacion, many staff described their change experiences in association with the mayors and their administrations. Change in socio-economic situation was another popular response, particularly in San Juan and Consolacion.
Specific change momentum was identified in Marikina, San Juan and Dalaguete, where the new administration of Mayor B.F., Mayor J.V. and Mayor Cesante, respectively, was thought to bring the largest change at the LGU. Among them, change brought by Mayor B.F. was reported to meet strong resistance by the staff at the initial stage. The same held true with the changes implemented by Mayor J.V., but it was reported only by the mayor himself and those close to him. On the other hand, in Legazpi, a new administration was said to cause changes every time. While changes by Mayor B.F. of Marikina and Mayor Cesante of Dalaguete were associated with their management styles, the change made by Mayor J.V. in San Juan and Mayor Rosal in Legazpi was described mainly in terms of their policy directions. The “new type management” of Mayor Cesante in Dalaguete was, however, commonly recognised among executive staff but not by lower level staff. Meanwhile, in Naga, although its “continuous” change was clearly led by Mayor Robredo, few of the interviewees actually started working in the city hall after Robredo’s arrival.

Hence, in spite of the popular assumption of public reform, or ‘hard’ system organisational change model, which posits that institutional change is followed by expected outcomes, the case analysis revealed the LGC did not necessarily make substantial changes in LGU activities. Rather than the LGC, change of administration brought greater impacts on LGU organisations.

Having said so, the LGC did pave the way to allow individual LGUs and their mayors to seek better performances. Particularly in Marikina and Naga, the LGC was positively perceived by the interviewees who reported that it ensured implementation of the reform and practices the cities were attempting to pursue under their mayors. In other LGUs, perceptions of staff varied, but they were more likely to admit some positive change. Some variations may be recognised across sectors in this regard. For example,
services in social welfare were often reported to have become more efficient and responsible. In Legazpi, this view was supported by referring to increased interventions with barangays and local NGOs after devolution. On the contrary, however, not much change was reported by those in the health sector in terms of their daily work. Generally speaking, people in the Registry Office did not report significant change at the time of devolution, even though they were transferred from the national government, mainly because their responsibilities did not change much after the devolution and they still needed to follow national instructions.

7.2 Distributed Autonomies

In Chapter 2, theoretical implications showed that when autonomies are distributed to the lower level of the organisation, local government may perform better than those where this does not occur. It was also noted that perceived autonomies do matter. Even where autonomies are devolved through a ‘hard’ system arrangement, they may not be exercised by those in the lower level of the organisation unless they are cognisant of the devolved autonomies. Hence, perceived autonomies, as well as organisational arrangements for distributed autonomies, in case LGUs are examined in this section.

7.2.1 Observations in the Six Local Governments

Marikina

One of the practices Mayor B.F. introduced was the weekly management meeting. Every Monday afternoon, the mayor and all department heads would get together to discuss various issues of the city government over two to three hours. This meeting seemed to function as an arena where executive staff exercised their autonomous capacities as responsible persons in their fields because they were always consulted
and encouraged to make suggestions during the meeting. Active discussion in the management meetings led to cooperative relations among departments. For instance, a problem of teenage pregnancy had been jointly addressed by the Social Welfare Office and the Health Office based on discussions during the meetings.

At the same time, B.F. must have intended to withdraw innovative ideas from the managers by letting them make suggestions and recommendations with respect, as the executive staff stated:

- *We engage in what we call brainstorming most of the time, trying to solicit opinions, ideas, creative ideas from the employees.*

- *We are given the freedom to introduce some innovations in fact we are being encouraged to think of strategies or methodologies that would improve our citizens.*

- *Yeah it’s like, it’s very confident, the productive level is very high. We are very independent. The mayor respects us a lot, the department heads. We are so empowered.*

As a matter of fact, some of the practices were introduced to the city hall based on suggestions by managers, including a schedule tax, which was suggested by an officer in the financial department.

According to the interviews, the practice of having a regular management meeting is followed in each office. Just as they themselves are encouraged to speak out in the management meeting, the executive staffs try to involve their subordinates in problem solving within the department. One of them noted:

- *We apply the same attitude and outlook with our staff... all the departments to pass on the passion for creativity.*

However, as another executive mentioned, the staff may not be active enough to make suggestions by themselves:

- *They (the staff) do (make suggestions) but more often I have to ask (them) [laughs]. They just don’t volunteer; Filipinos are like that... not so insisting but sometimes I give them some problems and then I will tell them how would you solve this problem, if I’m out of the office, what actions would you take because really people should be encouraged.*
Even so, some of the practices of the city, for example, the country’s first welfare fund for employees, had been suggested by the staff (Ishii, 2007).

Despite this evidence, the inquiry survey did not present striking results in the staff perceptions towards provided autonomies in their departments and for individuals in Marikina (Figure 7-1). Nonetheless, at least, negative responses were quite limited across offices. Meanwhile, more respondents believed they were trusted by their bosses.

**Figure 7-1 Perceived Autonomy Devolved to Departments and Individuals - Responses to the Inquiry**

“My department is provided enough autonomy to conduct its job/responsibilities efficiently.”

- **1. Marikina**: 19 strongly agree, 65 agree, 4 disagree, 4 strongly disagree
- **2. San Juan**: 13 strongly agree, 29 agree, 6 disagree, 3 strongly disagree
- **3. Naga**: 20 strongly agree, 31 agree, 5 disagree, 5 strongly disagree
- **4. Legazpi**: 26 strongly agree, 49 agree, 5 disagree, 5 strongly disagree
- **5. Dalaguete**: 13 strongly agree, 22 agree, 6 disagree, 4 strongly disagree
- **6. Consolacion**: 7 strongly agree, 12 agree, 5 disagree, 3 strongly disagree
“I myself am provided enough autonomy to conduct my job/responsibilities efficiently.”

San Juan

In San Juan City, all department heads, who were interviewed face-to-face, admitted that they were provided functional autonomies in conducting their job. Mayor J.V.’s attitudes towards departments' autonomies were described by one of them:

*He likes us to develop our own way of running... actually he is a very democratic mayor... I should perform the duties and the responsibilities within the law then you have no problem. That’s our mayor...Well, basically, he is a businessman.*

*The style of Mayor J.V., Mayor J.V.’s administration, it is focused on initiative of the head, of the department itself, for the department concerned. Because his thinking is that you are there, the head, you are the people in the department so you know what’s best for your department, and you know what services you can offer...So it really depends on the people in the department.*

Such a situation may not be specific to Mayor J.V.’s administration; however, in considering this, several interviewees from different offices similarly stated the mayors had “always been supportive” to the activities of their offices.

To the question about opportunities to make suggestions to the mayor, most interviewees responded that Mayor J.V. is “open to accept suggestions”. Nevertheless,
a few of them actually showed an example of their experiences of making suggestions.

One department head noted:

You know, there are times that you cannot listen to people’s suggestions anymore because he knows already what you are thinking, and he knows what you need! So…!

In the same manner, although Mayor J.V. introduced a weekly management meeting on Monday after the flag ceremony, just as in other case cities, the meeting seems to confirm the intentions of the mayor towards on-going programs or projects, rather than of encouraging managers to make active suggestions. They have occasions to have a say during the meeting but they do not actually have a “discussion” with other executive staff attending the meeting.

Further investigation in the interviews revealed that the staffs does not have many occasions to have direct contact with the mayor, because the administrator functions as a liaison officer of the mayor, dealing with many issues occurring in the city hall as follows:

If it really concerns us and it has to be decided as soon as possible, then the good administrator would advise us of the orders of the mayor, but if the good administrator can just you know, can give his decision, he will do it, so there is no need to visit the mayor…It’s very seldom that I go into dispute with the mayor, because the administrator is officiating…and that’s it, the mayor will say, he’ll say yes.

... all things that we discussed with the city administrator he discuss with the mayor... you can also go to the mayor if you want to but because the mayor is always busy, so many people around, always someone to talk to, telephone or in the office so many visitors. If you talk to the administrator it’s already resolved...Or maybe you can talk to an administrator and have some suggestion (from the administrator).

In this regard, one interviewee appropriately described the administrator as a “little mayor”. On the other hand, the mayor himself accesses department heads directly whenever he needs to, as one stated:

Mayor, approach us in the XX Office, so whenever he wants or needs anything from his head, from here, from the department, he just calls us on the mobile phone…in the middle of the night…
In considering these statements, in San Juan City, while autonomies are well distributed to individual departments in terms of carrying out their tasks, the staffs are not much encouraged to participate in local governance beyond their routines, though they are not prohibited to do so.

The result of the inquiry survey may support such observations (Figure 7-1). Most of the respondents agreed that they were provided autonomy to their departments and themselves.

**Naga**

In Naga City, all department heads interviewed in the research strongly agreed with autonomies provided to themselves and their departments in the statements, such as:

*Oh let’s say that everything is there, we are given all the autonomy to implement, we just consult him.*

*Well most of the decision making here in the city XXX office I do it but sensitive or critical decision making I consult the mayor…Well other decision making especially that involves money for the purchasing of equipment it actually has to be justified to the mayor but on policy we don’t have problems.*

*Oh yes, in so far as the running affairs of this office is concerned it is my exclusive… it is exclusively incumbent upon me. The decisions are made only by me…Yeah because basically my job is technical.*

The executive staffs are also able to participate in the policy making of the city government as a whole. The regular management meeting, which is arranged weekly early in the morning, functions as an arena where department heads exchange ideas and make suggestions to the mayor. The mayor seems to encourage them to speak out there, as one interviewee illustrated:

*Before the meeting ends, the mayor always asks if we have something or if we have some concerns that he should know.*

The other interviewee pointed out that such discussion assures “a better decision making”, which is in line with the recognition of the mayor, who appreciates
suggestions from the staff as well as clients so as to reach “new ways to respond to the problems”. He noted:

Actually we have a lot of good suggestions coming from the staff because we do subscribe to the idea that the most knowledgeable person on any subject matter or on the problem or on the work are people who have been made accountable for the work.

In this regard, a participant of the focus group interview referred to it as the “city hall culture” that suggestions are welcome and the door of Mayor Robredo is always open to all, including the staff and residents.

Such an attitude by Robredo may be followed by the executive staff, as in the city hall each office had a similar process as that of the management meeting within each department. Indeed, all visited departments had regular departmental meetings of once a month at least, in which suggestions are made by the line staff and the ideas have been actually put into practice to improve their services. For example, posters presenting registration flow charts for the clients and the handbooks of the Educare centre for the parents were both initiated by suggestions from the office staff.

In the same manner, perceptions of the staff towards autonomy provided to the individuals and departments were relatively positive compared with other case LGUs, although a small percentage of the respondents disagreed with the point (Figure 7-1).

Legazpi

In the city hall of Legazpi, individual departments seemed to enjoy exercising their自主s as far as implementations within the allocated budget were concerned. Even within a department, each staff has its own responsibilities to be fulfilled with autonomy. These are reflected in the results of the inquiry that illustrate most of the respondents agreed with their autonomies (Figure 7-1).
Under Rosal’s administration, making suggestions beyond their own responsibilities is also encouraged. With a belief that “government should function as an enterprise”, Rosal introduced a weekly management meeting on Monday to make the executive staffs share information and open up their opinions. The meeting is usually led by the mayor, in which department heads report on the progress of programs they are pursuing and raise concerns and issues around them. Then, other department heads are welcome to propose solutions. One of the executive staff noted:

…you’re allowed to make suggestions for the improvement of the services of the office to the public. And that’s the beauty of it here because we have a very good mayor who listens to the problems of the office. And he helps the office very well.

Nonetheless, specific examples of suggestions which had been made during the meeting to further improve the services were not provided by any interviewees, and some confessed that the meeting was not regularly held when the mayor was “too busy”. Based on these facts, it may function as an arena of reporting to the mayor and information sharing across departments rather than for active discussion among the executive staff.

**Dalaguete**

All of the interviewed executive staff in the municipality of Dalaguete admitted that they were distributed autonomies in implementing programs, while important decisions should be made by the mayor in advance of the implementation. For example, in the Health Office, the head said he can manage the department on his own without disturbance from the Mayor’s Office:

So, I also respect them and they respect my opinions, in whatever I do. That’s the good thing here in Dalaguette.

He was satisfied with autonomies given to him, as he was aware, in other municipalities, how department heads were not allowed to have such autonomy. Some mayors even controlled the medicines in their offices, so that doctors could not directly provide medicines to the patients! The head of the Social and Welfare Office also
admitted autonomies of the office in conducting their operations. In other municipal halls, the social welfare allowance to individual recipients may be assessed and controlled by the mayor, but Dalaguete does not operate in this manner. The office deals with the assessment based on the guidelines, although, however, Mayor Alcantra requested that the office took the recipients to his office before the final approval for issuance, which was not practiced before.

Most of the interviewees also showed a unified view that they were allowed to make suggestions to the mayor. Nevertheless, such occasions seemed to be reduced under Mayor Alcantra. One of the reasons is that Alcantra does not hold management meetings as they used to in the previous administration. Just like one executive staff member stated, without a regular meeting, it may be difficult to find opportunities to speak up:

That's the proper benefit that we can see, that we can propose during meetings, but since we missed those meetings, then there are times that we are called to appear in his office and then talk things, that at the time, we propose. But it's occasional, only because we cannot always have the time with the mayor and set up in the (mayor's) office is not always conducive to what we are talking.

What was implied in this reference was that they had been discouraged from making suggestions. Since Alcantra had made his office open to everyone for a whole day, the executive staff hesitated in talking with him at the mayor’s office due to considering confidentialities around the issues. Indeed, the office is not an environment in which to have detailed discussions on policy or program issues when attended by many visitors, including residents. Moreover, a sense of distrust in the “management team” seemed to be shared among them because the mayor tends to rely on the team in policy making rather than in the existing departments. Thus, while being allowed to exercise autonomy in implementation, the department heads cannot be fully involved in policy discourses.
In the inquiry survey, the respondents mostly “agreed” with the autonomies provided to their departments and themselves (Figure 7-1).

**Consolacion**

In terms of autonomies distributed to individual offices, almost all interviewees said they could just follow the mayor’s directives. There seemed to be no space for departments to promote their own initiatives in the municipality. The annual budget allocation is also in the hands of the mayor. A radical case was observed in the Social Welfare Office, where amounts of benefits provided to the poor families are determined by the mayor without the step of a technical assessment by the office. The department head sadly stated she could not fulfil her own role in this sense. As far as the department heads pursuing what was decided by the mayor without any problems, however, they were usually not interrupted in any way. Regarding autonomies allowed at the individual level, responses were different across interviewees, but the basic mode of their statements was negative. The result of the inquiry survey may reflect these statements, in which a certain number of the respondents “disagreed” with the devolved autonomies (Figure 7-1).

In the municipal hall of Consolacion, management meetings as well as whole staff meetings are held monthly. Both of them were introduced under the previous administration and each department takes turns arranging these meetings. In the management meeting, issues and concerns raised by departments and plans for events to be held in the municipalities are discussed. Nevertheless, the department heads are not really “consulted” by the mayor in this meeting, because he asks for comments from them only “at the end of implementations”. The whole staff meeting, on the other hand, is usually arranged after the flag ceremony on Monday, and is a place to let the staff speak up on any minor issues and grievances. Topics discussed in the meeting are varied from salaries, workplace environments, to concerns on public
services, such as traffic control and garbage collection. If the issue is manageable within the municipality, a solution is proposed by the department of concern, but it is frequently beyond the municipality’s control. The mayor does not attend the whole meeting and appeared only at the end of it.

7.2.2 Comparative Analysis

Table 7-2 presents situations of autonomies distributed in case LGUs based on the remarks and evidence obtained in interviews. The column “Systematic Arrangement” shows official occasions arranged within the LGU in which staff may exercise their distributed power.

<table>
<thead>
<tr>
<th></th>
<th>Systematic Arrangement</th>
<th>Mayor to Department Heads</th>
<th>Department Heads to Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>Mag’t mtg (weekly) – arena of discussion and making suggestions</td>
<td>Dep’t heads given exclusive autonomy and are consulted by the mayor in the mag’t mtg</td>
<td>Practice of mag’t mtg is replicated within each dep’t, but staff are not very active</td>
</tr>
<tr>
<td>San Juan</td>
<td>Mag’t mtg (weekly) – place to confirm the mayor’s intensions</td>
<td>Initiatives of dep’t heads are supported by the mayor</td>
<td>Not confirmed</td>
</tr>
<tr>
<td>Naga</td>
<td>Mag’t mtg (weekly) – arena to exchange ideas, to make suggestions to the mayor</td>
<td>Dep’t heads are given exclusive autonomy and are involved in policy making of the city</td>
<td>Practice of mag’t mtg is replicated within each dep’t, staff make suggestions</td>
</tr>
<tr>
<td>Legazpi</td>
<td>Mag’t mtg (weekly, but practically occasional) – place for reporting and information sharing</td>
<td>Dep’t heads are given autonomy in implementation issues as far as the allocated budgets permit</td>
<td>Not confirmed</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>None (Mag’t mtg abolished)</td>
<td>Dep’t heads are given basic autonomy in implementation issues but decisions should be pre-approved by the mayor</td>
<td>Not confirmed</td>
</tr>
<tr>
<td>Consolacion</td>
<td>Mag’t mtg (monthly) – place for reporting implemented prog, Staff mtg (monthly) – place to let the staff present their grievances</td>
<td>Dep’t heads have no space to have their own initiatives</td>
<td>Negative responses obtained</td>
</tr>
</tbody>
</table>

Source: Made by the author.
Taking a look at the central column, distributed autonomies from "Mayor to Department Heads", department heads see they are provided at least a reasonable amount of autonomy to undertake their responsibilities and pursue service improvements as far as the budget permits. The exception is Consolacion where department heads feel authority is centralised around the mayor and individual departments have no space for their own initiatives. Marikina and Naga are the extreme opposites of Consolacion, as their department heads enjoy exclusive autonomy and are encouraged to influence policy making in city government.

Interestingly enough, although most case LGUs have a system for management meetings, including Consolacion, its function varies across LGUs. In Marikina and Naga, the meeting is the very place where executive staff are consulted by the mayor and are allowed to make commitments to policy areas, even beyond their own responsibilities. In other LGUs, management meetings are normally used for the administrative purposes.

At the department level there was little recognition of the transfer of autonomy. Table 7-3 compares inquiry results of lower staff’s perceptions of distributed autonomies. In all case LGUs, the perceived levels of devolution were moderate, but in San Juan and Consolacion the ratings were especially low. It was observed that, both in Marikina and Naga the management meeting was replicated in individual offices: staff were entitled to make suggestions and contributions to policy issues. In the case of Naga, staff reported speaking out during these occasions, but in Marikina it was reported that Filipinos were too shy by nature to be active advocators.
Table 7-3 Indicators of Perceived Autonomy Devolved to Departments and Individuals

<table>
<thead>
<tr>
<th>Location</th>
<th>Autonomy of Departments</th>
<th>Autonomy of Individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>1.12</td>
<td>1.13</td>
</tr>
<tr>
<td>San Juan</td>
<td>0.83</td>
<td>0.86</td>
</tr>
<tr>
<td>Naga</td>
<td>1.13</td>
<td>1.15</td>
</tr>
<tr>
<td>Legazpi</td>
<td>1.19</td>
<td>1.12</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>1.33</td>
<td>1.23</td>
</tr>
<tr>
<td>Consolacion</td>
<td>0.85</td>
<td>0.85</td>
</tr>
</tbody>
</table>

<Responsible Questions of the Inquiry>

5. Do you think your department is provided enough autonomy to conduct its job/responsibilities efficiently?
6. Do you think you yourself are provided enough autonomy to conduct your job/responsibilities efficiently?

<Options>
1. strongly agree (+2)  2. agree (+1)  3. disagree (-1)  4. strongly disagree (-2)

Source: Made by the author.

7.3 HRM System

The second organisational change factor addressed in the research was the HRM system, which is a ‘hard’ system that may be significantly associated with many of other organisational change factors, including distributed autonomies and motivation. Though the basic principles of the HRM system in the local government are defined at the national level, variation exists across governments in their way of implementing regulated systems and undertaking their original practices, as illustrated in this section.

7.3.1 Observations in the Six Local Governments

Marikina

Reflecting the size of its government hall, Marikina City has a large HR Office that deals with HRM related issues and reports to the national CSC.

In interviews, some unique HR activities were observed in Marikina. First, the HR Office has modified the national format of personnel evaluation into a simplified format, which obtained approval of the CSC. Evaluation is conducted twice a year and the results are accumulated to be the criteria for salary increase. Second, they have provided quarterly employee awards since early 2000 as a tool to motivate the lower
level staff. The awardees are nominated by department heads based on personnel evaluation, attendance and attitude. They are recognised at the Monday gathering of all city employees with a prize of gift vouchers and a bicycle – for promoting the bike road program. Third, the city set up the first welfare fund for government employees in the country, the idea of which came from a staff member of the HR Office.

As for recruitment, the city rigidly follows the selection process and rules defined in the CSC. The office is active in training and development activities as well. They regularly organise seminars, such as in value-orientation training, which is instructed by the CSC, assigning several staff from various departments. Every seminar is monitored by the attendants with the original feedback sheet to be distributed to them. Once they receive a comment that department heads should take the same kind of seminar, a module for executive staff is then also developed by the office. The value-orientation training was appreciated by an interviewee in that it “helps a lot of people on the front-line services”.

Along with these efforts let by the HR Office, Mayor Ma. Fernando, who is keen on educational issues, has introduced a college education program for the staff. It is a collaboration program with a local college to let the existing staff complete undergraduate level education for free while working in the city hall so as to update their personal profiles. The degree may open the way for them to be promoted in the office. She set up a policy to make a bachelors degree a minimum requirement for city government employees.

Meanwhile, department-specific training is basically provided by national line ministries or regional associations to disseminate the necessary information and technical knowledge. What is obtained in this training seems to be well shared within a office. For example, the Health Office organises a program-based training for the staff in
charge, making the medical coordinator, who coordinates the program with the Department of Health (DOH) and has received training, a trainer within the office.

In the inquiry survey, the majority of the respondents “agreed” with training opportunities that they are provided with (Figure 7-2).

Figure 7-2 Perceived Opportunities of Training - Responses to the Inquiry

“I am provided enough training opportunities to develop skills required to conduct my job/responsibilities successfully.”

Source: Made by the author.

San Juan

According to the hearing in the HR Office, the HR-related systems had been changed or strengthened after the department head of the office got her place in 2004. First of all, the recruitment system started to be strictly implemented so as to hire personnel with adequate skills for the position and to overcome the tradition of nepotism:

There’s a problem sometimes at interview when they find they don’t have the formal equipment anyway, so they just take up somebody they know! Actually this is really what the practice is here also, it’s not what you know it’s who they know... Because we receive, every now and then we receive a complaint, the staff are not performing, these people are not so good at the job, like that, and we were so pissed off with the comments sometimes....So what we do now is,
it’s all right now, whenever there are needs for different departments for staff, we ask them what skills do you really need? What skills does the office need? So we fit the applicant, we screen the applicant according to the needs of the department.

The head appreciated the mayor was supportive to this change. Although he had on some occasions referred a specific person to a post, he understood the significance of qualification-based recruitment:

The good thing now is that the mayor also is aware of how hard it is, ... the problem with other LGUs appointed to the other HR Heads, is that the mayor is intent on where to place his people but he’s not like that. If his applicant doesn’t meet the specification, he doesn’t...

The recognition fits with the mayor’s own statement:

Well I try to as I said earlier the problem with our kind of system the bureau office is that a lot are political appointees and in as such a lot are not professionals. So when I assumed office in 2001, all the positions that I appointed, I tried to see to it that we get college level at least ...

For the further improvement of the recruitment system, the psychometric test was also introduced after 2008. A licensed psychologist was hired for this purpose and all applicants, who passed the initial interview by the HR Office, are now required to take this test before the final interview with the Personnel Selection Board.

Another improvement was made in personnel evaluation. Though the city uses the nationally set evaluation form, as the CSC did not allow them to change it, the results of evaluation came to be considered in promotion, which was “luckily enough” endured by the mayor and the administrator.

The annual salary was increased from 13 to 14 months equivalent in 2008. The HR head saw it enhanced staff satisfaction and also increased the number of applicants to the city hall. For example, the Traffic Office received over 40 applications for five seats.
Meanwhile, award provision is not institutionalised in the city, though the Christmas bonus was once provided to the members of a recognised project.

As for training and development, the city did not provide its original training programs to the staff beyond those put in place by the CSC. It was actually the main concern of the HR Office at the time of the interview. Although there had been no particular requests for internal training from other offices, the HR Office believed in their interest in internal training, seeing the high attendance rates at external seminars. The office intended to recruit two persons who would be in charge of training and development, and to organise internal training events. The planned topics of the training were (i) computer skill development for the older staff, and (ii) morale construction called “value-based orientation” for the whole staff group. The responses of the HR staff to the inquiry may reflect their recognition of this plan, as most of them noted that the existing opportunities to develop skills were not enough. Meanwhile, the respondents as a whole organization mostly showed a neutral attitude towards this topic (Figure 7-2).

**Naga**

HR management was actually the focus of the early stage of Robredo’s administration. For this purpose, an employee empowerment program, which was later known as the “Productivity Improvement Program (PIP)” was introduced to get officials away from the mind-set of a “traditional mode of public service” (Robredo, 2006:37) with a belief that it would be a crucial change to make city hall more efficient and office-wide aptitude tests were implemented to put the right people in the right places (Robredo, 2006) 42.

Since then, the city has kept the focus on internal HR management with its original arrangements. For instance, in recruitment, the HR Office developed the checklist

42 According to an interview, when the program was launched, an HR consultant was hired from the private sector with a three-year contract.
“Rating Sheet of Applicant” which includes: education and training, work performance, experience and outstanding achievements, psycho-social attitudes and personal traits and potential. In terms of performance evaluation, the office once developed its own evaluation sheet, but it was not approved by the CSC. Nonetheless, the office introduced an internal evaluation system for the mayor and the executive staff, in which the staff evaluate the mayor and their boss with confidential questionnaires, as well as show their level of satisfaction with the job. The results are compiled by the HR Office and the summaries are distributed to the mayor and the executive staff to make use of them constructively for the future improvement of management.

As a remedy to motivate the staff, awards are provided to the retiring staff and those with perfect attendance at the Christmas party. Just like the case of Marikina, outstanding employees are recognised at the flag ceremony as well. Full provision of staff benefits was also mentioned by several interviewees as a HR policy to motivate the staff.

Regarding training and development, many interviewees admitted the mayor is supportive to the capacity development of the staff. Many staffs have been dispatched to long-term training abroad with external funding, while some were even encouraged to pursue masters degrees which were personally supported by the mayor. Nonetheless, one of the executive staff questioned that most – nearly two-thirds of the training is “driven by opportunities made available by donors, donor agencies or national government agencies” although they should be “demand driven” based on the capacity gap between the missions of the city hall and capacities of individual employees. It was also pointed out during the focus group interview that they do not have a systematic tool to assess the impacts of training and to make use of them in their daily work. These recognitions might have affected the responses to the inquiry survey. While relatively high percentages of the respondents seemed to be satisfied
with the training opportunities, a certain percentage of them showed dissatisfaction (Figure 7-2)

Legazpi

Even though Rosal’s administration had tried to make the city hall similar to a private company, their HRM system seemed to follow traditional practices of local government, which are highly affected by politics. As has been mentioned, the city hall hires many job orders, the number of which are not even counted, in addition to the 550 plantilla staff. These job orders serve in the hall for a short term with a limited amount of money, and are traditionally hired by the mayor “because of political reasons”. More precisely, the posts are not there to hire personnel on a demand basis, but are to be used as a political means to bolster supporters when their relatives are unemployed, as is described in a statement: “the mayor accommodates them even though the salary is low… but he needs to help them”.

Political intentions also influence recruitment of regular staff. Although all candidates should go through the national exam, as far as they are qualified in the exam, the selection by the city government is totally based upon politics and “the number one is not hired”. A Personnel Selection Board has been formed but the selection process is neither fair nor transparent.

It was said the same had held true in personnel allocation under the previous administration. Personnel were transferred to certain positions for political reasons. One department experienced a severe lack of manpower because of irrational personnel transfer. Nevertheless, such practice no longer exists in the city hall.

As for rewards, a bonus was increased under Mayor Rosal based on the MOU between the mayor and the employees’ union. This was realised through active
promotion of cost cuts across the city hall. The staff are now entitled to annually obtain 14 months’ pay at least, compared to the 13 months stipulated in the national regulations, which may be motivating them. The city also has an award scheme for the employees with outstanding performances, following the national guidelines of the CSC. The awardees are awarded certificates and benefits when the budget allows. However, it was noted that they are not a source of staff motivation, unlike the salary increase, because the awardees are selected, again, based on the “political establishment”, either by the mayor or some others in certain positions. Meanwhile, personnel evaluation is conducted twice a year with the nationally regulated procedure just for form’s sake.

As far as training and development is concerned, the staff have both internal and external opportunities for training. External training opportunities are provided to individual departments by the line ministries or their regional agencies, private organisations and international donors. The departments have the autonomy to send their staff to these training seminars as far as their own budgets permit. They basically issue specific training and make use of this for the daily job in the departments. For example, as was referred to above, the head of the Health Office said he tried to come up with a new program by attending the external seminars. On the other hand, internal training deals with general issues and is mainly organised by the HR Office, which follows instructions from the CSC that promotes necessary training for civil servants to be provided by LGUs. They include introductory training, leadership training and seminars on value orientation to the whole staff group. In addition, since Mayor Roses's era, the city has organised study tours for the executive staff to other LGUs so as to “import” good practices from them. Mayor Rosal, concerning career development of the staff, showed his willingness to support internal training for further capacity development, which was not much mentioned by other interviewees, though.
The respondents of the inquiry almost responded positively to the question on their training opportunities (Figure 7-2).

**Dalaguete**

HRM was the first focus of Mayor Cesante when he came into office. Cesante highlighted a serious problem in this regard, as noted below:

> In our society, in our culture, everybody knows everybody else, here in government. Somebody is always a relative of somebody but in the work place it, somehow, rubs off... It's like...so some of the authority is being strained, okay? And, somehow, the work ethic has been affected, okay?

Simply speaking, as a result of nepotism, the personnel in the municipal hall did not work adequately as public servants. The same concern was pointed out by a department head as well, especially in terms of job orders. Therefore, he tried to “eliminate the dirty side of politics” spread among the employees to make the hall function properly.

For this purpose, Cesante introduced an individual mentoring session with the department heads. Taking two months, he had sessions to recover their consciousness and confidence in their job when released from political constraints, so as to “put up a kind of management at a simple level”. Then, he set up a communication line across departments, which, surprisingly, did not exist at the time, so that they could work in cooperation. Management meetings were also held monthly to bring about occasions of inter-department communication and discussion.

Personel evaluation was also an issue of concern for Cesante, who recognises that the existing form is inefficient in that the evaluation items are not quite objective and cannot be a developmental tool for the personnel. A similar view was actually shared with the other local executive chief in the region and they once planned to revise the
Training opportunities exist quite frequently in the municipality. Many of them are provided either by national governmental agencies in Cebu or by international donors. Donor assistance includes training components combined with funding for infrastructure. Both the World Bank and ADB have provided training to the municipality through that scheme. Other technical assistance is offered by bi-lateral aid agencies, such as GTZ (German Agency of Technical Cooperation) and USAID, as well as international NGOs on a specific topic. Among these training opportunities, every department can practically choose whichever opportunity they want to take up, as far as the budget allocated to the department allows. Some interviewees mentioned the staff were actually encouraged to participate in training by Mayor Cesante to develop their skills in order to improve public services. In the case of the Social Welfare Office, whenever some of the staff are sent to a training event, a feedback meeting is held to share knowledge obtained in the training with other staff, so that the training is actually transferred to the workplace.

While the training opportunities are offered from external sources, the municipal hall does not have internal training. In this regard, the administrator has a plan to organise internal training sessions by inviting speakers from the private sector. He finds it effective, considering that external training is often considered to be an “outing” and “what is supposed to be training is no longer training”. The plan was proposed to the mayor but has not received a positive reaction from him.

In the inquiry survey, the respondents mostly “agreed” that they are provided with enough training opportunities, although some “disagreed” (Figure 7-2).
Consolacion

In the municipality, a certain number of vacancies were reported out of 77 posts of plantilla staff at the time of the research. Instead, they had quite a lot of contractors and job orders to cover the worklord, although a precise number of them could not be identified. Some said it was mainly caused by budget constraints that they could not afford to hire regular staff.

Staff recruitment seemed to be a highly political issue in the municipality. As for regular staff, all candidates should meet the minimum requirements of the national CSC, but the final decision is made by the mayor in reference to the head of the department concerned. One of the interviewees stated without hesitation that he joined the hall “because of politics”. It was doubtful, however, that these regular staff were functioning as expected because one admitted moonlighting: “All of us are working with private companies. Only a few work just for the government”. Personnel evaluation was said to be conducted with the nationally set format, but how the results were used in the municiplality was uncertain.

Training and development is left to the individual department heads as long as the cost does not exceed the training budget allocated to each department. Since the amount is limited, training is usually just for management staff, although the respondents of the inquiry survey mostly “agreed” with training opportunities provided to them (Figure 7-2). Training events they participate in are mainly those offered by the national or provincial government agencies. Internal training is hardly arranged except for several benchmarking tours to neighbouring LGUs, which were attended by some department heads to learn the good practice of others.
7.3.2 Comparative Analysis

Provided the observations shown above, Table 7-4 compares such differences in terms of recruitment, personnel evaluation, motivation management, and training and development.

<table>
<thead>
<tr>
<th></th>
<th>Recruitment</th>
<th>Evaluation</th>
<th>Motivation Mag’t</th>
<th>Internal Training &amp; Development</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marikina</strong></td>
<td>Following the guidelines of the CSC</td>
<td>Simplified format-results counted in salary increase</td>
<td>Quarterly employee award (‘00-),</td>
<td>College education program, Internal training conducted (regular value-orientation seminars)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Welfare fund</td>
<td></td>
</tr>
<tr>
<td><strong>San Juan</strong></td>
<td>Start to undertake qualification-based selection (2004-), Psychometric (2008-)</td>
<td>Regular format-results considered in promotion</td>
<td>Occasional award</td>
<td>No internal training</td>
</tr>
<tr>
<td><strong>Naga</strong></td>
<td>Following the guidelines of the CSC, Original rating sheet</td>
<td>Regular format-results counted in salary increase, Internal evaluation for the mayor and the executive staff</td>
<td>Annual award to the retiring, those with perfect attendance, and outstanding staff</td>
<td>Support for domestic/overseas study for degrees or long-term training, Internal training conducted</td>
</tr>
<tr>
<td><strong>Legazpi</strong></td>
<td>Political selection</td>
<td>Regular format-ritual implementation</td>
<td>Annual award to outstanding staff - political selection</td>
<td>Internal training conducted</td>
</tr>
<tr>
<td><strong>Dalaguete</strong></td>
<td>Political selection</td>
<td>Regular format</td>
<td>Not identified</td>
<td>No internal training, (Used to have mentoring sessions by the mayor)</td>
</tr>
<tr>
<td><strong>Consolacion</strong></td>
<td>Political selection</td>
<td>Regular format</td>
<td>Not identified</td>
<td>Nearly no internal training</td>
</tr>
</tbody>
</table>

Source: Made by the author.

The local employees are recruited from candidates who passed the national exam, and the recruitment process within the local government is guided by the CSC. Nonetheless, the observations in this research revealed such guidelines are often not followed as they are, as is the case of Lagazpi, Dalaguete, and Consolacion, where the political nature of recruitment was admitted. Political selection of the personnel naturally results in quality concerns. Recognising the problem, San Juan started to conduct a regular
selection procedure quite recently, combined with its own arrangement to ensure competence of the candidates. In Dalaguete, the former mayor recognised the point and tried to enhance awareness of the executive staff through individual mentoring, though the recruitment practice may not have changed yet. In Marikina and Naga, however, national guidelines seem to be followed rigidly. Naga even has its own rating sheet to be used in the final interviews of recruitment. Even if there were political interventions in recruitment in Naga before, the issue of staff capacities was recognised and addressed years ago, when Mayor Robredo implemented aptitude testing within the city hall. Since then, staff capacity has been uniform to an extent.

Personnel evaluation is conducted in all case LGUs, mainly based on the national format set by the CSC, but the practical implementation of the system varies across LGUs. In Marikina, Naga and San Juan, where HRM reform has been undertaken, the evaluation result is referred to in considering promotion and salary increases. In the other cases, the standard appears ritualised. The ineffectiveness of the regular format was recognised in many LGUs, but the CSC did not let them develop their own formats as it was revising its own. Naga even has its own evaluation system for the mayor and the executive staff to further improve their management.

The CSC also instructs LGUs to use employee awards as a tool of motivation management. Awards are provided regularly in Marikina, Naga and Legazpi. In Marikina and Naga, these seemed to be a source of motivation for the staff, but in Legazpi the selection is political so they do not function as intended.

Internal training occasions were found only in Marikina, Naga and Legazpi, though local governments are expected to provide training and development opportunities to employees, and other LGUs recognised this necessity. Marikina and Naga were particularly active in employees’ capacity development owing to their mayors’ direction.
In addition to the internal provision of training, in these cities employees are encouraged to take part in external seminars or to pursue academic degrees in a related area. A college education program was launched in Marikina, while master level studies were supported by the mayor in Naga.

As for sector-specific learning, national departments and their local agencies take an important role in providing training and disseminating necessary information to sector staff in local government. It was observed that the agencies of Cebu region seemed to be actively organising such occasions. International donor agencies are another provider of training. In Legazpi and Dalaguete, much evidence of donor-led training seminars was presented.

Perceived level of training opportunities presented in the inquiry were similarly low across the cases, as shown in Table 7-5. However, what was recognised as an “opportunity” might be different by persons and by LGUs, as it was often mentioned that “training” could be “outing” just for fun in local government. It was noteworthy that awareness of interviewees in Naga that training events should be demand driven to fill the capacity gap found in exercising individual responsibilities and the learning should be transferred to their working place.

Table 7-5 Indicators of Perceived Opportunities of Training

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>0.87</td>
</tr>
<tr>
<td>San Juan</td>
<td>0.89</td>
</tr>
<tr>
<td>Naga</td>
<td>0.89</td>
</tr>
<tr>
<td>Legazpi</td>
<td>0.84</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>0.87</td>
</tr>
<tr>
<td>Consolacion</td>
<td>0.95</td>
</tr>
</tbody>
</table>

<Responsible Questions of the Inquiry>
7. Do you think you are provided enough training opportunities to develop skills required to conduct your responsibilities?
<Options>
1. strongly agree (+2)  2. agree (+1)  3. disagree (-1)  4. strongly disagree (-2)

Source: Made by the author.
7.4 Leadership

Leadership has been nearly the only ‘soft’ organisational factor that has been mentioned in preceding studies on decentralised local government without serious assessment. Theoretically speaking, ‘transformational’ leadership that can motivate and to lead the followers to reach the visions of the organisation would be associated with organisational and its cultural transformation. In this section, leadership in case LGUs is illustrated and compared in reference to ‘transformational’ leadership model.

7.4.1 Observations in the Six Local Governments

Marikina

As mentioned already, the previous mayor, Mayor B.F., exercised a new way of leadership, which may be described by the words: “professional”, “business-like” or “result-oriented”. One interviewee compared B.F.’s leadership with the former mayor:

*The previous mayor was very traditional and very lenient [laughs] lenient about everything, there was no deadline, no particular plans whatsoever, no programme of government and Mayor Fernando was the complete opposite. He managed the institution basically like a private company...Plans were very clear, targets were very clear...Accountabilities very clear.*

Attempting to make the city disciplined, B.F. wanted to turn the city hall into a disciplined establishment first. Thus, the first thing he did on arriving at the city hall was to introduce uniforms to the city employees. At the sight of sloppy staffs in their tatty shirts, shorts and sandals, B.F. told them that they should look respectable so as to be followed by people (Ishii et al., 2007). He also required them to work in an orderly manner, with good faith and professionalism. B.F.’s strict attitudes might have generated fear among the local staff.

Nonetheless, B.F. was not just an authoritarian leader. Being a hands-on leader, he directly communicated with the lower level staff and was easy to access, unlike a
traditional type of mayor. It was verified by a statement of one officer that she was moved by being addressed by the mayor directly, since only managers had direct contact with the mayor in the previous administration (Ishii et al., 2007).

The head of the HR Office pointed out that B.F. believed in the potential of all personnel and tried to make the best use of their capacities. Thus, in every program, he “made sure that everybody understands the programme from the top down to the lowest member of the organisation”. This point may be associated with the fact that B.F. did not get rid of any existing staff from his side. With a belief in the staff’s potential, he let them get involved in policy discussions, understanding ideas from the lower level may lead to creativity, which he valued in his policy making. An interviewee stated:

\[ \text{Creativity was given importance during the time of Fernando because he believed that to be good is not enough, we have to be the best and to be the best we have to be creative. We try to be non-traditional in the way we do things in Marikina that somehow made a difference as opposed to other local government units in Metro Manila.} \]

B.F. also tried to nurture comradeliness and team work amongst the staff by taking them on excursions. Considering the political nature of local government offices in the country, such an approach by B.F. may be exceptional, as one executive staff commented:

\[ \text{There is less politicking in this city hall. It’s really like a private atmosphere.} \]

While many interviewees illustrated Mayor B.F.’s leadership, they did not make many comments on Mayor Ma. Fernando. They said, basically, she has continued practices established by B.F., although her way of leadership might be motherly as a female leader. People describe how “Mayor B.F. built a house of Marikina, and Mayor Ma. made it home”.

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Mayor B.F.’s approach to leadership might be followed by other executive staff, as the inquiry survey shows that 58% of the respondents described the relation between their bosses and themselves as a “manager–staff” relation (Figure 7-3).

Figure 7-3 Perceived Relation with the Boss in the Case LGUs – Responses to the inquiry

“Relation between my boss and myself can be described as:"

Source: Made by the author.

San Juan

As for leadership of the city government, the interviewees who found organisational change in Mayor J.V.’s administration, emphasised the specialities of the mayor’s leadership and the fact that J.V. was awarded as one of the most talented managers in the country, while the others did not find much difference across mayors. The latter party appreciated that the mayors had not had “political colours” because of being from the same family that obtains support from the majority of the local councillors.
Mayor J.V.’s leadership was recognised in his performance-oriented attitudes and appreciation of procedures or protocols, which may be a tool to make internal management systematic. As already explained, J.V. allows the administrator to manage daily issues in the city government. One interviewee stated:

_So, Mayor J.V. is very lucky to have autonomy to that administrator. I have been with so many administrators in my time and the problem is before is...I cannot talk to an administrator... He (the mayor) is so busy he needs not to be disturbed... So all your suggestions, all the questions, everything that you ask is being answered either yes or no, positive or negative but it is answered, everything. It is very good._

In this sense, leadership within the city hall is shared by the mayor and the administrator so as to effectively manage the city hall, while the previous mayors did not pay much attention to internal issues over there. Nonetheless, as mentioned earlier, the staff may not be actively involved in management and thus their attitudes tend to be reactive. This point might be reflected in the inquiry, in which less than 50% (46 %) of the respondents found their relations with their bosses as “manager – staff relation”, while 28% chose “commander – follower relation” and 21% responded “father/mother – child relation” (Figure 7-3).

**Naga**

No one in Naga City would deny the strong and charismatic leadership that Robredo has exercised as the mayor. He set a clear rule in the hall that they pursue “outcomes” of services in an efficient and effective manner. As far as they follow the rule, he lets his subordinates have the authority to make decisions on important issues. His attitude towards autonomies of the staff was well described in his statement:

_My role is one that if this is a symphony I am just the conductor. This is a place for them to specialise in their own responsibilities and my presumption is they must be better than I am in their own respective responsibilities. My role is simply to make sure that we are playing the same tune meaning that the general goals are clear, the general outcomes are clear, the sectoral contributions will come through so I (give) the people the opportunity to study._
Such a leadership style may be quite different from traditional politicians in the country.

One of the interviewees stated:

For me this is a special person. Before when I was still working with the NGO I didn’t believe in politicians, I had negative connotations of politicians...But I have seen with Mayor Robredo how he shifted my, how’s that, my impressions. He’s a true person, he’s a true leader. I don’t know with other people but for me, I am really comfortable working with him. In the first place I can even tell him personal problems, I don’t have to have any inhibitions. He knows how to listen. And one thing he is the only mayor that I have seen, he doesn’t shout! Even when he is really angry he doesn’t shout. He speaks graciously, moderately even if he is already angry and that’s why I am motivated to work very well. If he has some comment he would call you and talk over it.

In Naga, 70% of the respondents chose “manager-staff relation” in the inquiry on their relations with their bosses, whilst those choosing “commander-follower relation” was limited to 6% (Figure 7-3).

Legazpi

Whilst Mayor Rosal himself emphasised his own private-sector-oriented management of the city hall, what was highlighted by other interviewees on his leadership were rather his focus on economic development and the financial resources he managed to gather with his political background. Indeed, he was capable of withdrawing funds from national congressmen and of being able to levy real property tax.

Having said this, none of them denied the openness of Rosal, either. He seems to be a result-oriented leader who rationally distributes autonomies to subordinates. One of the department heads stated:

Our mayor is very easy to talk with and if you discuss with him the plans that you have then if you are able to show good results, then he will support you.

Nonetheless, it is also true that politics do influence the programs as well as management of the city hall, which is far from cooperative ethics. As indicated already,
pilot project sites were selected and employees of the city hall are recruited with the mayor's political consideration. These examples are, however, commonly observed practices in the country, and the level of such political intervention in Legazpi might be moderate compared with other LGUs. For example, the mayor leaves the assessing process of social welfare benefits to the office in charge, while it is likely to be intervened in by political figures in other places, including the case LGUs.

It is noteworthy that in Legazpi, 74% of the respondents chose “manager-staff relation” as a word describing their relations with their bosses (Figure 7-3).

**Dalaguete**

As indicated above in the section on the organisational change experience, Mayor Cesante exercised “dynamic”, “not traditional” and “exciting” leadership with his private-sector background. He tried to make the municipal hall adequately function to provide the standard level of public services by utilising the existing human resources. For this purpose, he gave mentoring sessions for the managers, enhanced communication across departments and encouraged the staff to attend training events. Being strict in terms of work, he was open to talk with the staff and was keen to improve their work environments – he introduced air-conditioners as well as computers to the municipal hall.

The leadership of Mayor Alcantra was also private-sector-oriented. Learning from Japanese managers he used to work for, he attempted to be a good model for the employees by working with discipline and going to the office early in the morning. The executive staff also admitted in the interviews that Alcantra was open enough to listen to them if they had opinions or suggestions, although, as mentioned already, they were discouraged to do so because of the termination of management meetings and the people present in the office. Moreover, the newly established management team under
Alcantra was another obstructive factor of communication between the mayor and the executive staff. Some of them showed their frustration as they felt detached from the policy making in the municipality.

Other executive staff noted their concern about Mayor Alcantra’s leadership in that he could not control the municipal hall as a centralised authority because of antagonism with the vice mayor. Especially as Cesante had obtained the support of the majority of councillors, proposed policies under Alcantra’s initiatives were difficult to pass through the assembly in a smooth manner. It seemed to have an influence on the strained relations between the mayor, his management team and department heads, some of whom unofficially confessed that they feel more attached to Cesante. Meanwhile, such frustration may not have been recognised among the lower level staff because none of them referred to it in the focus group interviews. In the inquiry survey, 79% of respondents described a leader-follower relation in the municipality as “management-staff relation” (Figure 7-3).

**Consolacion**

In the interviews, not many comments were made on leadership by Mayor Avelino. While the interviewees agreed that Avelino was open to talk with them, what they referred to as a feature of his administration was usually his focus on infrastructural development rather than his leadership exercised within a municipal hall. For the head of the Social Welfare Office, however, the mayor’s management brought with it a big change in her job, by taking over the authority to assess the amounts of individual social welfare benefits, because the previous mayors did not intervene in her function in that way.

Some interviewees mentioned more about the previous mayor, who introduced the meetings as well as improved the working environment of the hall. With his background
as a national banker, he was said to run the municipality as a private firm whilst being conscious about the balance sheet of the government. The others even referred to the mayor before last. He was said to be concerned about capacity development of the executive staff and attempted to nurture a cooperative culture among them, as will be indicated later.

In the inquiry, over 20% of the respondents found their relations with their bosses to be “commander-follower relation”, while the ratio of those choosing “manager-staff relation” was 37% (Figure 7-3).

7.4.2 Comparative Analysis

Table 7-6 illustrates leadership exercised in the case LGUs based on descriptions by the interviewees. Leadership of local government organisation is usually taken by the mayor as a Chief Executive. In the case of San Juan, however, Mayor J.V.’s leadership was being shared, or supported by the administrator who was appointed by the mayor to the larger extent than in other LGU. Meanwhile in Dalaguete, leadership of Mayor Alcantra was conflicting in a sense with that of Vice Mayor Cesante, as the previous mayor.

As mentioned earlier, all mayors of the case LGUs at the time had private-sector backgrounds except Mayor Ma. Fernando in Marikina who succeeded her husband, Mayor B.F. Mayor B.F., Mayor J.V., Mayor Cesante and Mayor Robredo in Naga were all recognised by the interviewees as “result-oriented” leaders, introducing a new private-sector style of management “new” to local government staff.
### Table 7-6 Perceived Leadership in the Case LGUs

<table>
<thead>
<tr>
<th>Location</th>
<th>Mayor</th>
<th>Other than Mayor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>Mayor B.F. (former mayor): strict disciplines, result-oriented, professional, direct communication with the staff (hands-on), appreciation of team building</td>
<td>Not referred</td>
</tr>
<tr>
<td></td>
<td>Mayor Ma.F.: continuing B. F.’s direction with “motherly” approach</td>
<td></td>
</tr>
<tr>
<td>San Juan</td>
<td>Mayor J.V.: result-oriented, appreciation of procedure and protocols</td>
<td>The administrator: in charge of daily management of the city hall</td>
</tr>
<tr>
<td>Naga</td>
<td>Mayor Robredo: charismatic, result-oriented, strict compliance of rules with high level of distribution of autonomy</td>
<td>Not referred</td>
</tr>
<tr>
<td>Legazpi</td>
<td>Mayor Rosal: recognised as a leader with strong focus on economic development, open to the staff, rational distribution of autonomy</td>
<td>Not referred</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>Mayor Alcantra: open to the staff but may discourage their access because of the visitors and the management team surrounding to him</td>
<td>Vice mayor Cesante (former mayor): “dynamic” &amp; “exciting” new type of management, still attracting attachment of some</td>
</tr>
<tr>
<td>Consolacion</td>
<td>Mayor Avelino: recognised as a leader with focus on economic development, open to the staff but authorities are centralised mayor before the last: nurtured cooperative culture in the municipal hall</td>
<td>Not referred</td>
</tr>
</tbody>
</table>

Source: Made by the author.

Amongst the four mayors mentioned above, the leadership of Mayor B.F., Mayor Robredo and Mayor Cesante was perceived as clearly associated with organisational change at the city hall. The relation between Mayor J.V.’s leadership and change of government organisation was not as striking as the other three, but attitudes of the staff had been changing through reforms introduced by J.V. and the HR Office, along with the changing status of the LGU.

Being strict in principles, these leaders were said to be hands-on leaders, delegating a good part of their authority to executive staff, as discussed above in *Distributed Autonomies*.

Table 7-2). Mayor Rosal in Legazpi also seemed to be in this group as he rationally distributes autonomy to individual offices. On the other hand, the level of delegation by Mayor Cesante in Dalaguete might be moderate, perhaps because of the capacities of his employees. The outstanding examples were presented by Mayor B.F. and Mayor
Robredo, both of whom exercised dynamic leadership by encouraging executive staff to be involved in policy discussions, frequently at the management meeting.

Table 7-7 presents the perceived relation with the boss observed in the inquiry survey. The boss referred here is not necessarily the mayor, but more likely a direct supervisor. It may, however, illustrate the mode of management within the LGU. In most of the LGUs, “manager-staff relation” was the major response, while in San Juan and Consolacion, “commander-follower relation” and “friends relation” obtained certain support.

Table 7-7  Perceived Relation with the Boss in the Case LGUs: % of Choice in the Inquiry by Case LGU

<table>
<thead>
<tr>
<th>Case LGU</th>
<th>commander - follower relation</th>
<th>father/mother - child relation</th>
<th>Manager - staff relation</th>
<th>friend relation</th>
<th>none of the above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>19%</td>
<td>8%</td>
<td>58%</td>
<td>14%</td>
<td>1%</td>
</tr>
<tr>
<td>San Juan</td>
<td>28%</td>
<td>5%</td>
<td>46%</td>
<td>21%</td>
<td>0%</td>
</tr>
<tr>
<td>Naga</td>
<td>6%</td>
<td>10%</td>
<td>70%</td>
<td>12%</td>
<td>2%</td>
</tr>
<tr>
<td>Legazpi</td>
<td>17%</td>
<td>1%</td>
<td>74%</td>
<td>8%</td>
<td>0%</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>9%</td>
<td>3%</td>
<td>79%</td>
<td>6%</td>
<td>3%</td>
</tr>
<tr>
<td>Consolacion</td>
<td>21%</td>
<td>10%</td>
<td>37%</td>
<td>21%</td>
<td>11%</td>
</tr>
</tbody>
</table>

<Responsible Questions of the Inquiry – Commitment>
10. Which fits best to describe the relation between your boss and you? (% of the responses)

Source: Made by the author.

7.5 Motivation

It was assumed in Chapter 2 that the more autonomy the staff acquired, the more motivated they would be, which, in turn, would lead to improve organisational performances by making use of their knowledge and capacities. In this sense, motivation of the staff can be a key for performances of an organisation. Motivation of the staff observed in the case LGUs is presented and analysed in this section as follows.
7.5.1 Observations in the Six Local Governments

**Marikina**

Regarding a source of motivation, “income” was the top response in the inquiry survey (Figure 7-4). The ratio of respondents who chose “income” as one of their sources of motivation was 84%, which was the highest among the case LGUs. In the individual and focus group interviews, financial incentive was frequently referred to. Staff satisfaction with the salary seems to be high in the city because they are constantly offered a 10% annual increase of their salaries.

![Figure 7-4 Source of Motivation – Responses to the Inquiry in Marikina](image)

What is noteworthy is, however, that so many interviewees mentioned “pride” at being a member of Marikina City as their source of motivation. One interviewee stated:

Well... we have to maintain the image of Marikina, it’s the important thing, and there are people; we’re always being watched by other local governments, like the government changes and government needs. So we have to live up to the image and of course sustain all the rewards that we’re given. There’s of
course, the pride of the people to live in the city; it’s also a very good motivation.

Another one said:

There is a pride in being part of the city hall under Fernando. We were so motivated, that’s the most important impact. Before we were kind of ashamed to disclose during seminars that we are from Marikina... (Now) I am proud of the Organisation of Excellence that Marikina has been recognised for not only in the country but also outside of the country.

“The mayor” was another popular answer among the executive staff, which was also expressed in association with their pride.

In the focus group interviews with the lower level staff, similar opinions were heard in both of the two groups. According to their correspondence, they can feel the city is “respected by other LGUs” and thought to be “a good model of LGUs” when they see the staff of other LGUs at seminars or study tours, which makes them motivated towards the job. One said it was nice to be “a part of LGU’s changing”. Such feelings held by the staff may be effectively encouraged by the awards given to the city or individual departments, all of which are announced at the Monday flag ceremony.

Based on these sources of motivation, the level of the staff’s commitment is quite high (Figure 7-5). Nevertheless, when they were asked if their job is rewarding enough, the responses were odd. Those that chose “not so much” and “not at all” accounted for 36% of all respondents. The responses were also split when asked if they would stay at their current job if they were offered a good job opportunity outside of the local government.
Figure 7-5 Commitment to the Job, Perceived Rewards and Will for Retention – Responses to the inquiry

“I am committed to the job:”

1. Marikina: 53 very much committed, 25 much committed, 8 committed
2. San Juan: 24 very much committed, 16 much committed, 10 committed
3. Naga: 31 very much committed, 20 much committed, 3 committed
4. Legazpi: 43 very much committed, 25 much committed, 13 committed
5. Dalaguete: 23 very much committed, 11 much committed, 2 committed
6. Consolacion: 13 very much committed, 5 much committed, 5 committed

“My current job is rewarding:”

1. Marikina: 17 very much, 41 much, 29 not so much, 2 not at all
2. San Juan: 12 very much, 12 much, 24 not so much, 1 not at all
3. Naga: 16 very much, 27 much, 11 not so much, 2 not at all
4. Legazpi: 14 very much, 43 much, 21 not so much, 2 not at all
5. Dalaguete: 9 very much, 18 much, 7 not so much, 1 not at all
6. Consolacion: 7 very much, 9 much, 7 not so much, 1 not at all
“Given a good job opportunity outside the local government, I would stay at the current job.”

Source: Made by the author.

### 7.5.2 San Juan

The sources of motivation were varied across the interviewees. For example, one of them mentioned her belief in Christianity encourages her devotion to her public services. The most frequently referred to factor was, however, “support to the mayor”. People’s respect for the mayor and even his family predecessors can be a good reason for their incentive for the job. It was well supported by the inquiry survey in which 13% of the respondents chose “recognition by the boss” as a source of their motivation (Figure 7-6). This percentage was much higher compared with other case LGUs. Another option selected frequently, especially in San Juan, was “improved welfare of the citizens” (54%). It was the highest rate among six case LGUs. On the other hand, support for “self-development” and “career development” was moderate.
Meanwhile, the level of commitment and recognised rewards were much lower than the other cases in Metro Manila (Figure 7-5). In terms of intention to be retained in the current job, the positive and negative responses were nearly equal.

**Naga**

As for a motive for the job, many interviewees mentioned that benefits provided to the employees are better in Naga than in other cities, and it encourages the staff to work hard. This view was supported by the inquiry survey, in which as many as 79% of the respondents chose “income” as the main motive for their job (Figure 7-7).
In interviews, another popular answer was that they had “passion” or “love” for their work. Such feelings seemed to be caused by seeing impacts they can have through their job on their city or the constituencies. One of the interviewees talked enthusiastically about how he “want[ed] to be a part of the transformation of my own community”. Others stated they were encouraged when they had direct interactions with their clients and were thanked by them for the services. In the inquiry survey, “economic development of the region” was chosen by 17% of the respondents, which is more than four times larger than those of Legazpi City. Meanwhile, the percentage of the respondents who chose “being thanked by the citizens” was, despite the interview result, nearly the same (around 8%) in these cities. Although not included in the options of the inquiry, “Mayor Robredo” was also frequently referred to by the interviewees.

In terms of recognised levels of commitment, a great deal of the respondents considered that they were “very much committed” or “much committed” (Figure 7-5).
Only three out of 51 valid responses were just “committed”. The perspectives of the respondents towards the rewards of their job were also relatively positive, although about one-fourth of them responded negatively to this question. Nonetheless, when asked if they would stay at their current job, if offered a good job opportunity outside, around 60% of the respondents answered “yes”.

**Legazpi**

the city hall of Legazpi, surprisingly enough, nearly all of the interviewees indicated that serving the public was a source of their motivation towards work. The statement below typically represents their responses:

> *I just love my work because it gives me fulfilment in being able to help people and people knowing you when you’re working in, they say “Hi, Maddame! How are you?” - that’s when you have fulfilment on my own.*

Especially in service sectors, interaction with barangay staff and direct clients though their job seems to be encouraging them.

The point was not fully supported by the inquiry survey, though, as frequencies of choosing the options that refer to involvement in public services – “improved welfare of the citizens” and “being thanked by the citizens” – were not necessarily high compared with other case LGUs (Figure 7-8). Instead, “association with colleagues” was a relatively popular option in Legazpi.
The level of commitment and recognised rewards are moderately high (Figure 7-5). Regarding the intention to be retained in the current job, the replies were odd: responses were almost equally distributed into positive and negative ones.

**Dalaguete**

In the municipality of Dalaguete, almost all the department heads raised "serving to the public" as their main motive for the job in the interviews:

Service, service for the people it’s really, really, a big encouragement. Much more, if you are in the countryside, in the different barangays; even small projects, but if it’s, really is, a big problem, so that makes us motivated more to work more. And, as much as possible, every time that they need our service, if we can update them immediately, so we will do it.

Since I graduated from medicine, I have not (been in) private, more public. In fact, I was supposed to go to the States because my parents were there and they were still alive, sister and brother. They cannot understand why I did not go to the States but I like it here and I like the job. Although, financially it’s not very rewarding but I am rewarded with my personal accomplishment, in what I do.
In the inquiry survey, “income” was the most popular choice, as is other case LGUs, but its ratio of choice (68.75%) was the lowest from among them (Figure 7-9). The option of “improved welfare of the citizens” was in second place (62.5%), which was aligned with the interview results of the executive staff.

**Figure 7-9 Source of Motivation – Responses to the Inquiry in Dalaguete**

Source: Made by the author.

The commitment level of the respondents was relatively high in the municipality, while their recognition towards reward was not necessarily positive (Figure 7-5). To the question about their will to stay at the current job given a good job opportunity outside, the responses were even, though.

**Consolacion**

As for the motivation of the staff, all interviewees mentioned either salaries or fulfilment by serving the people. It was reflected in the inquiry survey: “income” was chosen by 80% of the respondents, which was the second highest rate among all case LGUs following Marikina, and “improved welfare of the citizens” which was the second option
obtaining 55% of support (Figure 7-10). The option of “association with colleagues” was also relatively popular (25%) in the municipality compared with other LGUs.

**Figure 7-10 Source of Motivation – Responses to the Inquiry in Consolacion**

![Source of Motivation Graph](image)

Source: Made by the author.

Meanwhile, the commitment level and perceived reward were both relatively low, and the respondents who would stay at their current job if provided a good job opportunity far exceeded those who would stay (Figure 7-5).

### 7.5.3 Comparative Analysis

As shown above, in this research, source of motivation of local government staff was addressed first in the interviews to understand motivation as an organisational change factor. The central column of Table 7-8 lists source of motivation most frequently stated by the interviewees in each LGU. The responses were quite diverse. The top answer was financial incentive, such as salary or benefits. This was well confirmed by an inquiry item shown in Table 7-9. “Income” was the most popular choice in all case
LGUs: the highest frequency of choice was 84% in Marikina, and the lowest frequency was 69% in Dalaguete.

Table 7-8 Major Source of Motivation for the Job and Indicators of Commitment, Perceived Rewards and Will for Retention Presented in the Case LGUs

<table>
<thead>
<tr>
<th>Source of Motivation for the Job: Frequent Responses to the Interviews</th>
<th>Responses to the Inquiry</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Commitment</td>
</tr>
<tr>
<td>Marikina</td>
<td>1.4</td>
</tr>
<tr>
<td>● Pride of being a member of the city as a good model of LGUs</td>
<td></td>
</tr>
<tr>
<td>San Juan</td>
<td>1.02</td>
</tr>
<tr>
<td>● The mayor</td>
<td></td>
</tr>
<tr>
<td>Naga</td>
<td>1.45</td>
</tr>
<tr>
<td>● Passion or love for the job</td>
<td></td>
</tr>
<tr>
<td>● Benefits</td>
<td></td>
</tr>
<tr>
<td>Legazpi</td>
<td>1.16</td>
</tr>
<tr>
<td>● Service to the public</td>
<td></td>
</tr>
<tr>
<td>Dalaguete</td>
<td>1.45</td>
</tr>
<tr>
<td>● Service to the public</td>
<td></td>
</tr>
<tr>
<td>Consolacion</td>
<td>0.95</td>
</tr>
<tr>
<td>● Salary</td>
<td></td>
</tr>
<tr>
<td>● Service to the public</td>
<td></td>
</tr>
</tbody>
</table>

<Responsible Questions of the Inquiry – Commitment>
10. How much do you think you are committed to the job?
   <Options>
   1. Very much committed (+2) 2. much committed (+1) 3. committed (-1)

<Responsible Questions of the Inquiry – Perceived Rewards>
12. Do you think your current job is rewarding enough?
   <Options>
   1. strongly agree (+2) 2. agree (+1) 3. disagree (-1) 4. strongly disagree (-2)

<Responsible Questions of the Inquiry – Retention>
13. Given a good job opportunity outside the local government, do you think you would stay at the current job? (% of the respondents who answered “yes”)

Source: Made by the author.

Apart from income, service to the public was also a preferred response. It was recognised as a tendency in municipalities Dalaguete and Consolacion where staff are encouraged to serve the region by contributing to its socioeconomic development, which was also supported by the inquiry result, in which “improved welfare of citizens” and “economic development of the region” were the popular options in these LGUs. Another tendency of these municipalities was more respondents chose “association with colleagues” as their source of motivation compared with those in the cities. In Legazpi, public service was raised as their motivation factor by the interviewees as it was in municipalities, but it was not supported by the inquiry.
Table 7-9 Source of Motivation for the Job: % of Choice in the Inquiry by Case LGU

<table>
<thead>
<tr>
<th>Source of Motivation for the Job</th>
<th>Marikina</th>
<th>San Juan</th>
<th>Naga</th>
<th>Legazpi</th>
<th>Dalaguete</th>
<th>Consolacion</th>
</tr>
</thead>
<tbody>
<tr>
<td>income</td>
<td>84%</td>
<td>75%</td>
<td>79%</td>
<td>74%</td>
<td>69%</td>
<td>80%</td>
</tr>
<tr>
<td>career development/promotion</td>
<td>54%</td>
<td>38%</td>
<td>62%</td>
<td>59%</td>
<td>53%</td>
<td>35%</td>
</tr>
<tr>
<td>self development</td>
<td>37%</td>
<td>50%</td>
<td>60%</td>
<td>59%</td>
<td>38%</td>
<td>45%</td>
</tr>
<tr>
<td>recognition by the boss</td>
<td>7%</td>
<td>13%</td>
<td>4%</td>
<td>7%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>recognition by colleagues</td>
<td>1%</td>
<td>0%</td>
<td>4%</td>
<td>3%</td>
<td>6%</td>
<td>0%</td>
</tr>
<tr>
<td>being thanked by the citizens</td>
<td>15%</td>
<td>13%</td>
<td>8%</td>
<td>8%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>economic development of the region</td>
<td>8%</td>
<td>8%</td>
<td>17%</td>
<td>4%</td>
<td>22%</td>
<td>30%</td>
</tr>
<tr>
<td>improved welfare of the citizens</td>
<td>33%</td>
<td>54%</td>
<td>40%</td>
<td>43%</td>
<td>53%</td>
<td>55%</td>
</tr>
<tr>
<td>association with colleagues</td>
<td>6%</td>
<td>10%</td>
<td>4%</td>
<td>12%</td>
<td>16%</td>
<td>25%</td>
</tr>
<tr>
<td>other</td>
<td>1%</td>
<td>4%</td>
<td>4%</td>
<td>3%</td>
<td>0%</td>
<td>5%</td>
</tr>
</tbody>
</table>

* %*: the highest frequency of choice for the option, %*: the lowest frequency of choice for the option

Source: Made by the author.

Unexpected responses were also obtained in Marikina and Naga. In Marikina, it was often mentioned that they were “proud of being a member of the city” as the city has come to be a model of LGUs and is respected by the employees of other LGUs, which, in turn, was a source of encouragement for them. In Naga, “passion for the job” was emphasised by multiple interviewees, which was a result of “being a part of transformation” or by seeing “direct impact on the city”. Both cases illustrate a virtuous cycle in which good performance of the government organisation results in motivating the members of the organisation.

In San Juan, no specific tendency of response on the issue could be identified, but it was reported that attachment to “the mayor” might be the source of motivation for them: “recognition by the boss” was chosen by 13% of respondents.
The inquiry survey also addressed the level of commitment of the staff and perceived rewards of their job, the results of which are presented in the right side of Table 7-8. In terms of commitment, respondents of Marikina, Naga, and Dalaguete showed relatively positive attitudes compared with those of the three other LGUs. Meanwhile, the perceived level of reward was higher in Marikina, Naga and Legazpi than the others, although the tone of responses were low in all LGUs. As for intention of retainment, responses were uneven In Marikina and Naga they were slightly positive.

7.6 Organisational Culture or Climate

Organisational culture is a controversial but crucial factor of ‘soft’ organisational change models. Therefore, this section attempts to examine organisational culture in the case LGUs although it is recognised that grasping culture of a whole organisation may be a technically difficult task. Another theoretical implication for organisational culture was that trustful, risk-taking and initiative appreciated culture would let the people in the organisation ‘choose’ to be empowered. This point is also addressed below.

7.6.1 Observations in the Six Local Governments

Marikina

For the question item on organisational culture, the most popular response was, not surprisingly, “disciplined”, which was the very idea that Mayor B.F. tried to establish in the city hall (Figure 7-11). In interviews, many interviewees described the culture of their government as “business-like” or “professionalised”, so that they “abide guides”, “work hard and better” and “deliver results”. As referred to already, one interviewee looked back at the time of B.F.’s administration:

The culture of all employees changed also with the leadership of Fernando. Before we were so conscious about time, eight o’clock and then five o’clock and that culture was changed during the Fernando. Sometimes we reported
even on Saturday and Sunday when it was necessary. We became very particular about results. We became so result oriented. We apply parameters and measurements in assessing our performances like what they do in private companies on your timeline [laughs].

The other interviewee who came to the city hall from a private company said:

I’ve always had this high regard for the city government, being always ahead of all its counterparts with the LGU. I’ve always had this notion that, when you work for the government, it’s bureaucratic and not afar with the private sector. That’s why I applied for the city government because...very professional, the culture here is very businesslike and project boards are geared towards improvement of service, public service. It’s very professional, it’s very businesslike; it’s a very cultural government, it’s so unlike what I used to think of it (government) ... it’s very organised and that’s the thing.

Figure 7-11 Description of Organisational Culture – Responses to the Inquiry in Marikina

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disciplined</td>
<td>55%</td>
</tr>
<tr>
<td>Systematic</td>
<td>48%</td>
</tr>
<tr>
<td>Competitive</td>
<td>38%</td>
</tr>
<tr>
<td>Innovative</td>
<td>26%</td>
</tr>
<tr>
<td>Friendly</td>
<td>20%</td>
</tr>
<tr>
<td>Flexible</td>
<td>19%</td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>14%</td>
</tr>
<tr>
<td>Encouraging</td>
<td>14%</td>
</tr>
<tr>
<td>Open</td>
<td>10%</td>
</tr>
<tr>
<td>Risk-taking</td>
<td>7%</td>
</tr>
<tr>
<td>Secured</td>
<td>7%</td>
</tr>
<tr>
<td>Informal</td>
<td>7%</td>
</tr>
<tr>
<td>Tense</td>
<td>7%</td>
</tr>
<tr>
<td>Conservative</td>
<td>5%</td>
</tr>
<tr>
<td>Formal</td>
<td>3%</td>
</tr>
<tr>
<td>Cheerful</td>
<td>3%</td>
</tr>
<tr>
<td>Quiet</td>
<td>1%</td>
</tr>
<tr>
<td>Closed</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: Made by the author.

There was another description given of “private company like” in that, as mentioned already, they have less political concerns among the staff, unlike other LGUs. Indeed, many agreed that staff relations were good at the city hall. An executive staff member
referred to the good relationship among managers as a legacy of B.F., as he took them out to build teamwork among them. Even with lower level staff, they knew each other across different offices, although Marikina is the biggest government unit from among the six cases, partly because of recreation events, such as the Christmas Costume Party.

As for trust by the bosses, as Figure 7-12 shows, majority of the respondents “agreed” that they feel they are trusted by their boss in terms of their job and responsibilities.

Figure 7-12 Perceived Level of Trust by the Boss – Responses to the Inquiry

“I feel I am trusted by my boss in terms of my job/responsibilities.”

Source: Made by the author.

San Juan

Regarding the organisational culture or climate of the city hall, “systematic” was the most popular response in the inquiry survey, which was followed by “competitive”, “flexible” and “friendly” (Figure 7-13).
In the interviews, however, not so many comments were made about it. One mentioned the culture of the local government prior to the current administration:

...before mayors ever come here, the culture is, is typical local government culture which is waiting for the funds to be given to them before they do anything. There is no initiative.

This statement is aligned with recognition of the mayor and the administrator that attitudes of the staff had been those of “typical public-sector” workers. It was said that such a culture had been changed to be professionalised through the mayor’s introduction of discipline into the city hall, combined with the HRM-related reforms. However, in the inquiry, “innovative” was not chosen by many respondents (2%).
Meanwhile, the level of perceived trust by the boss was mostly positive in the city hall (Figure 7-12).

**Naga**

As already described, it is recognised as the city hall culture that suggestions of the staff are welcomed by the mayor and the management. Such a culture is considered to have been nurtured since the early stage of Robredo’s administration. In the PIP, an employee circle called the “PI (Performance Improvement) Circle” was set up in each department, in which officers discussed how to improve their work processes to enhance efficiency (Ishii, 2007). Suggestions raised in each circle were brought together in the “PI Committee”, which was composed of representatives of all circles. An incentive system for innovative ideas was also introduced. It was an attempt to involve all employees, down to the bottom front-line officers, in the transformation process of the city hall.

In the inquiry survey, “systematic” was chosen by more than a half of the respondents (51%) as an option to describe the organisational culture or climate of the city hall (Figure 7-14). Such a perspective was supported by an analysis by one interviewee that the hall functions effectively because of the centralised line of decision making with the strong leadership of the mayor. Solidarity of the city was also mentioned in the interviews. They said all in the city hall – both the employees and councillors – band together with trust in the city mayor, which avoids irrational tension that occurs in other LGUs where the staff do not believe in the mayor’s capacities.

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43 PI circles actually contributed to develop the city’s programs so that it is acclaimed as “the mother of all award-winning programmes” (Robredo, 2006:39).
It was also a specific tendency of Naga that “friendly” and “open” were chosen frequently (43% and 32%, respectively). Friendliness of the hall may be associated with the statements made in the focus group interview that they prefer the family-like atmosphere which fits Filipino culture. Recognition of an open atmosphere also well reflects the city hall, where everybody is encouraged to have open communication and discussion, as described earlier. Actually, the focus group interview was a good opportunity to observe such a climate among the staff. It was only Naga from among case LGUs where all participants openly expressed their views on style. Meanwhile, nobody chose “closed”, “quiet” and “conservative” as words to illustrate their hall. The level of trust from their bosses was also perceived positively by the respondents (Figure 7-12).
**Legazpi**

Regarding organisational culture or climate, “flexible” was the most popular response in the inquiry survey in Legazpi, resulting in 43.42% of responses (Figure 7-15), while the option was supported only by 17% of the respondents in Naga. The respondents also showed a positive perspective towards trust that they obtained from their bosses (Figure 7-12).

**Figure 7-15 Description of Organisational Culture – Responses to the Inquiry in Legazpi**

Source: Made by the author.

In interviews, many stated the city hall was “harmonious”. Some explained the employees of the hall have built good relationship through the city-wide events such as the annual sport tournament and the Christmas party. It makes sense that they are trying to keep the harmony of the city hall when considering “association with colleagues” is an important source of motivation for the employees. On the other hand,
however, “tense” was also a popular option in the inquiry, which was chosen by 9.21% of the respondents.

**Dalaguete**

Regarding the organisational culture or climate of the municipal hall, many of the executive staff mentioned its home-like atmosphere among the staff, as one stated:

*Here I would say...because almost all the employees here came from this town, they’re related to this municipality, so they know each other, we know each other, so it’s easier for us, it’s easier for us to blend.*

Even the department heads are close to each other at the personal level, although Cesante pointed out that there was no inter-departmental communication when he came to the hall.

At the same time, however, the strained relations among Mayor Alcantra, the Vice Mayor Cesante, the management team and the department heads were also implied by several interviewees. In other words, a sort of political tension has grown, despite the efforts made by Cesante to eliminate such constraints during his administration.

The results of the inquiry survey on organisational culture did not show a specific feature in the municipality. It was unusual that the option of “risk taking” was chosen by 12.5% of the respondents, which is much higher than in other LGUs (Figure 7-16). Regarding the level of trust by the boss, most respondents chose “agreed” (Figure 7-12).
Consolacion

In the municipal hall of Consolacion, “friendly” was chosen by 60% of the respondents of the inquiry survey as a word describing organisational culture (Figure 7-17). It was actually an unusual result in comparison with other case LGUs. The recognised level of trust by the boss was not negative, either (Figure 7-12).

The result was, however, well supported by the statements of the interviewees that emphasised “good”, “open” and “cooperative” relations between the staff. Many of them, at the same time, explained that such relations were specific in Consolacion because, as in other municipalities, a local government hall tends to be a political arena where the political backgrounds of the staff influence human relations.
For example, one department head confessed she found it difficult to construct relations with mayors and administrators in their first terms because of her husband, who was a politician of the opposite party. Nonetheless, she had not had any problem with other department heads:

*Here in our office…we are very close; all departments are not really worrying you can look eye to eye… We can really talk to each other. This conformation we have if we can’t talk to each other then nobody is speaking with each other… That’s a very good asset that we have in this LGU all the departments are not really trying to quarrel. We can always be strong, we can only share. You can go to any department with our problems of which we can help.*

The statement of another interviewee was in line with her opinion:

*The department heads understand each other and despite all the political issues that we have, we, the department heads, stay close to each other and we try to help each other. I think that is one thing that I like very much about this department, that I will miss when I leave this department, when I leave this municipality because you go to other municipality, the departments are competing with each other, they are not very friendly but in municipality of we don’t have that, what we have is a smile for each other, understudy for each*
other, helping each other. Maybe that’s one thing that makes the municipality a very good one, good communicating, because if you go to one department because you needed help, they often have the authority and they will help. The communication is very open… When I came here I was the youngest department head and it was very new but it was easy to feel like I belonged right away and the rest followed. We had a good relationship, all the department heads.

Such a cooperative culture in the municipal hall was said to be a “legacy” of the mayor before last, who was keen to enroot “the values of working together” among the executive staff, which had succeeded up to this point.

7.6.2 Comparative Analysis

Given the observations in each LGU, Table 7-10 presents descriptions of organisational culture of the case LGUs heard in the interviews, while Table 7-11 shows the inquiry result on organisational culture. Organisational culture in local government was hard to grasp, especially with this depth of interviews and inquiry. As already mentioned in Chapter 2, what can be addressed in this research may be ‘organisational climate’ referring to the members’ perceptions in a smaller unit of the organisation at most, rather than ‘organisational culture’ as the organisation’s backgrounds beliefs and values. As shown in Table 7-11, the inquiry actually could not represent specific organisational culture of the case LGUs because the popular options of description were similar across the cases, such as “systematic”, “innovative”, “flexible”, “friendly”, and “competitive”.

Having admitting the point, some evidence could be found in statements made in the interviews. As described in Table 7-10, culture of the city hall at Marikina, San Juan

44 This thesis recognises necessity of further in-depth research to address organisational culture that is beyond the coverage of this thesis. An example of such in-depth work is presented by Hofstede (1984).
and Naga was illustrated all in association with the mayor and organisational change that the mayor has led. In Marikina, “disciplined” culture was the focus of Mayor B.F.’s reform, and was still rooted among the staff. The staff of San Juan were said to be changing their dull mode, which is “typical” of public servants, into a professional mode after Mayor J.V.’s reform. In Naga, it was reported “the city hall culture” that welcomes suggestions of the staff had been nurtured under Mayor Robredo through implementation of the PIP. “Systematic” operation under Robredo was also highlighted, as well as their trust in Robredo that leads to “solidarity” at the city hall.

Political climate was often referred in describing organisational culture in different LGUs. In Marikina and San Juan, less political concerns were emphasised in comparison with neighbouring LGUs. The municipal hall of Dalaguete did not present political climate either, but it was mentioned that the situation had been changing for the past few years because of the conflicts between the mayor and the vice mayor. Meanwhile, the case of Consolacion, where the politics is concerned in every kind of practice, surprisingly did not provide any political mode among the people at the municipal hall. It was explained as a “legacy” of a previous mayor who had focused on creating cooperative relations between the executive staff, which reflects on the inquiry results: 60% of the respondents found atmosphere of the municipal hall “friendly”.

245
Table 7-10 Perceived Organisational Culture or Climate in the case LGUs

<table>
<thead>
<tr>
<th>Description</th>
<th>Marikina</th>
<th>San Juan</th>
<th>Naga</th>
<th>Legazpi</th>
<th>Dalaguete</th>
<th>Consolacion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private-sector like culture after Mayor B.F.: “business like”, “professional”, “abiding guides”, “work hard and better” ~ “disciplined” (55%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fewer political concerns</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Typical” local government culture before the J.V.’s administration: lazy attitudes → Changing to being professional</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Encouraging the staff’s making suggestions, open communication ~ “friendly” (43%), “open” (32%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centralised decision making line effectively functioning with strong leadership of Mayor Robredo ~ “systematic” (51%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solidarity owing to trust in the mayor ~ “friendly” (43%), “open” (32%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>“Harmonious” relations among the staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Close to each other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recent political tension</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>“Good”, “open”, “cooperative” relation among the staff as a legacy of the mayor before the last who emphasised the value of collaboration ~ “friendly” (60%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Made by the author.

Table 7-11 Description of Organisational Culture: % of Choice in the Inquiry by Case LGU

<table>
<thead>
<tr>
<th>Description</th>
<th>Marikina</th>
<th>San Juan</th>
<th>Naga</th>
<th>Legazpi</th>
<th>Dalaguete</th>
<th>Consolacion</th>
</tr>
</thead>
<tbody>
<tr>
<td>systematic</td>
<td>48%</td>
<td>42%</td>
<td>51%</td>
<td>38%</td>
<td>44%</td>
<td>30%</td>
</tr>
<tr>
<td>friendly</td>
<td>20%</td>
<td>23%</td>
<td>43%</td>
<td>24%</td>
<td>31%</td>
<td>60%</td>
</tr>
<tr>
<td>cheerful</td>
<td>3%</td>
<td>10%</td>
<td>4%</td>
<td>0%</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>conservative</td>
<td>5%</td>
<td>2%</td>
<td>0%</td>
<td>1%</td>
<td>3%</td>
<td>10%</td>
</tr>
<tr>
<td>tense</td>
<td>7%</td>
<td>15%</td>
<td>2%</td>
<td>9%</td>
<td>3%</td>
<td>10%</td>
</tr>
<tr>
<td>encouraging</td>
<td>14%</td>
<td>13%</td>
<td>23%</td>
<td>21%</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>open</td>
<td>10%</td>
<td>8%</td>
<td>32%</td>
<td>20%</td>
<td>19%</td>
<td>25%</td>
</tr>
<tr>
<td>quiet</td>
<td>1%</td>
<td>4%</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>flexible</td>
<td>19%</td>
<td>23%</td>
<td>17%</td>
<td>43%</td>
<td>38%</td>
<td>10%</td>
</tr>
<tr>
<td>informal</td>
<td>7%</td>
<td>13%</td>
<td>2%</td>
<td>5%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>secured</td>
<td>7%</td>
<td>13%</td>
<td>17%</td>
<td>17%</td>
<td>6%</td>
<td>15%</td>
</tr>
<tr>
<td>competitive</td>
<td>38%</td>
<td>23%</td>
<td>32%</td>
<td>33%</td>
<td>22%</td>
<td>30%</td>
</tr>
<tr>
<td>closed</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>disciplined</td>
<td>55%</td>
<td>15%</td>
<td>13%</td>
<td>9%</td>
<td>19%</td>
<td>25%</td>
</tr>
<tr>
<td>innovative</td>
<td>26%</td>
<td>2%</td>
<td>26%</td>
<td>24%</td>
<td>19%</td>
<td>30%</td>
</tr>
<tr>
<td>formal</td>
<td>3%</td>
<td>15%</td>
<td>4%</td>
<td>4%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>bureaucratic</td>
<td>14%</td>
<td>17%</td>
<td>13%</td>
<td>18%</td>
<td>13%</td>
<td>0%</td>
</tr>
<tr>
<td>risk-taking</td>
<td>7%</td>
<td>15%</td>
<td>2%</td>
<td>7%</td>
<td>13%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: Made by the author.

Meanwhile, the inquiry on perceived level of trusts by the boss is summarised in Table 7-12. The overall tendency of the result was neutral and did not present much difference across cases, but the ratings were lower in Marikina and Naga against the theoretical presumption.
Table 7-12  Indicators of Perceived Level of Trust by the Boss

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
<td>0.97</td>
</tr>
<tr>
<td>San Juan</td>
<td>1.34</td>
</tr>
<tr>
<td>Naga</td>
<td>1.16</td>
</tr>
<tr>
<td>Legazpi</td>
<td>1.33</td>
</tr>
<tr>
<td>Dalaguete</td>
<td>1.25</td>
</tr>
<tr>
<td>Consolacion</td>
<td>1.35</td>
</tr>
</tbody>
</table>

<Responsible Questions of the Inquiry>
9. Do you feel you are trusted by your boss in terms of your job/responsibilities?
<Options of the Inquiry>
  1. strongly agree (+2)  2. agree (+1)  3. disagree (-1)  4. strongly disagree (-2)

Source: Made by the author.

7.7  External Relations

The last organisational change factor considered in the research was external relations, which is considered to have an influence on the organisation in open system assumption of the organisational theory. In this research, external agents that may have interactions with and strong impacts on the local government were identified as: other LGU, international donors, local assembly, and civil organisation in the region, which is examined as follows.

7.7.1  Observations in the Six Local Governments

**Marikina**

In terms of external relations, each department has sector-based association meetings in Metro Manila Region, where ideas of programs may be exchanged with other LGUs. They also have occasions in which to join with other LGUs in conducting city organised study tours, or in welcoming visitors from other LGUs. The city’s reputation as a good model increased the number of such visitors, which is, in turn, has become a source of pride and motivation for the staff.
Such a virtuous cycle also holds true in terms of international donor funding. Even though donors’ assistance tends to be directed to rural LGUs, Marikina has accepted a relatively good portion of external funding for programs that are the city’s initiatives, as illustrated below:

*We have direct money coming, based on our own initiative, that’s when, like we posted on the website several programmes that we’re doing and chances are, some organisations tend to see it on the website. So, what they’ll do is, send us a letter to say that they’re interested in a programme, they want to take part in a programme, and how can they do to help like the...who are needy. They go in the website; what Marikina is doing, and so they help us with some certain project, and they send us the funding, that it needs.*

As for relations with civil society, the city hall is quite open to the public as it has increased the access of individual citizens to local governance. Meanwhile, interventions with civil organisations are limited, partly because the organisations in the region are not so active despite some efforts made in the previous administration to encourage the citizens to be organised themselves.

There was no concern expressed about the relationship with the local assembly because the mayor had obtained the support of the majority of the councillors sine the time of Mayor B.F.

**San Juan**

The city of San Juan has constant occasions to share information with other LGUs in Metro Manila, although at the mayor’s level, close contacts are made only with the fellows of the national opposition party who make up around a half of the mayors of Metro Manila cities. In the case of the HR Office, for example, the department head communicated with the HR manager of Makati City to learn about their internal training programs which she is trying to introduce to San Juan. In associating with the neighbouring LGUs, many of the interviewees, however, felt they performed better than them because of their smaller size, which is easier to manage.
No specific evidence of international donor’s assistance was given in the city. Meanwhile, cooperation with NGOs in implementing programs was observed in social sectors. Such a partnership is, however, limited to a departmental basis. As a city hall, interaction with society occurs basically though the barangay visits. Relations between the city hall and the local assembly seem to be stable, having had mayors from the same family.

**Naga**

Being a member of the model city in the country, people in the city hall of Naga often have occasions to see people from other LGUs; for example, by taking in study tours. Indeed, they have no months in the year without visitors. Recognising their practices are not “perfect”, the interviewees said they tried to learn from them at the same time.

Naga is also active in committing to regional associations. The Metro Naga Development Council was initiated by the city in the early 1990s. Though aimed at solving the petroleum shortage problem caused by the Gulf War at its inception, the association has been a base of regional cooperation among LGUs around Metro Naga areas. Another association is the “Seven City Council” composed of cities in Region V, including Legazpi. The member cities regularly get together to exchange information and policy ideas.

The city has received a great deal of donor assistance, as already mentioned. It should be noted that the influences of the GOLD project were not small for Naga to develop their policies. The existence of assistance was, however, not just down to the luck of the city. Or rather, it can be said that the city has made great efforts to make the maximum use of such opportunities. It is shown by the fact that Naga is the only LGU among all recipients of GOLD to continue the practices outlined in the project. The
example of Sanggawangan in the Social Welfare Office, which was extended from a project by AusAID, also supports this.

As for civil society, the city hall has frequent contact with civil organisations through the participatory schemes of Naga. The city not only encourages active discussion by civil society at these occasions, but it also has regular consultations with them from the planning stage. Each department seems to have daily communication with civil organisations in the sector. The secretary of the NCPC, located close to the hall, also has constant communication with the city staff.

Finally, the city hall has kept constructive relations with the assembly since the mayor’s party became dominant. The vice mayor as a representative of the assembly also works closely with the mayor. As is often pointed out in the country, such a relation is the key to the smooth implementation of policies.

**Legazpi**

The city hall of Legazpi has regular contact with other LGUs, in addition to sector-based gatherings at the “Seven City Council”, which was organised with neighbouring cities in the region including Naga. Many interviewees showed confidence in their performance in comparison with other LGUs. Some of them referred to their experience of sharing their practice at a gathering as a model case. Others mentioned that what supports their “good” practice was the size of their budgets. As a capital city of the region, the city can afford to allocate relatively large budgets to individual sectors and programs.

The city has received a fair amount of international donor funding in each sector. Examples include a land-management project by AusAID, a solid-management project by ADB and a participatory local socio development project by Japan International
Cooperation Agency (JICA). The program for the maternity lie-in clinic was also partly funded by the Spanish government. The root of obtaining the first contact from these donors may vary across projects. In some cases, invitations were sent directly from the donors, responding to the mayor’s interests previously shown in Manila; for example, at occasions of national conventions. The others were through the national line agencies by which the individual department of concern was offered assistance.

Civil society is involved with the implementation of programs through sector-based organisations, as was explained above. The depth and frequencies of interaction with the civil organisations is quite different across offices.

In terms of relations with the local assembly, no specific concern was expressed during the research. Mayor Rosal remains the dominant political force and manages to make bills pass in the council. The vice mayor, who leads an opposition party, stated that the discussion in the assembly is “not active at all”, and therefore, he lobbies individually to propose his ideas on policies.

**Dalaguete**

The municipality of Dalaguete seemed to have frequent contact with neighbouring LGUs in Cebu. Each department participates in sector-based gatherings organised by an association at the provincial level. For example, the Planning and Development Office usually joins benchmark trips within Cebu Island which the Provincial League of Planning and Development Offices regularly plans to share ideas and information among the member LGUs. The Social Welfare Office also has close communication with neighbouring LGUs, so that the department head was well aware of operations in other LGUs. It might be said that LGUs in the province of Cebu tend to be active in networking.
As for relations with international donors, the municipality has received both financial and technical assistance from them. The major financial assistance came from ADB for construction of early childhood centres, and the World Bank for infrastructure development, both of which were accompanied by training components. Cesante explained in the interview that Dalaguete came to be one of the first recipients of the ADB project because an invitation letter was mis-sent to the municipal hall by fax. Knowing about the project, Cesante and the Social Welfare Department contacted to the project office aggressively to be included in the first phase of the project. To obtain the funds from the World Bank, the mayor’s office of Cesante worked hard at developing a good proposal. Technical assistance has also been provided by bi-lateral aid agencies and international NGOs. Many of them were targeted at Cebu Island and Dalaguete benefitted as one of the composing municipalities.

The municipal hall has relations with civil society mainly through the Information and Education Campaign in a planned program. While there are NGOs in the municipality, they may not be active in advocacy and program implementation. The voice of the constituencies seemed to be represented by barangay officials who frequently visited the municipal hall.

Finally, as repeatedly mentioned, the relations with the local assembly came to be tense because of the split of two parties led by the mayor and the vice mayor.

**Consolacion**

The municipality of Consolacion joined an association formed with two other neighbouring municipalities. The mayor, the administrator and some of the department heads attend a meeting of this association regularly to share information on development programs with others. As was observed in Dalaguete, sector departments also have regular communication with other LGUs at the meetings organised on a
provincial level, where information on program implementation is shared. Therefore, the department heads were well informed of the situations of other LGUs.

It was not observed that the municipality of Consolacion received direct assistance from international donors, though some of the national programs they were implementing were funded by external sources. One of the department heads pointed out that the LGUs did not realise the opportunities of donor assistance, although many donor agencies might be interested in providing support.

The municipal hall did not have much intervention with the civil organisations because, as discussed already, they were not active in the area. The relations with the local assembly appear to be peaceful in the municipality. It was mentioned that the debates had turned more active recently, which was perceived as a good sign of democracy by one interviewee, as no serious debate on policies had been encountered in the council before.

### 7.7.2 Comparative Analysis

Table 7-13 summarises the findings of external relations in the case LGUs. Relations with other LGUs are promoted by the national line departments and their regional offices that provide opportunities to LGU staff to communicate with those from other LGUs. In this regard, the regional offices in Cebu seemed to be active in coordinating communications among member LGUs. The regional office for planning and development of Cebu even arranges study tours for planning officers to visit other LGUs in Cebu. Some LGUs conducted study tours on their own to visit and learn from other LGUs, which seemed to have positive impacts on the staff of both LGUs. For example, the staff of Marikina may be motivated by an occasion to see such visitors from other LGUs as their city is appreciated as a model for others. While these
interactions are sectorally based, in Bichol region, voluntary associations of the city halls are formed by neighbouring LGUs.

<table>
<thead>
<tr>
<th>Table 7-13 External Relations of the Case LGUs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marikina</td>
</tr>
<tr>
<td>Sector-based communication in Metro Manila, Accepting visitors (study tour etc.)</td>
</tr>
<tr>
<td>San Juan</td>
</tr>
<tr>
<td>Sector-based communication in the Metro Manila</td>
</tr>
<tr>
<td>Naga</td>
</tr>
<tr>
<td>Cooperation/ info exchange in “Seven City Council” and “Metro Naga Dev’t Council”, Accepting visitors (study tour etc.)</td>
</tr>
<tr>
<td>Legazpi</td>
</tr>
<tr>
<td>Cooperation/ info exchange in “Seven City Council”, Sector-based communication in Bichol</td>
</tr>
<tr>
<td>Dalaguete</td>
</tr>
<tr>
<td>Sector-based communication in Cebu</td>
</tr>
<tr>
<td>Consolacion</td>
</tr>
<tr>
<td>Sector-based communication in Cebu</td>
</tr>
</tbody>
</table>

Source: Made by the author.

International donors’ interventions were observed in Marikina, Naga, Legazpi and Dalaguete. Naga was a recipient of GOLD, a long-run project of USAID, and also received assistance from AusAID. What was noteworthy in Naga is the city has been continuing what they learned in the assisted projects by adapting to their demands after the termination of support, which is the ideal of external assistance but may hardly be practiced in other LGUs.

Looking at how the LGU comes to be a recipient of a donor, it was revealed that Legazpi and Dalaguete, where a good part of training and development is provided by
donors, attempted to look for opportunities of support and to attract donors where possible. On the contrary, in Consolacion, such effort was not observed. Meanwhile, Marikina accepts donors’ support despite of their preference of rural LGUs to Metro Manila cities, through such a virtuous cycle: the innovative programs of the city are recognised by the donor, for example through their website, and an offer for assistance comes from the donor’s side.

Local assembly is another external agent that may intervene in the local government. It is typically reported in the country that program plans do not pass the local council so that implementation of development programs cannot be progressed among the cases. Such evidence was given only in Dalaguete, where a sort of political conflict had been continuing, because in other LGUs, the mayors had taken a majority in the assembly and thus relations between the government and assembly were stable. It may be problematic in a sense, however, where the local council is dominated by one party without any accountability mechanism in local governance. For example, one of the interviewees in Consolacion confessed there had been no serious debates on policies until recently, which he found undemocratic.

Finally, organisations in civil society are recognised as important external agencies for the local government particularly in considering public participation. In this regard, as addressed above in Chapter 6, two provincial cities, Naga and Legazpi, have more active communications with local NGOs from the stage of policy making and cooperate with them in program implementation. In Metro Manila, where constituencies are diversified and not much organised, involvement of the citizen tends to be individually based. Hence, Marikina used to encourage the citizens to organise themselves so that they can be partners of the city hall. Meanwhile, municipal halls of Dalaguete and Consolacion may find it difficult to have closer relations with civil organisations since such organisations are not active in their regions.
8 Organisational Transformation and Performances of Decentralised Local Governments

In the final chapter, the research questions of this thesis are answered based on an analysis of empirical observations. First, responses to the first research question, which were already addressed in Chapter 6, are summarised and further investigated. Then, the second research question – ‘What factors that make a difference in local governments under decentralisation in the Philippines in terms of achievement of expected outcomes of decentralisation?’ – is investigated by examining the case analysis in reference to the assumption of theoretical analysis. Finally, the third research question: ‘What are the implications for donor agencies assisting decentralisation processes in other developing countries?’ is examined combining all discourse made above.

8.1 How Much Have Local Governments Achieved?

The achievements made in the case LGUs – the responses to the first research question of this thesis – were addressed above in Chapter 6, where service provision of selected sectors was analysed in terms of its creativity and responsiveness, and public participation was investigated with the analytical framework that shows extent, content, and participants of participatory arrangements. Based on these analyses, Figure 8-1 illustrated the levels of achievements of the six case LGUs cases. This figure represents comparative positions of the cases and therefore, distances from the two axes are not absolute.
Services provided in regional development, registration, health, and social welfare were compared in Table 6-4 that presents original or special programs observed in each LGU. Creativity-wise, while original programs of regional development were observed in all cases, mainly for promoting private investments and frequently led by the mayor’s initiative, evidence of special programs in health and social welfare sectors – both of which are non-revenue-generating sectors – varied across LGUs and were often initiated by sector offices. Particularly in Marikina, Naga and Legazpi, special programs had been developed by respective departments with original ideas to address local problems. Considering responsiveness, the programs of Naga and Legazpi could be more responsive than others, as they involve constituencies in planning. In the case of Legazpi, however, political allocation of the programs within the region may diminish their responsiveness. It was also the case of Consolacion, where politics mattered in programs limited in regional development. In San Juan and Dalaguete, social programs as well as regional development programs had been initiated mainly by the mayors. In Dalaguete, however, a multi-sector program launched by the mayor’s initiative was not
sustained because of a change in administration. Registration is one of the sectors delegated to local government after the LGC, but not much evidence of improvement was observed because the sector is basically instructed by the national government.

Participatory schemes of the case LGUs were assessed with the framework as shown in Table 6-6. Being obvious on face of this table, practices in Naga are advanced further than others in all dimensions, as is widely recognised in the country. Legazpi follows Naga in that it involves local stakeholders in sector meetings on program planning, making the best use of the LDC mechanism. In the Metro Manila cities, Marikina and San Juan, partnership level of participation could be found only in some sector-based cooperation. They rather work on information dissemination to and consultation with their diversified constituencies. Marikina is particularly keen on this, providing various means to be accessed by the citizens. Meanwhile, municipalities of Dalaguete and Consolacion are far behind in terms of participation, although Dalaguete organises consultation meetings for the program recipients.

It could be said that LGUs attempt to involve their constituencies in local governance in a feasible and efficient manner. While provincial city governments try to cooperate with local NGOs to fill their gaps in social service delivery, highly urbanized city governments make efforts to enlarge public access to local governance rather than involve diversified civil organisations. On the other hand, municipal governments are behind city governments in terms of public participation, perhaps because of capacities and attitudes of the citizens as well as traditional authoritarian attitudes on the government side. It was noteworthy that even in the most advanced LGUs, perception and understanding of some local staff towards the purpose of public participation was negative.
Overall, achievements in service delivery vary by sector, whereas those in public participation can be roughly categorised by attributes of LGUs. In both fields, however, the levels of achievements are different depending on individual LGUs, even though they are provided with the same ‘mechanic’ arrangements of devolution defined in the LGC. Resource dependency theory is also denied here, as shown in the figure above; provincial cities perform better than Metro Manila cities, while performance of the 4th class Dalaguete exceeds that of the 1st class Consolacion.

8.2 What Makes a Difference in Decentralised Local Governments?

Then, what makes a difference across these LGUs? That is the second research question of this thesis and has been the main subject of this thesis. The working hypothesis for this question presented in Chapter 2 was: ‘Delegation of authorities to the lower-level staff, the staff’s recognition of the delegated authorities, enhanced motivation of the staff to their job, transformed organisational culture, which are all associated with the Local Chief Executive’s leadership, would lead to better performances of LGU as a whole’. To assess this hypothesis, the organisational change factors were analysed in Chapter 7. In this section, analysis of Chapter 7 is to be examined in relation with the LGU’s performances summarised in 8.1.

Table 8-1 presents comparison of the cases for this purpose. Items for comparison are set on the horizontal rows considering the analysis in Chapter 7: organisational change experiences, organisational change factors, achievements of the case, and inter-relations between them.
Table 8-1 Comparison of the Case LGUs

<table>
<thead>
<tr>
<th></th>
<th>Naga</th>
<th>Marikina</th>
<th>Legazpi</th>
<th>San Juan</th>
<th>Dalaguete</th>
<th>Consolacion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Change momentum</td>
<td>yes</td>
<td>yes</td>
<td>-</td>
<td>(yes)</td>
<td>yes</td>
<td>-</td>
</tr>
<tr>
<td>2. Leadership -&gt; Change</td>
<td>yes</td>
<td>yes</td>
<td>-</td>
<td>(yes)</td>
<td>yes</td>
<td>-</td>
</tr>
<tr>
<td>3. Distributed autonomies</td>
<td>☎</td>
<td>☎</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>×</td>
</tr>
<tr>
<td>4. Autonomies -&gt; Initiatives</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>(yes)</td>
<td>(yes)</td>
<td>-</td>
</tr>
<tr>
<td>5. HRM system</td>
<td>☎</td>
<td>☎</td>
<td>△</td>
<td>○</td>
<td>△~×</td>
<td>△~×</td>
</tr>
<tr>
<td>6. Performance -&gt; Motivation</td>
<td>yes</td>
<td>yes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7. Leadership -&gt; Culture</td>
<td>yes</td>
<td>yes</td>
<td>-</td>
<td>yes</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>8. Involving the citizens</td>
<td>☎</td>
<td>○</td>
<td>○~◎</td>
<td>△~◎</td>
<td>△</td>
<td>×</td>
</tr>
<tr>
<td>9. Donors’ intervention</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>-</td>
<td>yes</td>
<td>-</td>
</tr>
<tr>
<td>10. Local assembly Service</td>
<td>stable</td>
<td>stable</td>
<td>stable</td>
<td>stable</td>
<td>tense</td>
<td>stable</td>
</tr>
<tr>
<td>Achievements</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Participation Achievements</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

◎ Very much advanced/ ○ Advanced/ △ Not much advanced/ × Not advanced at all

Source: Made by the author.

In the two rows on the top, organisational change experiences are compared based on the analysis in 7.1.2. In Naga, Marikina, and Dalaguete, organisational change momentum was clearly identified (no.1) and in all of these cases, change was perceived in association with leadership of a particular mayor (no.2). In the case of Dalaguete, however, such understanding was shared among the executive staff but not much among the lower level staff. They may not be fully a part of the change process in the municipal hall. Meanwhile, in San Juan, some staff identified a change momentum brought by a mayor, but not by the others. In all of the LGUs, impacts of the LGC does not bring as substantial a change as changes in administration do, although it did encourage individual LGUs and their mayors to seek better performance.

Comparison of distributed autonomies follows in the two rows below. The perceived levels of distributed autonomies are rated in four-levels from ☎ to × (no.3). Naga and
Marikina were the advanced examples in this, while in the other cases, issues related with individual offices are mostly left – not necessarily in an encouraging manner, though – to each department, except in Consolacion. Interestingly, a similar systematic arrangement was observed across LGUs but its functional impacts on distributed autonomies varied. While the assumption of the thesis was to address the extent of autonomies that are distributed to the staff further down, what could be observed in the cases were mainly autonomies distributed to department heads as the executive staff apart from in Naga and Marikina where some evidence was given that the lower staff is encouraged to make suggestions with their autonomies.

In the next row, it is compared whether the program initiatives are led by the staff other than the mayor as a result of distributed autonomies (no.4), referring to the analysis in 7.2.2. As discussed in 8.1, Naga, Marikina and Legazpi, some of the special programs were initiated by department heads. In San Juan and Dalaguete, some activities for improving service provision were conducted by individual department's capacities, but they did not reach the level of programs. No such evidence was found in Consolacion. Therefore, it is shown that distribution of autonomies could be a necessary but not sufficient condition for sector-based improvement of services, though again, the observed initiatives were just of the executive staff and not of the line level staff.

Below the comparison of initiatives, HRM related systems, including recruitment, evaluation, motivation management and internal training provision, are rated across the LGUs (no.5). While most of the basic systems are instructed by the CSC, implementation of them is left to each LGU and its levels were quite varied. Naga and Marikina, appreciated as ◎, not only rigidly follow the provided guides, but also introduce original tools of HRM so as to motivate the staff and enhance their capacities. It was observed that San Juan had been making an effort in this field to follow the practices of these two cities, but they did not conduct training on their own. In Legazpi,
Dalaguete, Consolacion, some of the systems were practiced but quite ritually. A commonly reported problem in these LGUs was that they recruit the staff on political basis. In the two municipalities, Dalaguete and Consolacion, instruments for motivation management were not set up, and training events were not arranged internally, either.

Motivation was assessed in Chapter 7 to find income is the largest motive for the local government staff across the LGUs. While contribution to socio-economic development of the region through public services was revealed to be an important source of motivation in the municipalities, Dalaguete and Consolacion, in Marikina and Naga, the staff was much encouraged by being a member of a well performing organisation. Theoretically, motivation is a factor to lead better performance of the organisation but what was indicated here is actually a reverse causality of the theory. Nonetheless, it can be understood that these cases present a virtuous cycle of motivation and performance of the LGU, which is illustrated in the table (no.6).

Organisational culture or climate was hard to address in the thesis. Descriptions made by the interviewees on the organisational culture were analysed in Chapter 7, and three LGUs – Naga, Marikina and San Juan – were identified as cases in which their organisational culture was described in relation with leadership of the mayor and following organisational change that was referred to earlier. The table highlights this finding (no.7), because although the evidence could not verify what was the organisational culture of these local government halls, it can be said at least, the staff perceived that the change led by the mayor had some kind of impact on the organisational culture of their halls.

LGUs were observed to intervene with external agents as assumed in the open-system model of organisation. External relations are compared in the table in terms of those with the citizens, donors and local assemblies (no.8, no.9, no.10). Relations with the
other LGUs were examined in Chapter 7 but omitted here, as all cases had any kind of communications with their neighbouring LGUs, which are often encouraged by the national government.

Interactions with the citizens are more frequent naturally in the LGUs where participatory schemes are developed, such as Naga and Legazpi. Whereas interactions and involvement of the citizens is associated with achievements in participation, more importantly, this, in turn, leads to improvement in service delivery, because the citizen’s input enhance responsiveness of the services.

Donors’ interventions were recognised in Naga, Marikina, Legazpi and Dalaguete. It was noteworthy that Naga has been sustaining the practices introduced by donors’ projects and has even modified or expanded them. It was also observed that Legazpi and Dalaguete actively sought for opportunities to be supported by the donors.

Relations with local assemblies were stable in most of the cases, as their mayors had taken majorities of the council, except in Dalaguete where tensions between the mayor and the vice mayor were appearing.

In the bottom, achievements of the cases are ranked both in terms of service delivery and public participation, based on the conclusion obtained above in 8.1. After all, by comparing the organisational change and its factors, which correlate with each other, across the case LGUs, it can be concluded that the two top performers, Naga and Marikina, present models of organic change that is close to the ‘transformational’ model of organisational change theory presented in the working hypothesis. What does not fit these cases is that the devolved authorities do not really reach to the lower level staff, despite of the assumption of empowerment theories, perhaps partly because of their attitudes or capacity limitation to exercise the authorities. Nonetheless, it is true that
both cases are making improvement as a whole organisation supported by the efforts and creativity of individual offices. Their HRM practices might contribute to enhance the staff’s motivation and to develop their capacities to deal with the distributed responsibilities. The cities are also good at making use of the external resources provided by international donors for improving services. In this regard, San Juan may be a potential performer, as it experienced organisational change led by a mayor which accompanied cultural change, and autonomies are distributed to the staff to a certain extent. But the limitation of the city might be caused by the moderate range of the change, as many members do not share the perceptions towards the change momentum. The case of Dalaguete might be similar to San Juan. The organisational change brought by a mayor saw basic autonomies distributed to the staff, but it was neither accompanied by resistance nor cultural change. The change itself was not perceived by members of the organisation apart from the executives. Thus, the reforms of the mayor were not deeply rooted in the administration. It could be assumed, if ‘transformational’ type leadership was exercised there, it would have changed the overall organisational culture of LGU, and might have sustained improvements.

On the other hand, even where such an ideal model is not applied, service improvements were surely observed. Legazpi is the very case of this pattern. Although no change momentum was identified in the city hall, initiatives to improve services were made from individual offices. It also involved the civil organisations in program planning and implementation, which, in turn, enhanced responsiveness of their programs. This case implies when department heads of a LGU are delegated authorities, it is more likely that the original efforts to improve their services are to be made, which fits the principle of empowerment theories, although it cannot be a sufficient condition of good performance, as the case of San Juan shows. Regarding public participation, correlations between the organisational factors and achievements seem to be a little more complicated, though, because a condition such as readiness of civil society does
matter outside of the local government hall. The capacity of the society side might be an issue in the case of Dalaguete and Consolacion, when it tries to involve the citizens in policy planning.

Politics was recognised as an undeniable factor of LGU management in the Philippines, which was observed in many case LGUs and most typically appeared in Consolacion. In this regard, rigid implementation of HRM system might become an effective tool to minimise such political influence on administrative practices as well as to motivate the staff working there. The problem is left, however, as a leader with strong discipline is required to ensure such implementation.

In conclusion, what makes a difference in decentralised local government is the totality of organisational change factors considered in this thesis organically relating with each other. While an ideal model of organisational change that was derived from leadership theories – dynamic and soft-oriented change led by a ‘transformational’ leader – is recognised, potential to achieve the expected outcomes does exist even where such change has not been experienced yet, particularly if the staff are allowed to exercise their autonomy. Nevertheless, there may be no single success model to make a local government become a good performer. What can be clearly said is that ‘mechanistic’ arrangements provided by the national decentralisation reform did not lead to the expected outcomes of the reform by themselves, as was disputed by critical authors, such as Bennington (2000) and Hartley et al. (2002). ‘Organic’ factors of decentralised local government definitely need to be considered to have preferable achievements, which is aligned with the argument of cognitive theorists of empowerment study. Moreover, the provided resource gap cannot be a determinant of different performances of decentralised local government.
8.3 What are the Academic Implications for Decentralisation Discourses?

As mentioned in Chapter 1, this thesis potentially contributes to decentralisation reform discourses through its micro-level analysis and its attempts to identify the causal factors that differentiate local government performances under decentralisation. Most of the preceding literatures in this field have approached the issue from macro perspectives, without duly analysing the impacts of decentralisation reform on individual local governments. Leadership of the local chief executives may be referred as a factor to differentiate local government performance, but it has hardly been examined seriously, either.

Secondly, the micro-level analysis based on organisational theories undertaken in this research has successfully illustrated the dynamism seen within the local government halls of the Philippines that present varied performances against the expected outcomes of the reform. As far as achievements are concerned, each local government addresses local governance issues in its own manner, reflecting its own socio-economic or organisational backgrounds. In this regard, the impact of decentralisation on people’s participation varies across local governments because the incentives both of local government and the citizens for participation differ depending on backgrounds, social construction and capacities of the local government and the society. As for service provision, variation of creativity was observed especially in the social sector, in which the initiatives of the respective department or the mayor do matter. Meanwhile, the respectiveness of the service programs varied, reflecting the participatory schemes of the local government.

Dynamism discussed in this thesis covers multiple organisational aspects – both ‘hard’ and ‘soft’ – that have not been considered earlier. Leadership, which has been widely argued as an explanatory factor, continues to be an important ‘soft’ factor, but it does
not exist in a vacuum. For example, findings showed that performances might be initiated by individual offices that are permitted by their leaders to exercise their autonomies. In this sense, this thesis has presented deeper insights into leadership within a decentralised local government. The survey conducted as part of this thesis also offered interesting observations on the local staff's motivation, which had not been addressed earlier, either.

Despite the mechanistic assumption of the reforms, none of the ‘hard’ systems introduced by the local government after the LGC – for example, participatory schemes, recruitment and evaluation systems and employee awards –functioned similarly within different local governments. This thesis highlighted the limitations of mechanistic introduction of reforms and indicated the significance of ‘soft’ and ‘hard’ factors in making an organic change in a government organisation under the reform. Thus, as suggested in Chapter 2, there is no single model for the success of decentralisation; neither is a linear change process of decentralised local government advisable. Indeed, decentralisation reform should be contextual, just as any other kind of reform. Hence, analyses such as this, with micro perspective, should be encouraged to have clearer understanding of decentralised local government.

The above findings also have significant implications for studies on the local government in the Philippines. For example, in contrast to the earlier studies that emphasised the continuities of the local argument, this thesis confirmed the emergence of a new type LGU management after the LGC. Neither the patron-client theory nor the discourses on bossism rightly explain the new type leaders and their management because they are ill-equipped to deal with the improved services in the social sectors and the enhanced participation of the citizens in local governance, evidences of which were presented in this thesis. In other words, this thesis offers a new interpretation of the LGC, unlike the preceding arguments that have refrained from appreciating the
LGC, treating it as an administrative issue instead. As illustrated in this thesis, the LGC actually introduced political changes, paving the way for efforts from the local government for better performance in the areas of people’s participation and service delivery. Although the current author does not overemphasis the impact of the LGC because it could just be a ‘mechanic’ system as argued above, she does highlight the potential of the reform and the steadily emerging new generation of local governments.

8.4 What are the Practical Implications for International Donor Assistance?

This section addresses the third research question of this thesis: practical implications for donor assistance. Firstly, it is clear from the findings that a simple installation of off-the-shelf decentralisation reform that tends to be pursued by international donors will not necessarily result in the outcomes expected of the reform in local government. As repeatedly mentioned, legally required participatory mechanisms might become tokenistic in some local governments. Similarly, management meetings and HRM systems introduced under instructions from the national government do not succeed in realising the outcome across local governments.

Based on the analysis on differentiating factors, nurturing capacity of local governments – particularly, the local chief executives’ capacity to manage the local government as an organisation, delegating their authorities to their subordinates – may be a key factor in donor assistance to provide substantial change at the local level. Of course, donors can develop capacities of individual offices of local governments, considering initiatives made by department heads, as observed in the cases. In such a case, however, it should be ensured that the offices are given enough autonomy to perform within their capacities.
Having admitted the limitations of a hard system, institutionalisation of ideal practices seems to be, at least, the first step towards improvement, as evidenced in some of the well performing LGUs, where the LGC was recognised as a reform accelerator. In this sense, support for rigid HRM system could be a solution to overcome the negative influences of politics on local government management. What is important is that institutionalisation should be accompanied by incentives for the local government to follow, to ensure that the system is substantial.

Another implication for donors is that not many local governments have managed to sustain introduced practices after the donor’s departure. The challenge here is, possibly, the adaptation to local demands, which is often seen in any kind of donor assistance. As was observed in Naga, which has made the best use of donors’ projects by adapting what they learned to their local situations, ensuring that the local governments have capacities to adapt and implement the program even after the donor leaves is more important than introducing something new. It is understandable that Marikina attracts offers of support from the donor’s side, as such problem must be well recognised among donors and it is much safer and easier to assist those with their own plans already. However, it might be more effective to have competitive program bids for selecting project sites, rather than looking for existing plans, so that governments work hard on creating program plans that meet their local needs. Some donors have included this measure in their funding schemes. Such arrangement might also motivate the staff of the local government. As seen in Marikina and Naga, improvements made by the local government are a good source of encouragement for the governmental staff.

45 According to unofficial interviews with donor agencies, however, in many cases, project sites are selected from pre-determined priority regions of a donor, rather than a demand-and-commitment basis.
Finally, given the significant roles played by the regional associations or local offices of national governments in training and development of local government staff, capacity building of the national agencies is still necessary for training of trainers. To prevent the training from being treated as just an “outing” for the staff, it is necessary to ensure the commitment of the supervisors and the training participants, or provide certificates for training that may be associated with rewards for the staff. In addition, since individual governments function as the informational link between the local governments, supporting their efforts at dissemination of good practices across the regions, as the University of the Philippines is attempting, may be useful.

Table 8-2 Implications and Suggested Remedies for International Donor Assistance

<table>
<thead>
<tr>
<th>Implications to Donor’s Assistance</th>
<th>Suggested Remedies to be Taken</th>
</tr>
</thead>
</table>
| 1. Off-the-shelf reform does not necessarily result in the expected reform outcomes in individual local governments | 1-1. Capacity building for organisational management of local government, and for the local chief executive in particular  
1-2. Ensuring autonomy of the department of concern  
1-3. Institutionalisation of ideal practices, such as HRM systems, accompanied by incentive mechanisms for local government to follow the practice |
| 2. Donor-assisted programs are hardly sustained after termination of the assistance partly because of failure in adaptation to the local context | 2-1. Ensuring autonomous implementation of the local government  
2-2. Introducing competitive bits in selecting project sites, which may, in turn, motivate the staff |
| 3. Roles of the national government agencies and regional associations in training and development of the local staff are still vital | 3-1. Capacity building of the national government agencies to provide training and development to local government  
3-2. Strengthening their roles as information sharing coordinators among local governments |

Source: Made by the author.

Table 8-2 summarises the implications of this study and proposes some remedial measures. Systematic efforts involving elaborate case studies are required to further our understanding of decentralised local government, which can be utilised in development practices. It is indeed an area in which academics and practitioners, both
in donor and recipient countries, can collaborate with each other to make a difference in decentralised local government.
Bibliography


CITY OF SAN JUAN (n.d. b) Organizational Chart, City of San Juan, Metro Manila. San Juan, Philippines.

CITY OF SAN JUAN (n.d. c) Existing Land Use. San Juan, Philippines.


GALING POOK FOUNDATION (n.d. a) GP Solutions

GALING POOK FOUNDATION (n.d. b) Award Categories.


ISA (n.d.) Leaflet of ISA, Institute of Solidarity in Asia, Makati City, the Philippines.


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WORLD BANK (2009) World Development Indicators Database.

Appendix 1  Map of the Philippines

Naga City (Camarines Sur)
Marikina City
City of San Juan
Region X: Bicol
Legazpi City (Albay)
Region XII: Central Visayas
Municipality of Consolacion (Cebu)
Municipality of Dalaguete (Cebu)
Appendix 2 Items of Interviews

Executive Interview
1. What do you think was the momentum of change of the office after decentralisation?
2. How did the change affect on your job and responsibilities?
3. How has the office been making efforts in improving public services since then?
4. How has the office been making efforts in enhancing public participation in policy making?
5. How much autonomy is provided to the department and yourself to conduct the job efficiently?
6. How much autonomy do you provide to your staff in your department?
7. What kinds of training opportunities are provided to the officers in your department so as to let them develop skills required to conduct their job/responsibilities successfully?
8. What is your main motive to the job?
9. How do you describe the organisational culture/atmosphere of the department?
10. How do you describe the organisational culture/atmosphere of the office as a whole?
11. Do you have opportunities to communicate with external parties, such as people from other LGUs and with citizens’ organisations?

[Specific to the Executive or Financial Manager]
1. What is the financial structure of the office? (Main sources of revenue etc.)
2. What kinds of donor assistance does the office receive?

Focus Group Interview
<Local Officers>
1. [those serving more than ten years] What was the momentum of change of the office after decentralisation?
2. [those serving more than ten years] How did the change affect on your job and responsibilities?
3. How much autonomy is provided to the department and yourself to conduct the job efficiently?
4. What is your main motive to the job?
5. How do you describe the organisational culture/atmosphere of your department?

6. How do you describe the organisational culture/atmosphere of the office as a whole?

7. Do you have opportunities to communicate with external parties, such as people from other LGUs and with citizens’ organisations?

<Residents>

1. Do you find any change of the local office after decentralisation?

2. How do you find the response of the local office/officers?

3. How do you find the qualities of current services provided by the local office?

4. Are you well informed of the decisions made by the local office?

5. How do you find the given opportunities to participate in local policy making?
## Appendix 3 Questionnaires for Local Officers

### About Yourself

1. Department
   
   
2. Position
   - clerk
   - officer
   - chief of division
   - head of department

3. Length of Service in the Local Office
   
   ( ) years

4. Previous Job (if any)
   - other department
   - other LGU
   - national government
   - private

### Perception towards Job/Responsibilities

5. Do you think your department is provided enough autonomy to conduct its job/responsibilities efficiently?
   - strongly agree
   - agree
   - disagree
   - strongly disagree

6. Do you think you yourself are provided enough autonomy to conduct your job/responsibilities efficiently?
   - strongly agree
   - agree
   - disagree
   - strongly disagree

7. Do you think you are provided enough training opportunities to develop skills required to conduct your job/responsibilities successfully?
   - strongly agree
   - agree
   - disagree
   - strongly disagree

8. Which fits best to describe the relation between your boss and you? Please choose one (1) option from the followings.
   - commander - follower relation
   - father/mother - child relation
   - manager - staff relation
   - friends relation
   - none of the above

9. Do you feel you are trusted by your boss in terms of your job/responsibilities?
   - strongly agree
   - agree
   - disagree
   - strongly disagree

### Work Motivation

10. How much do you think you are committed to the job?
    - very much committed
    - much committed
    - committed

11. What is your main motive to the job? Please choose up to three (3) options from the followings.
    - income
    - career development/promotion
    - self development
    - recognition by the boss
    - recognition by colleagues
    - being thanked by the citizens
    - economic development of the region
    - improved welfare of the citizens
    - association with colleagues
    - other

12. Do you think your current job is rewarding enough?
    - very much
    - much
    - not so much
    - not at all
13. Given a good job opportunity outside the local government, do you think you would stay at the current job?

☐ yes  ☐ no

Organisational Culture of the Office

14. How do you describe the culture or atmosphere of your department? Please choose up to three (3) options from the followings.

☐ systematic  ☐ friendly  ☐ cheerful  ☐ conservative  ☐ tense

☐ encouraging  ☐ open  ☐ quiet  ☐ flexible  ☐ informal

☐ secured  ☐ competitive  ☐ closed  ☐ disciplined  ☐ innovative

☐ formal  ☐ bureaucratic  ☐ risk-taking

15. How do you describe the culture or atmosphere of the local government as a whole? Please choose up to three (3) options from the followings.

☐ systematic  ☐ friendly  ☐ cheerful  ☐ conservative  ☐ tense

☐ encouraging  ☐ open  ☐ quiet  ☐ flexible  ☐ informal

☐ secured  ☐ competitive  ☐ closed  ☐ disciplined  ☐ innovative

☐ formal  ☐ bureaucratic  ☐ risk-taking

Public Services

16. Do you think the services provided by the local government meet public needs?

☐ strongly agree  ☐ agree  ☐ disagree  ☐ strongly disagree

17. Do you think your department makes efforts to improve public services so as to meet the public needs?

☐ strongly agree  ☐ agree  ☐ disagree  ☐ strongly disagree

Local Democracy/ Citizen Participation

18. Do you think the office provides enough opportunities for public participation to the citizens?

☐ strongly agree  ☐ agree  ☐ disagree  ☐ strongly disagree

19. Do you think the citizens are well informed to participate in local decision-making?

☐ strongly agree  ☐ agree  ☐ disagree  ☐ strongly disagree

20. What do you think is the main objective of public participation schemes? Please choose one (1) option from the followings.

☐ to obtain the primary criteria for decision making of the local government

☐ to obtain a reference for decision making of the local government

☐ to obtain support of the citizens to the decisions which are made by the local government

☐ to fulfill legal and/or public demands for public participation

☐ none of the above